

Harvard Deusto

Business Research



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Letter from Guest Editor

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There are 11 papers in this issue. Understandably, 7 of these deal with Covid-19. The papers on Covid come from mainly Africa and Europe. When analysing these papers, I note a common picture that is painted of the Covid-19 papers. With all the alarm bells of business continuity, it was heartening to find researchers suggesting that during the downturn, opportunities are likely present.

Overall, the papers represent a good collection of discussions, concerns, and variants of what can, and would be as the search for meaning continues.

The first paper titled **'the effectiveness of social media marketing: a case of Lagos state Nigeria'**, written by Ikenna Franklin Eze, Ephias Ruhode and Chux Gervase Iwu echo the necessity for a focused social media marketing strategy for small businesses in Nigeria. Making use of the popular Task-Technology-Fit (TTF) model, they argue that effective marketing is needed by small businesses and such can be sustained using new technological platforms. Perhaps no sector has been hard hit by the Corona Virus like the tourism sector. Tourism in any economy relies on public transportation systems. Exploring how **COVID-19 has impacted the taxi industry in the City of Johannesburg, South Africa**, Nicola Wakelin-Theron, and Wilfred Isioma Ukpere noted among others, taxi drivers' anxiety, loneliness and uncertainty owing to the lockdown regulations.

In their paper which focuses on **Algorithmic trading based on the fear of COVID-19 in Europe**, Raúl Gómez Martínez, Camilo Prado Román, and Gabriel Cachón Rodríguez have engaged a new line of research based on finding metrics that are adequate indicators of investor optimism and pessimism, and the correlation of these metrics with the market. This is important especially given the fear that the Corona Virus brought with it. Syeda Zara Mazahir and Zia ur Rehman have argued in their paper **'A quantitative research to investigate the relationship of factors affecting employee. Empowerment on organization performance'** that employee loyalty, as well as service quality, mediates an association between employee empowerment and financial performance in Pakistan. Furthering gender entrepreneurship research, Simon Nsengimana and Visvanathan Naicker made use of the quantitative approach to **explore how gender affects new entrepreneurial feminism creation in Kigali, Rwanda**. They found among others that push factors relating to the necessity entrepreneurs overshadowed the pull factors linked to opportunity entrepreneurs.

Convinced that small and medium retailers contribute to the growth of the South African economy, Isaac Abe and Virimai Mugobo offer some insight to how Covid-19 has impacted the small and medium retailers in South Africa. Their paper - **The post-COVID-19 retail landscapes: Perceptions of Small and Medium Size Retailers in South Africa** - thus suggests that there is a need to reassess the

sector to improve its capacity. There is no doubt that health workers face enormous health challenges of their own during a pandemic. And this is in part what Foluso Philip Adekanmbi and Wilfred Isioma Ukpere set out to examine in their paper **‘Promoting the Mental Health of Healthcare Workers during COVID19 Pandemic: the influence of psychosomatic problems (work-related stress), social support, fear of COVID-19 and demographics’** in Nigeria. **The authors note that** efficient and comprehensive actions should be taken promptly to positively increase the healthcare workers’ mental and social health.

The paper, **COVID-19 pandemic and the South African township economy: A focus on King Williams Town, Eastern Cape, South Africa**, is authored by the trio of Solomon Omonona, Olabanji Oni and Olugbenga Joseph Oluwole. The paper reports that the pandemic has negatively affected micro and small businesses to such an extent that business continuity is in doubt post Covid. Post Covid-19, many businesses are unlikely to feature. Therefore, it is critical to start early to seek survival strategies for them in Nigeria. That’s the argument of Uchenna Eze Benneth, Daniel Agbi Babatunde, and Oluwaseun Adenuga Ademolu in their paper - **COVID-19 pandemic: a qualitative evaluation of MSMEs survival strategies in Nigeria**. Their paper offers some interesting strategies for MSMEs survival.

Understanding Chinese culture is critical to appreciating how its research practices are cultivated. This is the view of Martin Sposato in the paper **‘A note on what do we talk about when we talk about Chinese Research?’** who argues that this approach presents a clearer picture of the different cultural (Asian) influences.

Patricia Vargas Portillo offers **‘Brief notes on the effects of the coronavirus on e-sales of small and medium-sized companies in Spain’**. Here, Patricia urges us to be circumspect in how we relate with customers these days because they have equally become wise.

Enjoy the read!

The effectiveness of social media marketing: a case of Lagos state Nigeria

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Abstract

Small businesses are drivers of any economy because of their capacity to, among others, provide employment to the people and the owners. Their extinction will greatly affect a nation. This study focused on small enterprises in Lagos, Nigeria and how social media is deployed in them. The study is necessary because most small enterprises in Nigeria do not make it past the first few years of operation. Perhaps the adoption of social media by small businesses in Lagos may create extra opportunities for their growth. A questionnaire was employed to collect data from participants since it was less expensive and allowed for huge amounts of data to be gathered in a short amount of time. This study shows that the majority of small enterprises in Nigeria employ social media to promote their goods and services. Most business owners confirmed that the platform is efficient when applied in business. The findings also reveal that some enterprise owners are still yet to implement social media marketing into their advertising plans. Some implications and recommendations are flagged.

Key words

Social media; social media marketing; business development; small businesses; advertising, information communication technology.

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1. Introduction

The advent of social media has changed the way individuals and enterprises connect and relate with each other. While digital social networks were initially created for social connections at individual and family levels, businesses have since established opportunities to advertise their latest products, connect with consumers and suppliers, manage relationships with other corporations, etc. Individuals and businesses have adopted digital social network sites like Instagram, Twitter and Facebook, and they have become part of human life (Alalwan et al., 2016). The popularity of digital social networks has made it necessary for businesses to adopt innovative marketing strategies to register their company in the hearts of the customer (Abdul & Nor 2016).

The social media revolution is noticeable in business enterprises because, in the pre-social media era, company owners paid for radio and television commercials and moved from door to door with posters to get the public to notice their company. Proof of the advantages of digital social media to businesses abounds in the literature. According to Castronovo (2012), businesses in Canada employ social media to grow their sales prospects and generate awareness of their business. Sports gambling companies leverage social media for client loyalty and communication, according to Edwards (2017). This helped them build long-term connections with their clients, which is linked to brand loyalty. Nyambu (2013) investigated the effects of promotion on social networks and its influence on telecommunications companies in Kenya. According to the studies, social media helped telecoms companies, especially Safaricom, develop by giving a venue for effective, low-cost advertising. According to a study conducted in Polokwane, South Africa, social media increased retail revenue growth; for this reason, businesses yet to integrate a social media tactic in their promotional mix should do so, since being online will likely have a positive effect on their business (Oni & Papazafeiropolou 2014).

While the benefits of social media to big and established corporations are well documented, there is scant literature on the same benefits to small businesses, primarily in the thriving commercial hotspot of Lagos, the Island. Broadly, this paper attempts to establish the role that social media plays in promoting small businesses in a developing country context. Specifically, the paper studied the effectiveness of social media marketing in Lagos, Nigeria. The small business landscape in Nigeria has been selected as the empirical case. The importance of the small business sector to the Nigerian economy cannot be overemphasized, especially in the backdrop of its contribution to job creation, and consequently enhancing the lives of the employees and the owners. As Akingbolu (2014) stated, most small businesses in Nigeria do not make it past the first few years of operation. This could be a consequence of inadequate marketing or failure to integrate the current advertising trends and approaches, such as applying social media into a firm's marketing plan. After all, ineffective marketing techniques are one of the most significant issues that small businesses confront when it comes to advertising (Walt 2013).

2. Theoretical framework

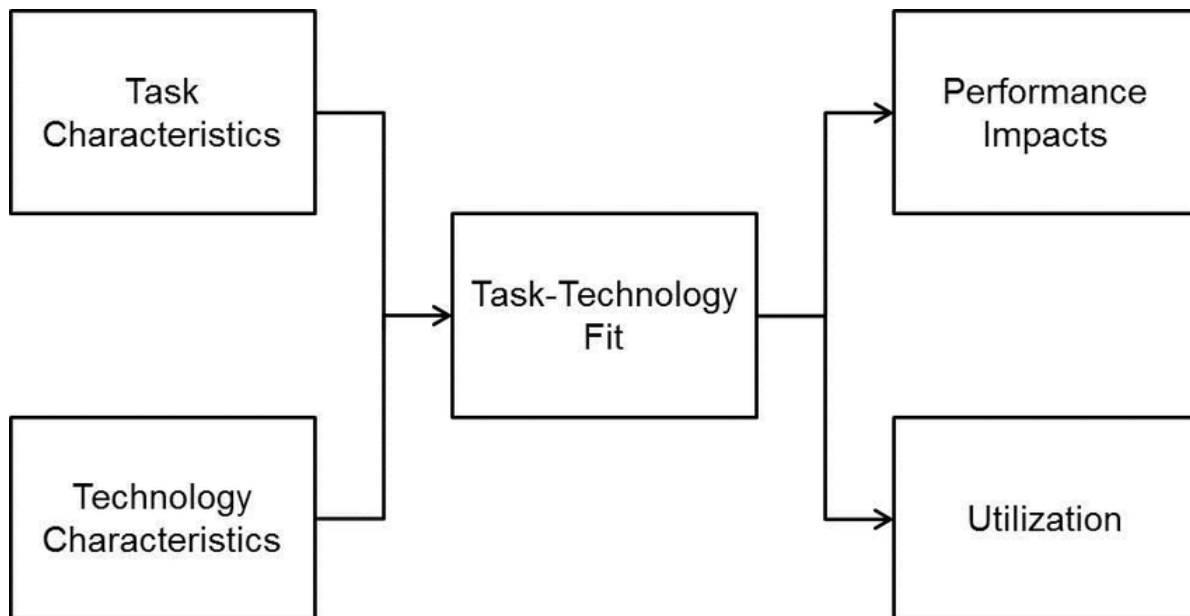
ICT (information communication technology) instruments that are compatible with daily business activities have emerged as a result of technological improvement. In today's business world, using ICT technologies is no longer an option; it is a requirement for any company.

The task-technology fit theory was used in this study to show how information systems (IS) and SMEs may work together to assist small businesses in reaching their goals.

Task-technology fit (TTF) is described as “the degree to which technology assists an individual in performing his or her portfolio or tasks” (Goodhue & Thompson, 1995:216). Goodhue and Thompson discovered that “fit” had a substantial effect on individual performance and system usage. In the context of business, it refers to what extent information technology, such as social networks, can assist businesses in promoting their products and services to the general public. Social networks present small businesses with mutual benefits as enterprise owners can apply the platform to promote their goods, and the online community will reply by showing readiness to buy the product. TTF has been tested in exploratory circumstances such as in the transportation and insurance industries, where the employers affirmed that if the task to be performed fits the technology, performance will be significantly impacted (Goodhue & Thompson, 1995). When Staples and Seddon (2004) researched college students, they discovered that whenever there was a connection between fit and the objective for which the technology was deployed, the students' grades dramatically increased. In the same vein, Goodhue and Thompson (1995, p 213) asserted further that “for information technology to have a constructive impact on individual performance, the technology (i) must be utilized and (ii) must be a good fit with the tasks it supports.” From an enterprise point of view, (i) technology (social media) must be applied by the business and the intended target, and (ii) it must suit the objective for which the technology was intended. Employing social media when marketing is an excellent fit for small enterprises because recently released figures show that Facebook has 2.3 billion active users (Statista, 2018). The 2.3 billion Facebook users are prospective clients for any enterprise that promotes its product on the platform.

TTF looks at how people use technology based on four features, which are “technology characteristics, task characteristics, individual characteristics, and utilization. These four concepts shape the general concepts of the TTF (Goodhue and Thompson, 1995)”.

Figure 1

Task technology fit model

Source: Adapted from Goodhue and Thompson, 1995.

In the context of this study, task characteristics denotes advertising carried out using a social network site. With respect to technological characteristics, we assume technology characteristics to mean social media. Performance impacts refer to the extent to which the individual can sufficiently achieve results using the technology. Regarding our study, Individual characteristics will represent the owner/manager's understanding of social network sites. The utilization concept shares a close association with the performance impact in that it refers to using a technology such as social media when conducting a task.

3. Literature review

There are several ways by which social media empowers business owners, for example, giving them a channel to engage with customers, and convincing them that their product is superior than the competition. It also gives clients a way to compare product costs with those of other competing brands without having to leave their homes, as well as express negative or positive

feedback to other consumers on the site, which will help the firm grow (Malthouse, Haenlein, Skiera, Wege & Zhang 2013). The potential of social media in securing financially rewarding exposure to both big and small businesses through advertising has been documented in extant literature.

In this section, we review literature that discuss how businesses have benefited from advertising through social media. The review offers a mix of examples from both the Western world and developing economies.

Lacoste (2016) conducted a study in France to see how managers use social media to communicate with their consumers. They discovered that the platform was used to create long-term relationships with clients and prospects, as well as persuade people to buy from them rather than the competitors. Swani et al. (2017) studied 214 Fortune 500 companies' usage of Facebook and how they can employ emotional appeal on the platform to lure consumers to patronize them. Their studies revealed that when companies use their firm brand names and make psychological appeals to buyers or potential customers, the online community notices them and, as a result, patronizes their items.

In addition, when Nguyen, Yu, Melewan, and Chen (2015) surveyed 357 SMEs in China, they focused on branding done on social networking platforms by small businesses. They discovered that when businesses advertise on social media, they better understand their current and future customers, making it easier for them to serve each client individually. This is one of the benefits of applying the platform in business.

Karjaluoto, Mustonen, and Ulkuniemi (2015) conducted a survey of 60 companies and identified three key sections where social media may assist organizations. They used a case study to highlight the power of social media, which is establishing a relationship with clients, assisting with turnover (sales), and raising awareness. Customers are conversing online, they said, and firms should take advantage of this.

Another study by Jarvinen and Tarminen (2016) looked into how companies employ social networking sites for promotion. They concluded that companies that provide informative, funny, and relevant information on their social media accounts make more money than those that do not. In a similar line, Khan and Karodia (2013) revealed that more than 94 percent of South African big businesses use social media methods when targeting customers in a study on the usability of social networks for advertisement. Additionally, 71% agreed that the platform was beneficial for creating business awareness.

Waithaka, Muturi, and Nyabuto (2014) claim that firms who market themselves on social networks have a better chance of increasing their business because Twitter and Facebook have proven to be effective in reaching a specific audience and connecting with them at a low cost. Hence, the greater the number of consumers they reach, the higher the return of investment (ROI) they get. The results of Qurashi et al. (2014) study in Islamabad in Pakistan specified that social networks are an excellent fit for businesses that want to sell to a larger audience and target specific individuals for their products.

Furthermore, in India, Bethapudi (2013) noted that ICT in the tourist business proved to be crucial to its success since it allowed people to instantly obtain tourist services from anywhere in the world. In addition, a single post on the site can reach millions of customers.

Another study in Jordan revealed that social media platforms were beneficial in establishing communications with clients and speaking online, exchanging material, and allowing corporations to make their information available on the network (Rumman & Alhadid, 2014).

Also, Kenly and Poston (2016) examined 91 manufacturing and service companies and discovered that those who employed social media in their business reaped a range of benefits. The advantages included a cheaper way of advertising, more innovative concepts developed from the virtual community, and brand awareness. These advancements increased the exposure of the businesses and increased their revenue. These reports reiterate the benefits of marketing on social media and why businesses cannot do without the platform.

In a multicultural study by Szolnoki, et al (2014) regarding how wine makers in Australia utilized social networks in their business. The authors discovered that the platform was an avenue by which the winemakers communicated with their consumers in real-time.

Social media sites also represent innovation and cost-effective conversing methods between consumers and organizations (Leefflang et al., 2014). Besides its ability to send information anywhere globally and obtain comments from clients in an unpolluted manner (Shilbury, Westerbeek, Quick, Funk, & Karg 2014). Furthermore, a study by Roberts and Candi (2014) reported that the platforms have made it possible for consumers to propose new product ideas, suggest the things that organizations need to improve upon.

Qureshi, Nasim, and Whitty (2014) interviewed 85 participants in a study in Lahore, Pakistan, on the impact of social networks as a promotional channel on consumer preferences in the food service business, and they concluded that most companies employed the platform daily for promotional information and product reviews. The platform was also important, according to the participants, as it allowed and changed customers' perspectives of the restaurant as a business.

In Nigeria, Alakali, Alu, Tarnong, and Ogbu (2014) explored how some enterprises exploited social media technology to access the global market. According to evidence, companies in Nigeria were able to sell their products, ideas, and services internationally thanks to social media marketing. Because small companies are known to be suited in their surrounding area, social media offers them an avenue to expand their customers globally.

A study carried out in Faisalabad by Ali, Muhammad, Mashal, and Abid (2016) used multiple regression analysis to examine the effect of social media advertising on consumer opinion. The findings uncovered that the platform substantially influenced how customers perceive a company and its products and services.

In addition, a study by Otugo and Uzuegbunam (2015) looked at the advertisement that was piloted on social media among three hundred college students in Nigeria's Eastern area. The outcome revealed that most of the students still remembered the previous advertisements they had seen on Facebook. Respondents disclosed that they have come across product

advertisements such as restaurants, guesthouses, real estate, etc. Companies should use funny pictures or images when advertising so it would stick in the minds of the consumers.

According to research conducted by Kwok and Yu (2013), tourism customers frequently evaluate previous consumer feedback when on social media using scores of restaurants and hotels before making reservations. In an analysis carried out by Nwokah and Aeenee (2017) in Rivers State, Nigeria, a link exists between Facebook and increasing car dealers' revenues in the state. They concluded that advertising companies should draw the attention of the virtual community by posting catchy and appealing images on their social media page.

The effects of new media marketing on SMEs in Ogun State, Nigeria, was investigated by Omotayo, Akinyele, and Akinyele (2015). The outcome revealed that the platform had a noteworthy positive influence on SME company performance in the Ota city.

According to a Pew Research study published in 2015, the majority of smartphone users in seven Sub-Saharan African nations, including Senegal, Nigeria, South Africa, Ghana, Kenya, Tanzania, and Uganda, used their phones primarily to access social networking sites. Due to improved internet connectivity and strong mobile adoption in Africa, this number is anticipated to climb. This increases the worth of internet advertising for small businesses by allowing them to reach a larger audience through their cell devices.

4. Social network reach

A glance at the present number of social media users reveals how rapidly the platform has grown recently. As of January 2018, seventy-five percent (75%) of online users employed social media sites, according to the Pew Research Center. Facebook, whose users makeup 71% of individuals online, remains the site of preference (Pew research center 2014). To date, Facebook has about 2.2 billion active users, nearly 20% of the global population (Statista, 2018).

Reach is the number of people in the target market (Sterne, 2010), and it is among the most significant factors that impact a brand. Social networking has created a means for enterprises to spread their reach and bring their merchandise closer to their customers through a combination of technology and social interaction. As quoted by ISACA (2010), "of the Fortune Global 100 companies, 65 percent have active Twitter accounts, 54 percent have Facebook pages". That is the key reason why companies have chosen to communicate with potential clients in social media marketing-immediate contact. Facebook users invest more than a quarter of their time on the internet, reading Facebook news updates and engaging with them. This behavior constitutes four percent of the total online activities in the United Kingdom. Users are more likely to accept branded content in the timeline than to visit the fan page directly, according to Lipsman et al (2012).

With the number of social media customers around the globe, it has become easier for companies to tap into multiple marketing channels (Perdue, 2010). Users are people who spend a lot of time on the internet and could be potential consumers. Although the rationale for using social media differs widely, brand awareness represents a step in the right direction. Social media

advertising focuses not on products but on people (Diamond, 2015). As a result, practically every sort of business has explored going online at some point. Even the academe is beginning to “embrace social media and realizing the potential power and implications for using it as a component of their overall marketing mix” (Reuben 2008). Companies can learn about their future customers and choose how best to suit their desires and expectations. Reach can now be achieved faster, more affordably, and more effectively, perhaps leading to enhanced corporate growth.

5. Social media as a cheaper means of advertising

Fisher (2009) states that advertising professionals' various recent decisions are the need to explain preferences for online communications over conventional advertising methods. Historically, marketing spending on distribution messages has always been by cash and is commonly seen as high expenditure (Weinberg & Pehlivan, 2011). However, there are currently several free or inexpensive solutions which can be used successfully. In comparison to traditional media, which is usually expensive, a social media strategy does not necessitate a large budget (Hanna et al., 2011). As cited by many academics, Social media networks are cost-effective and lucrative marketing techniques (Ainin et al., 2015). Furthermore, it is possible to generate target groups and disseminate structured promotions to these individuals using social media at lesser costs (Dong-Hun, 2010). Because most social platforms are free to join, the price is frequently determined by the amount of time spent crafting messages and responding to consumer feedback (Zappe, 2010).

Aside from being an inexpensive platform, social media allows for a successful expansion of interactive content sharing through geographic distances to vast numbers of people (Korda & Itani, 2013). The cost of targeting consumers outside those boundaries may be far higher by traditional media. With more than two billion users on Facebook, customers are increasingly drifting away from the conventional media as an avenue to access product and service information. As a result, businesses now benefit from implementing creative, strategic brand initiatives that effectively connect and reach their customers in various ways, across multiple channels, without requiring high-cost marketing advertising and innovation (Hanna et al., 2011). For example, Hello health is well-known and profitable due to its low-cost use of the platform to engage with customers, particularly about drug prescriptions (Hawn, 2009). With the application of social media potentially leading to real cost savings, it has become a vital choice for most small businesses which are generally peddled with limited resources (Hoffman & Fodor, 2010).

6. Methodology

The research was conducted on the Island of Lagos state. The island boasts a large presence of different sectoral companies from wholesale/retail, clothing (retail) and the hospitality businesses

including restaurants. Considering the lack of a reliable database to feed from, the research covered all the sectors in Lekki-axis, Balogun market, Ikoyi, and Victoria Island.

Lagos state is the most populated city in Nigeria and on the continent. Much of the small business trading is known to take place in Lagos Island. As stated by John, et al (2013), it is one of the highest-growing cities in the world. It is further regarded as the financial capital of Nigeria (Bigthink.com, 2018). As of 2015, the population of Lagos state was approximately twenty-one million (National Bureau of Statistics, 2015). As Ahmed (2012) points out, SMEs account for more than 90% of employment in Nigeria. These characterizations justified the choice of Lagos, and in particular, Lagos Island, as the focus of the study.

This quantitative research intended to understand how useful social media is when employed for business development. The social media application employed in this study were Twitter, Instagram, and Facebook. These platforms were chosen because they are the most prominent social networking sites in Nigeria (Olufemi, 2016). Questionnaire was employed as a means of data collection.

6.1. Data collection

A questionnaire was applied as an instrument to collect data. The questionnaire was sent to the participants by email as well as by personal delivery. The questionnaire was created with the three social media networks in mind- Facebook, Instagram, and Twitter. A questionnaire was used due to its inexpensive nature, and the capacity to collect large data within a short space of time (Al- Mubarak,1997). A pilot study was carried out to discover if the questionnaire was ready for distribution and through the pilot study, the researchers found out that some of the questions were vague, or incomplete. This led to further scrutiny of the questionnaire until it was ready for distribution. SPSS 25th edition was used to analyze the received data. Descriptive statistics were also employed to explain the received data.

6.2. Population

The target population comprised companies in the hospitality business including restaurants, wholesale/retail, clothing (retail). Because of the lack of a certified register of small enterprises operating in Lagos State, Nigeria, we followed the methodological example of Maduekwe and Kamala (2016) to select from the population of different sectoral businesses a sample of three hundred and seventy-one small enterprises whose owners/managers constituted the subjects. This method was successfully implemented by Eze (2019). The researchers carefully selected three hundred and seventy-one business managers/owners who they considered made all of the decisions in their respective businesses, had a reasonable understanding of social networks, and were likely to be leveraging the platform for business development. Finally, all the small businesses that participated in the survey had fifty or fewer workers.

It is important to note that out of the three hundred and seventy-one questionnaires that were distributed, only one hundred and ninety-five (195) operable questionnaires were returned and used in this study.

6.3. Sampling technique

Alternative sample techniques, like random sampling, were not practicable as there was no directory of small enterprises operating on Lagos Island. Past researchers have applied this approach, and the result was productive (Monette, Sullivan & De Jong, 2005). Sampling aims to ensure that the correct population is identified during the procedure (Mouton, 2006). Owing to this, we implemented the purposive method to choose three hundred and seventy-one small enterprises. The usage of this approach was motivated by the researchers' objective, which was to ensure that the targeted sample included the managers/owners that possess the traits to address the study aims (De Vos et al., 2011; Maree 2007).

6.4. Design of the questionnaire

The questionnaire was created with 3 key platforms in mind: Facebook, Instagram, and Twitter, which are the three sites highlighted in this study. The questionnaire, including the consent letter, was five pages long in total. The letter of consent was to obtain approval from the participants and to assure them that all data about them or their company would be reserved for the purpose of this research only. Some items in the questionnaire were adapted from Goodhue and Thompson (1995), and Orji (2018) whilst the rest were drawn from literature to address the questions of the study.

The questionnaire began with basic questions on which social network site the businesses employed. It was further filtered to the three social media sites that were chosen for the research. In addition, participants were asked questions about how useful social media is for advertising activities and how respondents employed social media in their businesses; and factors that could deter an enterprise from using the platform in their business. Also, the questionnaire contained questions about the company profile of the respondent and questions about task-technology compatibility.

6.5. Findings

First, it was vital to confirm that we had targeted the right respondents. So, we required that the respondents specify their rank in the business. With reference to the rank of the participants in the business, we found that 59.4% of the respondents were owners while 40.6% were managers of an enterprise (as shown in Table 1). This affirmed that the suitable respondents were targeted whose owners/managers were the participants.

Table 1

Respondents position in the business

Managers	40.6 %
Owner	59.4 %

Source: Authors' compilation.

Table 2

Respondents' usage of social media

Yes	86.7 %
No	13.3 %

Source: Authors' compilation.

Based on the 195 surveyed businesses, 86.7% of them agreed to be using either Facebook, Instagram, or Twitter (see Table 2), while 13.3% did not employ any social network platform in their business.

6.6. The kind of social media platform employed by the respondents

With respect to Table 3, Instagram was identified as the most used social media site with 35.4% of the participants agreeing to employ the platform, in second place is Facebook at 26.7%, followed by Twitter with 15.9%. 4.1% of the participants used other social network sites like LinkedIn and WhatsApp. The mean further reaffirms Instagram as the most employed social network site at (2.05), followed by Facebook at 1.75, while Twitter has 1.49. The high standard deviation would suggest that most of the participants of this study used social media in their business. This study is consistent with Phua et al. (2017), who looked at users' use social platforms and discovered that Instagram was the most used by customers to track their favourite brand.

Table 3

The type of social media platform employed for advertising

Figure	Social application site	Portion who (utilized the application regularly)	Respondents (n = 195) - Mean	Standard deviation
1	Facebook	26.7%	1.75	1.006
2	Twitter	15.9%	1.49	0.846
3	Instagram	35.4%	2.05	1.194
4	Other	4.1%	0.03	0.173

Source: Authors' compilation.

6.7 The effectiveness of employing social media for advertising

The respondents were required to specify how effective social media was to their business when used for marketing purposes. 63.3% of the respondents cited Instagram as the most effective social network platform, Facebook was chosen by 55.5%, while Twitter had only 45.6% (see Table 4). The mean further shows Instagram as the most effective with 3.57, accompanied by Facebook at 3.52, while Twitter with only 3.12. The findings are comparable to those of Stelzner (2016), who discovered that several of the participants promoted their items on Instagram and Facebook.

Table 4

An assessment of the effectiveness of using social networks for advertising

Social media platform utilized for advertising	Perceived effectiveness	Respondents (n= 195) - Mean	Standard deviation
Facebook	55.5%	3.52	1.305
Twitter	45.6%	3.12	1.269
Instagram	63.3%	3.57	1.252

Source: Authors' compilation.

6.8. Measuring the efficacy of social media

The respondents who reported that social media was effective in their enterprise were asked how they accessed the usefulness of these platforms in their enterprise. The respondents had to choose between a yes or a no response.

Table 5

Measuring the efficiency of social media

Apparatus	Yes	No
Percentage of the respondents who measured the effectiveness of using social media in their business	75.7%	24.3%
Increase in fans/followers/like	46.5%	53.5%

Retweets	23.3%	76.7%
Comments	39.5%	60.5%
Share of conversation	17.8%	82.2%
Referral	17.8%	82.2%
Number of customers attracted via social network sites	54.2%	45.8%

Source: Authors' compilation.

According to Table 5, 75.7 percent of participants measured the effectiveness of social networks in their company and the rest 24.3 percent did not. The amount of clients drawn via social media was highlighted as the most successful technique to enhance a small business by 54.2 percent of the 75.7 percent that assessed the efficacy of social media in their firm, while 45.8 did not. An increase in fans/followers/like was chosen by 46.5% and it was canceled out by 53.5% who did not agree. Comments had 39.5% of owners/managers in favour while 60.5% did not agree with it. Retweets were mentioned as a means to gauge the efficacy of social media by 23.3 percent of respondents, while 76.7 percent were against it. Share of conversation and referral both had 17.8% of the participants agreeing to this method, while 82.2% did not accept the method as a way to measure the efficiency of social media platforms. This result is similar to a study conducted in the United States by Hsu and Ting (2013). They stated that effective use of new media elements like "likes" and "comments" increased sales by providing valuable and engaging updates as well as replying to feedback.

7. Implications for theory and practice

Small businesses are needed in every country, especially a country like Nigeria where unemployment is on the rise. When small businesses are not growing, it affects the entire country because (1) they cannot hire people (as stated by Ahmed, 2012, small businesses hire up to 90% of the Nigerian workforce) (2) they cannot open new branches, (3) poverty and crime will increase (Maduekwe & Kamala, 2016). Research has shown that small businesses in Nigeria are not growing, which is why most of them do not survive past the first few years of operation. This could be because of inadequate marketing, such as only advertising using the traditional method or not advertising at all. The traditional method of advertising can only attract clients who are in the same vicinity as the business. More than ever, effective marketing is needed by small businesses such as advertising using social media platforms which have proven to get the attention of millions of people which is not surprising considering the number of people who log in to these platforms on a daily basis (Copley, 2014).

Finally, the Nigerian government should also work with the internet service providers (ISP) to make data affordable so enterprise owners/managers who are not yet convinced of the profits of social media in their enterprise to jump at the opportunity and use the platform to attract people all over to buy from them.

8. Conclusion

Small businesses are critical to a country's economy since they create employment for both employees and owners. Their elimination would have a significant impact on a country. According to study, advertising on social media will substantially assist smaller companies in growing and increasing sales. In Nigeria, just like most parts of the world, businesses use social media for so many reasons, such as marketing, reaching the global market, and making more sales. Most surveyed companies in this study used social media as specified in the findings. Instagram was noted as the most common social media platform, followed by Facebook and Twitter.

This research has confirmed that social networks are effective when employed in business, so it is imperative that every business owner/manager who is yet to implement these platforms in their day-to-day activities should do so now as there are benefits from doing so.

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Exploring the impact of COVID-19 on the taxi industry in the City of Johannesburg

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Abstract

The tourism sector is currently one of the hardest hit by the pandemic, with impacts on both travel supply and demand. The transport system forms a key part of tourism, including the tourist experience at a destination. This research sought to understand how the taxi industry operates within the City of Johannesburg under the government restrictions imposed during COVID-19.

The study adopted a qualitative research approach, based on interpretative phenomenological analysis (IPA) to explore the topic. Semi-structured individual interviews were conducted with participants who were purposively selected from the Johannesburg CBD taxi rank.

Insufficient sanitisation and the breaching of curfews were observed. Limited guidance was provided during the initial stages of the pandemic, with no formal training. Financial support was made available, but drivers did not receive funds, as they did not comply with the requirements for membership of the Unemployment Insurance Fund (UIF) and Temporary Employee Relief Scheme (TERS) (Melzer, 2020). Illegal full-capacity loading and price increases were also evident. All participants seem to have expressed some form of anxiety, loneliness and uncertainty. Few suggestions were proposed towards sustainable practices and innovative technological means to support the industry during the lockdown and going forward.

Key words

COVID-19, taxi industry, unregulated, economic and social impacts.

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1. Introduction

COVID-19 has affected every business and tourism destination globally, including cultural tourism, mega sports events, religious pilgrimages and safari tours, as well as the transport industry that supports these destinations. Transportation plays an active role in the socio-economic development of South Africa. The taxi industry empowers black South Africans at a time when they have few economic opportunities (McCaul, 1990; Carol, 2006). The taxi industry is a private, predominantly black-owned segment of the transport sector, and rooted in the informal sector (Van Dalsen, 2018). The South African taxi industry is noteworthy and extremely different from other taxi-transportation systems in the world.

Employment creation is the greatest challenge facing South Africa, requiring solutions from a social, economic and political angle (Altman, 2013; DoL, 2006). The taxi industry provides opportunities for self-employment, and thus contributes to the economic development and growth of the country. The minibus industry supports black South African commuters by offering a cheaper substitute for formalised public transportation. Minibus taxis are the norm in South Africa's metropolitan and suburban areas (Fobosi, 2019).

Even before COVID-19, many South African households experienced a lack of income or limited income, as well as uncertainty related to unemployment and retrenchments in a VUCA-world (Wakelin-Theron, Ukpere & Spowart, 2019), which made many of them even more vulnerable during the pandemic. The livelihoods of the vast majority of households continue to be threatened by the triple challenge of pervasive poverty, inequality and unemployment (South African Government, 2020; Ukpere, 2011). Given its labour-intensive nature, travel and tourism will be hard hit, with many jobs at risk, especially those held by women, youths and marginalised groups (UNWTO, 2020). No economy can experience growth without transportation.

2. Problem statement

The taxi industry has experienced mass disruption, which has led to a fight for survival amidst severe economic lockdown. In fact, the taxi industry, which operates within the City of Johannesburg, seems to have faced enormous challenges under the government-imposed restrictions during COVID-19 lockdowns.

2.1 Research Questions

The research questions of this study were:

- How has the COVID-19 pandemic impacted the taxi industry?
- What type of support has the industry received so far?
- Is there fear of COVID-19 amongst taxi operators?
- What possible changes could be implemented in the taxi industry in the near future?

- What are the possible ways to ameliorate the impact of the COVID-19 on the taxi industry?

2.2 Research Objectives

The objectives of this study were:

- To determine how the COVID-19 pandemic has impacted the taxi industry;
- To identify the type of support the taxi industry received so far during this pandemic;
- To establish if there is fear of COVID-19 amongst taxi operators;
- To identify possible changes that could be implemented in the taxi industry in the near future; and
- To proffer mechanisms to ameliorate the impact of COVID-19 on the taxi industry.

3. Theoretical framework

The taxi industry operates within a system. It consists of a cohesive group of individuals whose operations are interdependent and interrelated. Systems theory describes this interdependence of relationships created in organisations. Growth depends on the degree of adaptation and how well the system engages with its environment. Adaptation of a system approach brings a single, unified framework that provides order and simplification, especially for entrepreneurs, small business enterprises and individuals. Nevertheless, COVID-19 has disrupted the taxi transportation system, and changing one part of a system may affect other parts or the entire system (Mochalin, Tyrnova, & Levkin, 2017). The present research looked at the general impact of COVID-19 on the self-regulated taxi industry, taking into perspective future considerations using the systems theory.

4. Literature Review

4.1 The self-regulated taxi industry

The South African minibus taxi industry is largely self-regulated (Van Dalsen, 2018). The taxi industry has become a form of public transport that collects and drops off passengers to and from various destinations that are also serviced by a rail network or official public transportation networks, but also in geographical areas not serviced by public transportation. Transportation routes are determined by the taxi drivers/owners, with no predetermined stops. Their stopping points depend on passengers' demands (Fobosi, 2019). Taxi fares are unregulated, and the taxis operate on a strictly cash-only basis (Shah, 2019). There is fierce competition for passengers, especially on lucrative routes. Taxi operators come together to form local taxi associations. Van Dalsen (2018) notes that, as there is no way to confirm the amount, revenue estimate can only

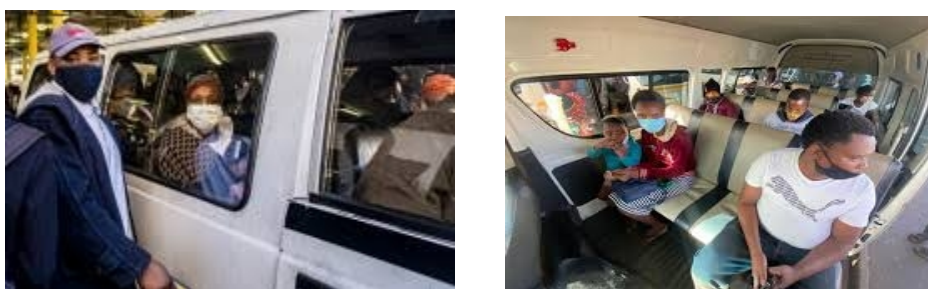
be an educated guess. The South African taxi industry's revenue is projected to be approximately R50 billion per annum.

The largely self-regulated taxi industry does not operate within the parameters of the labour law (Fourie, 2003). However, there have been renewed calls to urgently regulate the industry (Shah, 2019). Most taxis operate from very early in the mornings to late into the night. Workers in the taxi industry function within an informal employment structure, such as verbal agreements, with flexible wages. Drivers normally seek solutions to their individual problems; hence, there is no need for collective action.

The taxi industry is run privately because it is financed without state support. Thus, the industry lends itself to exploitative labour practices (van Dalsen, 2018). Drivers are often unaware of their rights as enshrined in the labour laws. They are given daily financial targets to meet. There is no way to establish the exact amount collected by drivers in fares, because the whole industry resists a smartcard payment system. In the absence of adherence to Occupational Health and Safety Act (OHSA) regulations and the Basic Conditions of Employment Act (BCEA), it is questionable how employees operate within the industry.

Figure 1

Commuters in a taxi at Johannesburg CBD Taxi Rank



Source: Fieldwork photos.

Indeed, the taxi industry has been inactive in complying with the requirements of the Unemployment Insurance Fund (UIF), and resists employees' attempts to register (UIF, 2018/2019). Yet, the taxi industry is also changing, as competition is intensifying. In fact, the industry has become more regulated, as evidenced by the existence of various taxi associations. The taxi industry is recognised as part of the public transport sector and requires formal permission to operate. Taxi owners have to be members of a recognised taxi association to be permitted to operate on certain routes. The South African National Taxi Council (SANTACO) is the umbrella governing body for the taxi industry, and more than 250 000 minibus taxis are registered in South Africa (Fobosi, 2020; Melzer, 2020). The industry employs about 300 000 taxi drivers and 100 000 taxi marshals at taxi ranks. It benefits 10 000 car washers and 150 000 vendors at various taxi ranks. Although SANTACO has no regulatory powers, it prides itself on being an association mandated to bring law and order to an unregulated industry (Van Dalsen, 2018). Given the high unemployment rate in South Africa, the importance of the taxi industry cannot be underestimated. Therefore, it is vital that taxi drivers have special skills, such as good

communication and interpersonal skills, since they deal with customers from various backgrounds. They also have to be competent drivers with good knowledge of the road and traffic systems, in addition to good knowledge of geographical locations.

4.2 The South African government's typology of interventions and risks

Currently, there is no proven formula to balance efforts to fight the pandemic with the imperativeness of sustaining livelihoods and ensuring more participation in the economy. Hence, South Africa faces the dual challenges of saving lives and the country's economy in the face of a range of intractable economic problems that include a high unemployment rate, low economic growth and a fall in per-capita income. All these are compounded by a complex set of risks associated with government measures towards containing the spread of COVID-19 (Van den Heever, 2020). In other words, within this pandemic, the economy and healthcare seem to be opposing fronts.

A risk intervention to fight COVID-19 (see Table 1, below) was enunciated by the South African government, which prescribed the economic activities during different levels of lockdown. This risk intervention identified five different levels, with Level 5 being the hardest lockdown. In other words, more activities (transportation of goods and services) and movement of people are permitted as the levels decrease.

A phased easing of restrictions offered some relief amid fears that the number of failed businesses and job losses will be far higher than the fatalities from COVID-19. The taxi industry was severely affected by the hardest lockdown restrictions under Level 5. Regulations were amended to accommodate the industry's concerns regarding the measures implemented to minimise the spread of COVID-19 during the Level 5 lockdown. Operational hours and the number of passengers who may be transported per trip were limited (no more than seven passengers in a 15-seater vehicle). This was in accordance with the social distancing requirements outlined at a news conference by the Minister of Transport, Fikile Mbalula (Mlamla, 2020). At first, the Level 5 lockdown standard operating time was 05:00 to 10:00 and 16:00 to 21:00. According to Mbalula (2020), this would accommodate commuters who needed to visit shopping centres, banks and pharmacies. The initial decision was revised to lessen the financial losses sustained by the taxi industry during the lockdown (Maeko, 2020).

Table 1

Typology of interventions and risks: Risk adjustment strategy for economic activity

Level	Sectors Permitted	Transport restrictions	Movement restrictions
Level 5: High virus spread, but low readiness	Only essential services	Buses, taxis, and e-hailing vehicles can operate at restricted times, with limitations on vehicle capacity and stringent hygiene requirements (e-hailing is the use of alternative transportation, like Uber that has taken advantage of innovation, technology and marketing)	No inter-provincial movement of people, except for the transportation of goods and in exceptional circumstances (e.g., funerals)
Level 4: Moderate to high virus spread, with moderate readiness	- All essential services are operational, and food retail stores can sell their full range of products within existing stock - All agriculture and horticulture: Export, including wool and wine, floriculture and related processing, forestry, pulp and paper - Mining: Open cast at 100% and all others at 50% - Financial and professional services - All global business services for export markets - Postal and telecommunication services - Formal waste recycling (glass, plastic, paper, and metal)	Buses, taxis, and e-hailing vehicles can operate at all times of the day	No inter-provincial movement of people, except for the transportation of goods and in exceptional circumstances (e.g., funerals)

Level 3: Moderate virus spread, with moderate readiness	• Licensing and permitting services, deeds offices, and other government services designated by the Minister of Public Service and Administration • Take-away restaurants and online food delivery • Liquor retail sales (restricted hours) • Clothing and hardware retail • Stationery, personal electronics, and production of equipment and retail • Books and educational products • E-commerce and delivery services • Clothing and textile manufacturing (at 50% capacity) • Automotive manufacturing • Chemicals • Bottling • Cement and steel • Machinery and equipment • Global business services • SANRAL construction and maintenance • Transnet, at 100%	Limited domestic air travel, restriction on the number of flights per day, subject to authorisation based on need	No inter-provincial movement of people, except for the transportation of goods and in exceptional circumstances (e.g., funerals)
Level 2: Moderate virus spread, with high readiness	• Construction • All other retail sectors • All other manufacturing sectors • All mines, at 100% • All government services • Installations, repairs, and maintenance • Domestic work and cleaning services • Informal waste pickers	Full domestic air travel and car rental services restored	Movement between provinces at Level 1 and Level 2 restrictions
Level 1: Low virus spread, high health system readiness	• All sectors	All modes of transportation, with stringent hygiene measures in place	Interprovincial movement allowed, with restrictions on international travel

Source: Adapted from Truer et al. (2020).

4.3 Amendments to travel hours and numbers of passenger per taxi

After discussions with the biggest taxi association, SANTACO, and the National Taxi Alliance (NTA), an agreement was reached. The Minister of Transport amended the public transport regulations as follows:

- Public transportation vehicles must reduce their maximum number of passengers to 70% of the licensed capacity if commuters have no masks;
- A minibus taxi licensed to carry 10 passengers is now limited to a maximum of 7 passengers;
- A minibus taxi with a capacity of 15 passengers is now limited to 10;
- A minibus taxi permitted to carry a maximum of 22 passengers is now restricted to 15 passengers; and
- A vehicle licensed to carry a maximum of 4 passengers is now limited to 2.

Since the outbreak of the COVID-19 pandemic, the NTA has appealed for urgent measures to be taken. Initially, according to the NTA spokesperson, taxi drivers did not know what to do or how to proceed during the official lockdown (hard lockdown lasted from 27 March to 16 April 2020) and the extended lockdown announced later by President Cyril Ramaphosa.

Many taxi businesses were operating at a considerable financial loss. However, the NTA was very positive, and urged taxi owners to stay the course and act responsibly. The government, taxi industry and civil society were in agreement that the restrictions were necessary to limit the spread of the virus. The taxi industry is now experiencing significant challenges in the form of higher fuel prices, loss of commuters' fares and management of the COVID-19 pandemic.

4.4 Issues and challenges during the hard lockdown (Level 5)

The taxi industry voiced its grievances, which included heavy-handed law enforcement and illegal profiteering by drivers of trucks and other private vehicles that were used to transport passengers. They also noted insufficient personal protection equipment (PPE) such as sanitisers, gloves, masks and aprons/gowns, as well as difficulty related to adhering to social distancing. Some taxis exceeded the mandatory 70% capacity, breached the curfew, and increased the taxi fare by almost 100% in some areas. In an article, Mlamla (2020) indicated that the Minister of Transport, Mr Mbalula, had raised concerns about insufficient sanitisation, random incidents of overloading and the breaching of travel time restrictions.

National Health Laboratory services conducted mass screening and testing to prevent transmission and to assist with treatment. The minister urged the taxi industry to adhere to the directives on sanitisation of vehicles and the implementation of social distancing measures at all times (Mlamla, 2020). At the onset of the outbreak, commuters stated that they did not witness any washing or sanitisation of hands, or the wearing of masks (Obuseng, 2020). Some commuters were of the view that the taxi industry was gambling with their lives, as there were no precautions taken by drivers and no PPE for commuters (Obuseng, 2020).

4.5 Financial aid

SANTACO established an independent relief fund for the taxi industry to cushion the effect of the pandemic on its members, who were losing income and whose livelihoods were thus severely impacted. This interim repayment assistance would help members to honour their financial obligation during Level 5 lockdown restrictions. Taaibosch, (2020) president of SANTACO, estimated that the taxi industry required R3.5 billion to provide relief to about 250 000 registered taxi owners. The relief was to assist taxi owner, taxi drivers and rank marshals. Members of taxi associations had to apply for the relief fund through a formal portal. Taxi drivers were expected to receive around R250 per day during the period of the hard lockdown. SANTACO indicated that this compensation was not meant to be equal to what taxi drivers normally earned, but to ensure that they survived during lockdown (Mlamla, 2020). Taaibosch (2020) called upon all stakeholders in the taxi industry, namely food retailers, vehicle dealers, tyre companies, vehicle parts manufacturers and other role players to unite and contribute to the fund.

Inter-governmental departments were also prepared to assist. These included the Competition Commission, Labour, Small Business, the Department of Trade and Industry (DTI), as well as the National Treasury and Transport. However, they were still reviewing various assistance modalities (Evans, Gerber, Buthelezi, Cowan, & Burnard, 2020). SANTACO spokesperson Thabisho Molelekwa stated that the public would be notified once the fund's application process opened.

5. Research methodology

The study was conducted in the greater Johannesburg CBD, located in the Gauteng province of South Africa. As the country's financial hub, the area is characterised by vast amounts of commuters, many served by minibus taxis. The researcher adopted a qualitative research approach. Semi-structured interviews were used to uncover the views held by participants from the taxi industry of the impact of COVID-19 on their business activities.

The research strategy adopted in this study was phenomenology. According to Creswell (2013), phenomenology is an approach to qualitative research that focuses on the commonality of a lived experience within a particular group. Phenomenological strategy was use in this study to understand the experiences of those who operated within the taxi industry during the different levels of lockdown.

The research study was anchored within the interpretative paradigm. Hence, interpretative phenomenological analysis (IPA) was considered appropriate, as it is a useful approach to explore topics that are complex, ambiguous and emotionally laden, where the fundamental objective is to arrive at a description of the nature of a particular phenomenon (Creswell, 2013). The aim of the study was to explore how participants made sense of the world during the Level 5 lockdown. The participants were purposively selected based on their understanding of the impact and extended implications of COVID-19 as it related to the taxi industry from the supply side. Prior to the interviews, participants had to sign an informed consent form that contained a description of the nature of the investigation and the scope of their involvement in the study. We also sought their approval to do an audio-recording of the interviews, which lasted between 25 and 45

minutes. The researcher ensured that the lockdown regulations in terms of wearing of masks and social distancing were strictly adhered to.

5.1 Sample

A total of 12 participants who were taxi driver, taxi owners, or queue/rank marshals were selected for the study, as reflected in the table 2 below.

Table 2

Study participants and codes allocated

Occupation		Years in the taxi industry	Gender
Taxi owner	TO1	25	Male
	TO2	18	Male
	TO3	19	Male
	TO4	22	Male
Taxi driver	TD1	20	Male
	TD2	24	Male
	TD3	19	Male
	TD4	12	Male
Queue/Rank marshal	RM1	7	Male
	RM2	10	Male
	RM3	3	Male
	RM4	2	Male

Source: Own elaboration.

5.2 Analysis

The audio-recordings of the interviews were transcribed, followed by reading and re-reading of the contents, and were then analysed via cool and warm analysis (see De Guzman & Tan, 2007). Cool analysis involved the extraction of anchors and phenomenal referents from the texts, while warm analysis facilitated the formulation of the data categories and, eventually, themes (Ryan & Bernard, 2003). Phenomenological reduction (see Strassers, 1977, cited by DeRobertis, 2016) guided the distinguishing of meanings into those that were essential to the phenomenon and those that were only incidental.

5.3 Findings

This section presents the findings of the study, in line with the research questions and supported with verbatim excerpts from the interviews.

Theme 1: Impact of the Covid19 pandemic on the taxi industry

When participants were asked how the COVID-19 pandemic had impacted them and the taxi industry, the following sub-themes emerged:

- Affected well-being,
- Loss of income,
- Shortage of food, and
- Loss of job security.

The responses underpinning the above themes are provided based on the interviews with participants and reflected in the narratives below:

With regards to the above, Taxi Driver 1 (**TD1**) noted:

"This virus is getting worse. The uncertainty is killing us. Outside, I am looking after my passengers, I tell them to wear their masks, 'Put the sanitisers, let's go.'"

In a like manner, **TD2** stated:

"I only load ten people, I sanitize my passengers. After that, social distance; they must keep their social distance. You can't get in my taxi if you do not have a mask. I tell them they must go and buy a mask before they get into my taxi."

TD1 seemed to support **TD2**'s position, stating:

"No mask, no clothes, you cannot get into this taxi."

However, **TD2** was of the opinion that social distancing was naturally being observed:

"Social distancing is being met. People do it themselves."

In terms of the impact on operators, Taxi Marshal 2 (**RM2**) remarked:

"It is getting worse. We don't know who are affected. I am scared. If everything is open, how will we operate in the future? We don't take money home now; business will never be the same."

Rank marshal (**RM3**), who is responsible for long-haul trips from Johannesburg responded in this way to the question:

"Normally, we have two trips, as it is long distance. COVID-19 has severely affected our industry. No business is occurring during lockdown. The people are not allowed to travel to different provinces."

From another vintage point with regard to how the pandemic affected them, **RM2** stated:

"Owners take combis off the rank. We only have 200 combis on the rank, the others are parked, they don't run. We have too few customers travelling."

RM2's assertion was confirmed by **TD1**, who avowed:

"I am working every third week. We rotate, so that all the drivers get the chance to work. ... business is very slow, so that nobody go hungry. I will save money today to support my family next week, thanks to my chairman, as he is a man that can think."

In addition to the above, **TD1** stated:

"My taxi were always full, now I can only load ten people. I come out at four o'clock in the morning, and I only make R120 per load, wait the whole day until the afternoon to pick up again. I need to pay the taxi owner R300 to R350 per day. Now, with this virus ... I make R240. I still need to put petrol, oil, need to eat. It is affecting me, the driver. I am going home without money. At the end of the day, the owner is going to say, 'You are stealing my money'."

In similar vein, **TD2** noted:

"We need to pay the owner R600 to R700 a day. We only work for petrol during the lockdown; we are making nothing per month."

Almost in line with other participants, **RM3** commented:

"I get R550 per week, and per month is R4 200. This virus has affected us very bad — one load in the morning and one load in the afternoon, now with lockdown."

Similar to **RM3**'s comments, **TD4** remarked:

"I transported more than a 1 000 passengers a day, my taxi are full. A combi (taxi) now makes a R1 000 per week, and, before, R4 000."

Participants posited that precautionary measures had to be taken to protect themselves. In this regard, **TD1** noted:

"I am looking after my family. I got masks for my family. My kids stay at home, it is only my wife that goes out and buys bread, and I work, but my kids stay at home. Nobody is running around in the streets. I must protect myself and my kids, I must protect my grandkids, I have to look after them. This sickness is killing everybody. I stay a distance with my colleague, and we have to look after one another."

Another participant seemed to show some gratitude to the Lord for keeping him safe, in addition to precautionary measures observed. In his words, **TD2** maintained:

"...by the grace of the Lord, the goodness, that I have not been affected yet. We take care — we sanitise, we use our masks."

RM3 seemed very emotional when he stated:

"I am protecting my family — I am adhering to the lockdown regulations, yet I think government can do more. Life is on a standstill. I struggle to continue, and poverty is at the front door."

All participants expressed some form of anxiety, loneliness and uncertainty. They were not sure who to turn to, and were all concerned about the economic impact and the effect on their personal finances, as well as the devastating effects on their immediate family and the taxi industry. Many of them were afraid of retrenchment, the loss of their livelihood, and their inability to pay for living expenses. The majority of the participants experienced profound worry. Some travel routes were closed completely and passenger capacity was limited. The majority of participants had lost more than half of their income. Some of the taxi drivers who participated in the study indicated that they were hungry and had to travel far to purchase food, as local hawkers were not operational, since they were not deemed essential service providers. Food insecurity thus added to their perception of loss of well-being. They now incurred more financial

costs to buy food from remote geographical areas. Upon probing, some participants mentioned that the government had promised to issue food vouchers, but that these had not materialised.

Theme 2: The type of support received by the taxi industry

When participants were asked about the type of support they received during the lockdown, the sub-themes that emerged from data were:

- Limited communication and guidance,
- No formal training, and
- Lack of PPE.

With regard to support received from government, **TD1** lamented:

"We did not ever receive anything from the government. The government said they will pay us until the end of this lockdown... I didn't receive money. Who can we depend on? They said they will give us food vouchers ... nothing, nothing, we are still waiting. Eish, ja, the government promised us to get food vouchers. We received nothing yet."

In similar vein, **TD2** remarked:

"I received no support from the association, but communication has been occurring. Communication is not effective though, since the association repeats what the president is saying, without any form of innovative thinking. I am scared that I will lose my job here. I am tired."

From another angle, in terms of support from taxi owners, **RM2** observed:

"Taxis were taken off the rank. We only have 200 taxi."

TD1 stated:

"Certain owners will come and see us at the rank. Not all owners come out to the rank, some owner do... We did not receive any masks up to date. No, we did not receive training. We do know where to go, but we are scared"

With regard to support received, **RM1** noted:

"I only received information in my personal nature from government and over the TV. I received no training to combat the virus."

In concordance with **RM1**, **TD1** noted:

"I only received general information — radio, TV. That is how we understood what it entails."

In addition, **TD1** lamented:

"The government has done nothing for me regarding masks, sanitisers, etcetera. Sanitisers were provided when commuters would embark on a trip."

In relation to the above, **TO1** noted:

"If we want to continue with our business, we need better support how to keep our passengers safe. Maybe we can sanitise them before they make use of our services. Cloths, handbags, shoes, this virus sticks on everything."

It seems that miscommunication contributed to misunderstanding and ambiguity in terms of the structures to follow during the lockdown. Some taxi owners mentioned that they removed their

taxis from the rank and left drivers unemployed, while some taxi associations allowed drivers to work on a rotational basis. There were no clear indications regarding provision of PPE, but taxi drivers insisted that commuters wear masks. Participants also indicated they did not receive any formal training, but had to equip themselves with the necessary information and knowledge, gained through television- and radio programmes. However, some taxi associations did provide hand sanitiser, as it was easier for them to buy it in bulk (News24, 2020, April, 6).

The majority of participants received no financial support. Taxi owners found it very hard to cover their costs, and risked vehicles being repossessed by the banks in the absence of payment. Upon probing, some participants mentioned that they adhered to regulations set out for the public transport industry in order to protect themselves and passengers. However, it was noted that illegal full-capacity loading and price increases occurred to sustain the business, and operational hours were extended.

Theme 3: Fear of COVID-19 held by taxi operators (marshals, drivers and owners)

When participants were asked if there was any fear of COVID-19 amongst them, the following sub-themes emerged:

- Afraid of the virus, and fear of infection,
- Afraid to die,
- Concerned about their family and customers,
- Inappropriate skills to transfer to other sectors, and
- Taxi owners absconded due to fear.

While expressing fears about the possibility of being infected, **TD1** noted:

"If I stay negative, I will stay at the rank. If I am tested positive, I will go away from my family, where the government tells me to go. I cannot make my family sick, I am very afraid of coronavirus."

TD1 further indicated that, the more he educated himself, the more concerned he became, stating:

"I am scared of my phone and my shoes; the virus is sticking to everything. It makes me uncomfortable."

In similar vein, **TD2** noted:

"Yes, ja... I am concerned about the customers. We don't know who is getting into the combis and who has a virus. If they are affected, and ... do you understand?"

Some participants expressed a fear of dying. **TD1** stated:

"I don't want to die. What is going to happen to my kids and family? I have eight grandkids. What is going to happen to them? I am the father and the grandfather to those kids. I am the only one working in the family. If I die, the grant my wife gets from government is too small. What is going to happen to my family? Who will pay school fees for my children?"

A participant mentioned that taxi owners went into hiding. **TDI** noted:

“When I contact one owner, he asked me, ‘Are you mad? Do you want me to get sick?’ Now they want us to get sick for their business ... some taxis were taken away from the rank and are not operating.”

The majority of participants feared Covid-19 and were scared of being infected or dying. Upon probing, some participants mentioned that they were not aware of friends and family who had been infected at this early stage, but that the virus made them nervous and anxious. Taxi drivers did not know who to turn to for immediate help and guidance. Some had concerns about being able to pay school fees. Some participants indicated that they only had driving skills and knowledge of the taxi industry, and no additional skills to support and sustain them. When probed further, participants maintained that they would continue to work to support their families and serve their community. It seems as if the taxi drivers were left on their own, while taxi owners absconded due to their fear of COVID-19.

Theme 4: Foreseeable changes in the taxi industry in the near future

When participants were asked about possible changes in the taxi industry in the near future, the following sub-themes emerged:

- Continuation of social distancing,
- Continuation of wearing of facemasks,
- Continuation of the use of sanitisers,
- Employees searching for new forms of employment to avoid risk,
- Price increases, and
- Lack of government support.

RM1 remarked: *“I will make sure I sanitise the passengers, make sure they all wear masks and they keep their distances here and on the taxi. That is my job. I will do that.”*

TD4 confirmed: *“I am only equipped to drive a taxi. I have been driving my taxi for twelve years of my life.”*

TM4 commented: *“I think we need to keep ourselves just safe, be responsible and keep us here safe and the passengers coming in.”*

In similar vein, **TM1** remarked:

“My biggest fear is that the taxi industry will not go back to normal. We will never be able to stop this virus. It will be like Ebola in other parts of Africa, will come back regularly... I wish to get another form of employment to support my family, as I am the sole breadwinner for my family.”

In concordance with **TMI**, **TO2** stated:

“I think we will have to look at alternatives collectively with SANTACO, as this virus will not stop. We need to change our business — to what, I don’t know.” Maybe work longer hours and drop passengers of right in front of their homes and work. I don’t know. I just want to support my family.

RM4, with regard to taxi owners, noted:

"I don't think we will ever recover from this... I need money to support myself and my family, I need help from the government, and I don't know if I will get..."

All participants indicated that they followed the sanitation protocol and acted responsibly towards passengers. They agreed to regularly sanitise their vehicles as part of mitigating the threat of the virus. Participants were deeply concerned about their finances, as they would be the ones buying sanitisers, which would increase their financial burden. Some participants alluded to the possibility of searching for alternative jobs, but were concerned about their lack of a variety of skills. Participants were not sure what the future held for them, due to unemployment being rife in the country. The reality of this uncertainty seemed quite concerning to them. Some participants were scared that the industry may not return to normal again, due to the requirement for social distancing and low passenger turnout, which had adversely affected the sustainability of the industry. Some taxi drivers were of the opinion that taxi fares needed to be increased to compensate for low passenger turnout, in order to ensure the viability of their businesses.

Theme 5: Ways to ameliorate the impact of COVID-19 on the taxi industry

When participants were asked about possible ways to ameliorate the impact of COVID-19 on the taxi industry, the following sub-themes emerged:

- Adoption of new technology in handling passengers,
- More support during a crisis such as pandemic,
- More care and empathy from taxi owners, and
- More passenger patronage for sustainable businesses.

When asked what technologies could make their lives easier, one of the taxi marshals indicated:

"I think it will help if all of us use a pay system. Then we will not deal with money directly, and we can serve passengers better by providing information. I think taxis would become safer, as drivers will focus on the road more." (TM3).

However, from different perspective, **TD2** revealed:

"We in the taxi industry do not have to be controlled, we can look after our own income. We only need support during the pandemic."

Another driver, **TD4**, was of a different opinion, and stated:

"I think that partitioning such as Perspex screens should be inserted between driver and passengers".

With regard to new technology, one taxi owner, **TO1**, noted:

"I have telematics in two of my vehicles, which assist with vehicle location and safety..."

However, **TO3** was quite frank with regard to anticipated changes in the taxi industry, and stated:

"I am not aware of any alternative suggestions by the taxi industry to change the future of the taxi business."

In similar vein, **TD1** noted:

“What business for the future? We have no business. The owner is getting the money. We appreciate the chairman, and he is looking after us. No owners is looking after us. I wish the government supports us. We need to stay at a distance in the future, I don’t want to die until government finds a cure for the coronavirus.”

TD1 lamented:

“...passengers use us less now, they travel with others. They don’t want to get COVID-19. People avoid us and they will use public transport as it is bigger and can transport more people one time.”

While some policies were implemented to limit the spread of the virus, limited support was offered by government. Participants indicated that they required additional support. No innovative technology was considered to limit the use of cash during the pandemic; no mention was made of a smart travel card or a tap-and-go card. Such options should be explored in the near future. However, one of the taxi owners indicated the use telematics to detect unsafe conduct by drivers. There have also been few discussions around future initiatives to sustain and develop the industry and its infrastructure. Renewed effort should be made in that direction, as there is indeed a need for more environmentally friendly and comfortable ways to move from one destination to another. Vaccination will probably become mandatory in order to travel in the future.

5.4 Discussion of findings

In spite of the challenges, the taxi drivers and rank/queue marshals were extremely grateful that they still had a job, even if the patronage was limited and on a rotational basis. The taxi industry, by its very nature, makes it difficult to protect passengers and drivers. The virus has been reported to spread as a result of close contact or through coughing and sneezing (Consumer Report, 2020). According to Van Dalsen (2018), taxi drivers are responsible for keeping their vehicles clean. This now includes sanitisation of the vehicles. However, drivers seem to have received no PPE and limited information on proper methods of managing the threat of the virus. Van Dalsen (2018) further notes that the industry is informal and unstructured, and pays little attention to legislation related to conditions of employment.

The mandatory lockdown hit the taxi industry particularly hard (Taaibosch, 2020). The findings of this study confirmed that taxi drivers and marshals exhibited intense fear of the virus, and some feared for their family’s well-being and financial survival. Clearly, a state of business unusual appears to be the new normal, with high taxi fares and operations that exceed the curfew hours (Mlambo, 2020), as well as additional charges for spot drop-offs, which seem to offer the best option for the industry to remain viable. In relation to the taxi industry challenges, the Organisation for Economic Co-operation and Development (OECD) has warned that global growth could be cut in half, to 1.5%, in 2020 if the virus continues to spread. Many economists have predicted a recession, and no one knows how long this pandemic will last or when a cure for the virus will be found (OECD, 2020).

The taxi industry has so far received limited and haphazard support. Although there was some financial relief through compensation for taxi industry employees and taxi owners, not everyone

qualified for this aid (Melzer, 2020). Some employees were not able to access financial relief from the Temporary Employee Relief Scheme (TERS) or the UIF, due to a lack of compliance with the rules by their employers (Melzer, 2020). Participants were of the view that it may take a very long time before all workers return to work. Movement seems to have been restricted, as there are fewer commuters, perhaps due to rising unemployment.

The taxi industry has called on the government to assist them in protecting passengers from the COVID-19 virus. However, the industry itself has not made much effort to transform in terms of their responsibility towards passengers in the area of safety. Awareness campaigns in the industry should be improved, but there have not been discussions around implementing interactive communication technology. Technology to maintain social distancing to make the industry services more efficient and user-friendly is lacking. It is definitely time for the taxi industry to re-think and reshape its operational delivery model during this disruptive period. SANTACO and the government should support the implementation of tap-to-pay devices. More could be done to implement telematics in taxis to identify safety issues, including reckless driving.

Given the critical role played by the taxi industry, more interventions to protect the industry should be made a priority. Taxi SA, which is a key strategic partner in the taxi industry, as well government, should relook financial support for the industry (Evans, et al., 2020; Fobosi, 2020). Although, as noted earlier, there has been some financial relief for taxi owners and taxi employees, not everyone qualified for the aid (Mlamba, 2020). This is as a result of limited compliance by their employers, as well as resistance to registering with the UIF and TERS. Overhauling and reshaping the taxi industry for the future is indeed indicated. The taxi industry should become a central concern for the government of South Africa, as the country has a large number of passengers who require safer transportation, particularly during the pandemic.

6. Practical implications of the study

When normality returns and commuters return to work, there should be a much higher awareness amongst commuters with regard to safe social distancing and personal hygiene when using taxis.

6.1 Originality/Value of the study

The study provides a good foundational understanding of the taxi industry within the COVID-19 pandemic, the impact of pandemic on stakeholders within the industry, as well as opportunities for the implementation of sustainability initiatives in the taxi industry.

6.2 Limitations of the study and future research directions

The study was limited by various logistical factors, such as limited access to the broad taxi community during the Level 5 lockdown. Data were therefore gathered from a limited number of participants from one taxi rank. The findings may therefore not be representative of all taxi operations in South Africa. This limitation could be addressed by future researchers gathering data over an extended period and expanding the research to other taxi ranks in other provinces

of South Africa. Studies can also be conducted post-COVID-19, to determine changes in the experiences participants shared in the industry.

7. Conclusion

The taxi industry is a key player in the economic development of South Africa. As such, its continued existence should be a national priority. The study contributes to understanding the impact of COVID-19 on the taxi industry in the City of Johannesburg. The outbreak of the pandemic sent waves of fear across the taxi industry, followed by job losses and severe economic challenges. Support was extended, but it was not sufficient to meet the challenges confronting industry. No training was provided to taxi drivers and marshals on how to manage the crisis from the onset. PPE was not provided to taxi drivers and rank marshals. The government needs to assist in this regard, to enhance compliance with safety regulations. Taxi ranks should be sanitised regularly. There is a need for taxi owners to install screen dividers in the taxis to create a physical barrier between drivers and passengers. In other words, it is imperative to devise new safety interventions within the industry. More than that, efforts should be made towards implementing innovative and greener technology for sustainable safety practices in the industry. There is an urgent need for government to regulate the industry for an efficient and safer service to commuters. Workers within the industry should be well catered for and supported. There is an urgent need to generate alternative means of earning an income by members of the industry. Efforts could also include variations in services, such as on-demand transport. There is indeed a significant gap between the understanding of what is needed between SANTACO, taxi owners, and those on the ground, namely taxi drivers and marshals. Going forward, taxis will have to operate less on their routes and in smaller numbers, due to customers' demand for more hygiene, as well as capacity regulations. Thus, a fare increase seems imminent as the only viable option to ensure the sustainability of the industry.

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Algorithmic trading based on the fear of COVID-19 in Europe

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Abstract

The spread of Covid-19 in Europe has affected our way of living, thinking, and even investing. The fear of the epidemic caused a context of maximum uncertainty and volatility in financial markets, which were driven by fear of the spread of the epidemic. In this article we propose an algorithmic trading system on the future of the Eurostoxx 50 that, instead of following technical indicators, follows the number of cases confirmed by Covid-19 in Europe. The back test of this system carried out throughout the weeks of confinement shows that the system is profitable. In this context, confirmed cases data is useful to assess investors' mood and anticipate the evolution of the market. Therefore, an alternative way of investing arises for maximum uncertainty contexts, based exclusively on behavioral finance.

Key words

Algorithmic trading systems, behavioral finance, COVID-19, alternative investment, Eurostoxx 50

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1. Introduction

This paper explores the behavioral finance capacity to anticipate market trends. In this case, we focus on the European stock market and its most representative index, the Eurostoxx 50, during the lockdown caused by the Covid-19 epidemic.

Sending buy and sell orders to the market for a certain financial instrument, algorithmic trading systems invest in financial markets without manual intervention, following the investment signals issued by an algorithm. Most of the trading systems that are operating nowadays follows Chartism rules, but the irruption of big data in asset management has opened a new approach for algorithmic trading.

There are many studies that show that the investor's mood is affected by multiple factors, changes over time and can be conditioned by experience or training (Cohen and Kudryavtsev, 2012). These mood swings provide evidence of anomalies in the behavior of the stock markets (Nofsinger, 2005). Corredor, Ferrer and Santamaría (2013) state that investor mood has a significant effect on the performance of stocks.

Some of the factors that cause investor sentiment to change are:

- Weather (Hirshleifer and Shumway, 2003, Jacobsen and Marquering, 2008) as sunny climates are associated with an optimistic mood and then positive returns.
- Seasonal patterns like vacations generates the effect of “sell in May and go away” or the “Halloween” effect (Bouman and Jacobsen, 2002). This means that securities market yield should be greater from November to April than from May to October.
- The Moon (Yuan, Zheng and Zhu, 2006) implies different returns according to the different phases of the moon observing differences from 3% to 5% in yield from one phase to another.
- Sports results: Edmans, García and Norli (2007) studied the results of football, cricket, rugby and basketball and others have focused on the NFL (Chang, Chen, Chou and Lin, 2012), football (Berument, Ceylan and Gozpınar, 2006; Kaplanski and Levy, 2010) and on cricket (Mishra and Smyth, 2010). Gómez and Prado (2014) performed a statistical analysis of the following stock markets session return after national team football matches. The results obtained show that after a defeat of the national team, we should expect negative and lower than average prices on the country's stock market, the opposite occurring in the case of a victory.

If these factors that are common affect the behavior (Cachón-Rodríguez et al., 2019) of investors, then we can infer that suffering an epidemic such as Covid-19 with the consequences that this implies will also affect the evolution of the market. Thus, during the first days of the lockdown it was observed that Spanish investors gave preference to the shares of companies that showed a socially responsible attitude (Martín-Miguel et al., 2020; Plama-Ruiz et al, 2020). In the U.S. stock market, no previous infectious disease outbreak has affected the stock market as forcefully as the Covid-19 pandemic. Government restrictions on commercial activity and social distancing (Cachón-Rodríguez et al., 2021), operating with powerful effects in a service-oriented economy, are the main reasons the U.S. stock market reacted so much more forcefully to Covid-19 than to previous pandemics (Baker et al, 2020).

At this stage, if investor mood affects financial markets, the challenge is how to measure the effect of covid-19 in investors' mood to predict market trend. The media coverage of the

evolution of the epidemic has been enormous. This coverage implied that rural residents are more likely to practice social distancing if they live in a media market (Cachón-Rodríguez et al., 2020) that is more impacted by Covid-19 (Kim et al, 2020), in other words, media coverage of the pandemic has affected the daily habits of the population, and delays, denials and misinformation about Covid-19 have exacerbated its spread and slowed pandemic response (Motta et al, 2020).

The relationship between sentiment generated by coronavirus-related news and volatility of equity markets is clear. The ongoing coronavirus outbreak resulted in unprecedented news coverage and outpouring of opinions in this age of swift propagation of information. Ensuing uncertainty in financial markets leads to heightened volatility in prices. The overwhelming panic generated by the news outlets are associated with increasing volatility in the equity markets and panic-laden news contributed to a greater extent to volatility in the sectors perceived to be most affected by coronavirus outbreak (Haroon et al, 2020). The more confirmed cases we see in the news, the greater the fear of the evolution of the pandemic and its devastating effects on the economy.

Gómez-Martínez (2013) elaborated a “Risk Aversion Index” based on the stats of Google Trends for certain economic and financial terms that relate to market growth. Through an econometric model, he shows that Google Trends provide relevant information on the growth of financial markets and may generate investment signs that can be used to predict the growth of major European stock markets. Therefore, could this indicator be valid to measure the fear of COVID-19 and thus anticipate the evolution of the financial market? According to this approach, we propose an algorithmic trading system that issues buy and sell orders by measuring the level of aversion to risk, in this case measured by the confirmed cases of Covid-19.

After this introduction, section 2 states the study hypothesis, discusses the research methodology and describes how the data was collected. Section 3 summarizes the model outputs followed with conclusions and discussion in section 5.

2. Theoretical framework

As we have seen in previous sections, investment decisions always have an emotional component, which is dominant in times of crisis. The purpose of this study is to analyze whether the fear of the spread of the Covid-19 epidemic in Europe, and its economic repercussions, has been able to guide the evolution of the European stock market.

Therefore, the hypothesis to be validated is:

H0: Fear of the Covid-19 epidemic anticipates the evolution of the European stock market.

To validate this hypothesis, we first must define the two variables of the study.

On the one hand, we must measure fear of the epidemic. To quantify the fear of the spread of the epidemic, we have selected the number of new confirmed infections published daily by the World Health Organization (WHO). We assume that an increase in the daily number of confirmed cases increases fear of the epidemic while a reduction would imply that the epidemic is being contained and therefore its effects on the economy are being limited. Data have been collected directly from WHO dashboard for Europe:

<https://who.maps.arcgis.com/apps/opsdashboard/index.html#/ead3c6475654481ca51c248d52ab9c61>

On the other hand, how could we measure the evolution of European Stock Market? In this case we have chosen the EURO STOXX 50 Index. As Stoxx.com defines, this is the Europe's leading blue-chip index for the Eurozone and provides a blue-chip representation of supersector leaders in the region. The index covers 50 stocks from 11 Eurozone countries: Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain which is a good representation of European countries.

The methodology to be used was already used by Gómez-Martínez, Prado-Román and Plaza-Casado (2019) and is based on an algorithmic trading system that opens and closes long and short positions following only investor sentiment indicators.

In this study, we defined an intraday algorithmic trading system that will open short position in Eurostoxx 50 futures market if the number of new confirmed cases of Covid-19 has increased in the previous day (meaning that the fear of the epidemic grows), closing position in the afternoon. If the new confirmed cases of Covid-19 have decreased the previous day, the system will open a long position that will close hours later.

We validate the hypothesis of this study if the trading system is profitable during the coronavirus crisis period, the profit factor (ratio between money earned and money lost) is greater than one and the success rate is greater than 50% (more sessions winners than losers).

The study period begins on February 24, the date on which the WHO begins to offer relevant data in its dashboard and ends at the market break for Easter.

The quotes have been provided by the securities company iBroker, and the back test of the system has been executed using the Trading Motion SDK tool

3. Results

The main statistics of the back test performed are shown in Table 1.

Table 1

Performance Summary

Net P&L	5.107,13 €
Gross P&L	5.360,00 €
Profit factor	2,02
Sharpe ratio	4,74
Slippage per side	-0,38
Annual ROI	423,66 %

Source: Own elaboration.

Table 2

Session analysis

Analyzed sessions	33	
Sessions in market	33	
Winning sessions	17	
Success rate	52%	
Winning sessions profit	10.129,44 €	
Winning sessions average	595,85 €	
Losing sessions	16	
Losing sessions profit	-5.022,31 €	
Losing sessions average	-313,89 €	
Worst drawdown	-1.780,05 €	
Best session	1.742,18 €	07/04/2020
Worst session	-917,86 €	12/03/2020
30 days volatility	160,92 %	26/03/2020
Suggested capital	10.000,00 €	
Required capital	1.371,00 €	

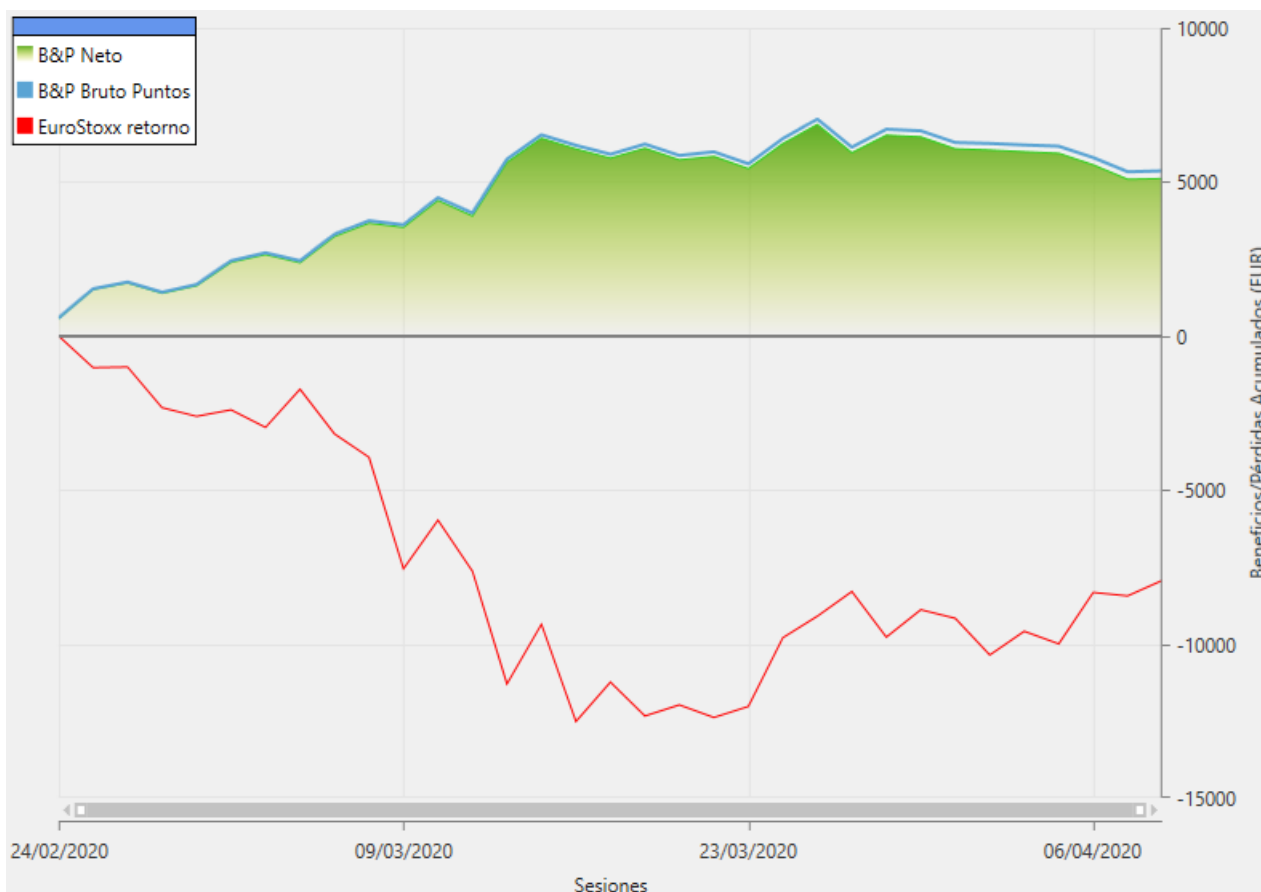
Source: Own elaboration.

The profit and losses chart of the system is shown in Figure 1 whereas the trade log of those operations could be consulted in the Annex.

Considering the data in the previous tables and figure, it is evident that the strategy followed, based exclusively on the evolution of the number of confirmed cases in Europe, has been profitable (with an ROI of 424%) and has exceeded the objectives defined for its statistics of performance (profit factor and success rates). Therefore, we accept the hypothesis H0.

Figure 1

P&L chart Trading System



4. Conclusions

For years, research in behavioral finance has shown that financial markets react to external stimuli that induce optimism or pessimism in investors. An impact such as the spread of the Covid-19 epidemic in Europe could not fail to affect the financial markets. This research article explores how financial markets react to fear, in this case the European financial market to fear of the evolution of the Covid-19 epidemic.

The methodology followed in this study has been based on the development of an intraday algorithmic trading system that operated short and long depending on the increase or decrease in confirmed cases in Europe published the previous day. The financial instrument chosen for this study was the future of the Eurostoxx.

The main contributions that could be highlighted from this study are:

- The number of confirmed cases of new Covid-19 infections is a representative metric of the evolution of the epidemic and therefore of the fear that this implies on health, the economy and financial markets.
- This metric has predictive capacity on the evolution of financial markets. Therefore, an algorithmic trading system that goes short (long) if there is an increase (decrease) in confirmed cases is a profitable system, in contexts of maximum uncertainty.

This is new evidence that sentiments affect the evolution of financial markets, especially in contexts of maximum uncertainty. In these contexts, investors could adopt multiple investment strategies that are based on metrics on the evolution of fear and thus obtain positive returns in absolute terms, applying bullish and bearish strategies.

The research has focused on a very specific period and opens a new line of research based on finding metrics that are adequate indicators of investor optimism and pessimism, and the correlation of these metrics with the market. The challenge is to find the metrics in the next contexts of volatility that will surely come and invest using them to obtain positive returns.

From this study, the most risk-tolerant and innovative investors can follow an alternative investment strategy that can give them great returns and turn extreme volatility situations into an opportunity.

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Annex

Trade log (Source Trading Motion SDK):

Date	Time	Label	Type	Volume	Price	Slippage	Position	Order P&L	Acum. P&L
24/02/2020	09:05:00	Open short position (24/02/2020 - BAJA)	Market	-1	3704	0,40594059	-1	-4,06 €	-4,06 €
24/02/2020	17:05:00	Exit short position	Market	1	3646	0,40594059	0	575,94 €	571,88 €
25/02/2020	09:05:00	Open short position (25/02/2020 - BAJA)	Market	-1	3669	-0,4368932	-1	-4,37 €	567,51 €
25/02/2020	17:05:00	Exit short position	Market	1	3574	-0,4368932	0	945,63 €	1513,14 €
26/02/2020	09:05:00	Open long position (26/02/2020 - SUBE)	Market	1	3544	-0,4368932	1	-4,37 €	1508,77 €
26/02/2020	17:05:00	Exit long position	Market	-1	3566	-0,4368932	0	215,63 €	1724,41 €
27/02/2020	09:05:00	Open long position (27/02/2020 - SUBE)	Market	1	3500	-0,4368932	1	-4,37 €	1720,04 €
27/02/2020	17:05:00	Exit long position	Market	-1	3467	-0,4368932	0	-334,37 €	1385,67 €
28/02/2020	09:05:00	Open short position (28/02/2020 - BAJA)	Market	-1	3339	0,37864077	-1	-3,79 €	1381,88 €
28/02/2020	17:05:00	Exit short position	Market	1	3314	0,37864077	0	246,21 €	1628,09 €
02/03/2020	09:05:00	Open short position (02/03/2020 - BAJA)	Market	-1	3405	0,37864077	-1	-3,79 €	1624,31 €
02/03/2020	17:05:00	Exit short position	Market	1	3328	0,37864077	0	766,21 €	2390,52 €
03/03/2020	09:05:00	Open long position (03/03/2020 - SUBE)	Market	1	3389	0,37864077	1	-3,79 €	2386,74 €
03/03/2020	17:05:00	Exit long position	Market	-1	3415	0,37864077	0	256,21 €	2642,95 €
04/03/2020	09:05:00	Open short position (04/03/2020 - BAJA)	Market	-1	3374	0,33009708	-1	-3,30 €	2639,65 €
04/03/2020	17:05:00	Exit short position	Market	1	3400	0,33009708	0	-263,30 €	2376,35 €
05/03/2020	09:05:00	Open short position (05/03/2020 - BAJA)	Market	-1	3441	0,33980582	-1	-3,40 €	2372,95 €
05/03/2020	17:05:00	Exit short position	Market	1	3355	0,33980582	0	856,60 €	3229,55 €
06/03/2020	09:05:00	Open short position (06/03/2020 - BAJA)	Market	-1	3287	0,30097087	-1	-3,01 €	3226,54 €
06/03/2020	17:05:00	Exit short position	Market	1	3243	0,30097087	0	436,99 €	3663,53 €
09/03/2020	09:05:00	Open short position (09/03/2020 - BAJA)	Market	-1	2991	0,30097087	-1	-3,01 €	3660,52 €
09/03/2020	17:05:00	Exit short position	Market	1	3004	0,30097087	0	-133,01 €	3527,51 €
10/03/2020	09:05:00	Open short position (10/03/2020 - BAJA)	Market	-1	3003	-0,3490566	-1	-3,49 €	3524,02 €
10/03/2020	17:05:00	Exit short position	Market	1	2915	-0,3490566	0	876,51 €	4400,53 €
11/03/2020	09:05:00	Open long position (11/03/2020 - SUBE)	Market	1	2951	0,36111111	1	-3,61 €	4396,92 €
11/03/2020	17:05:00	Exit long position	Market	-1	2901	0,36111111	0	-503,61 €	3893,31 €
12/03/2020	09:05:00	Open short position (12/03/2020 - BAJA)	Market	-1	2723	0,39090909	-1	-3,91 €	3889,40 €
12/03/2020	17:05:00	Exit short position	Market	1	2548	0,39090909	0	1746,09 €	5635,49 €
13/03/2020	09:05:00	Open short position (13/03/2020 - BAJA)	Market	-1	2633	0,38392857	-1	-3,84 €	5631,65 €
13/03/2020	17:05:00	Exit short position	Market	1	2554	0,38392857	0	786,16 €	6417,81 €
16/03/2020	09:05:00	Open short position (16/03/2020 - BAJA)	Market	-1	2410	0,39285714	-1	-3,93 €	6413,88 €
16/03/2020	17:05:00	Exit short position	Market	1	2444	0,39285714	0	-343,93 €	6069,96 €
17/03/2020	09:05:00	Open long position (17/03/2020 - SUBE)	Market	1	2544	0,39285714	1	-3,93 €	6066,03 €
17/03/2020	17:05:00	Exit long position	Market	-1	2515	0,39285714	0	-293,93 €	5772,10 €
18/03/2020	09:05:00	Open short position (18/03/2020 - BAJA)	Market	-1	2432	-	-1	-3,93 €	5768,17 €

Date	Time	Label	Type	Volume	Price	Slippage	Position	Order P&L	Acum. P&L
						0,39285714			
18/03/2020	17:05:00	Exit short position	Market	1	2399	0,39285714	0	326,07 €	6094,24 €
19/03/2020	09:05:00	Open short position (19/03/2020 - BAJA)	Market	-1	2398	0,39285714	-1	-3,93 €	6090,31 €
19/03/2020	17:05:00	Exit short position	Market	1	2435	0,39285714	0	-373,93 €	5716,38 €
20/03/2020	09:05:00	Open short position (20/03/2020 - BAJA)	Market	-1	2505	0,39285714	-1	-3,93 €	5712,46 €
20/03/2020	17:05:00	Exit short position	Market	1	2493	0,39285714	0	116,07 €	5828,53 €
23/03/2020	09:05:00	Open short position (23/03/2020 - BAJA)	Market	-1	2360	0,39285714	-1	-3,93 €	5824,60 €
23/03/2020	17:05:00	Exit short position	Market	1	2399	0,39285714	0	-393,93 €	5430,67 €
24/03/2020	09:05:00	Open long position (24/03/2020 - SUBE)	Market	1	2536	0,39285714	1	-3,93 €	5426,74 €
24/03/2020	17:05:00	Exit long position	Market	-1	2618	0,39285714	0	816,07 €	6242,81 €
25/03/2020	09:05:00	Open short position (25/03/2020 - BAJA)	Market	-1	2744	0,39285714	-1	-3,93 €	6238,88 €
25/03/2020	17:05:00	Exit short position	Market	1	2681	0,39285714	0	626,07 €	6864,96 €
26/03/2020	09:05:00	Open short position (26/03/2020 - BAJA)	Market	-1	2663	0,39285714	-1	-3,93 €	6861,03 €
26/03/2020	17:05:00	Exit short position	Market	1	2754	0,39285714	0	-913,93 €	5947,10 €
27/03/2020	09:05:00	Open short position (27/03/2020 - BAJA)	Market	-1	2714	0,38738738	-1	-3,87 €	5943,22 €
27/03/2020	17:05:00	Exit short position	Market	1	2656	0,38738738	0	576,13 €	6519,35 €
30/03/2020	09:05:00	Open short position (30/03/2020 - BAJA)	Market	-1	2679	0,38888888	-1	-3,89 €	6515,46 €
30/03/2020	17:05:00	Exit short position	Market	1	2684	0,38888888	0	-53,89 €	6461,57 €
31/03/2020	09:05:00	Open long position (31/03/2020 - SUBE)	Market	1	2762	0,38888888	1	-3,89 €	6457,68 €
31/03/2020	17:05:00	Exit long position	Market	-1	2724	0,38888888	0	-383,89 €	6073,79 €
01/04/2020	09:05:00	Open long position (01/04/2020 - SUBE)	Market	1	2652	0,38888888	1	-3,89 €	6069,91 €
01/04/2020	17:05:00	Exit long position	Market	-1	2649	0,38888888	0	-33,89 €	6036,02 €
02/04/2020	09:05:00	Open short position (02/04/2020 - BAJA)	Market	-1	2665	0,38888888	-1	-3,89 €	6032,13 €
02/04/2020	17:05:00	Exit short position	Market	1	2670	0,38888888	0	-53,89 €	5978,24 €
03/04/2020	09:05:00	Open long position (03/04/2020 - SUBE)	Market	1	2646	0,38888888	1	-3,89 €	5974,35 €
03/04/2020	17:05:00	Exit long position	Market	-1	2642	0,38888888	0	-43,89 €	5930,46 €
06/04/2020	09:05:00	Open short position (06/04/2020 - BAJA)	Market	-1	2723	0,38888888	-1	-3,89 €	5926,57 €
06/04/2020	17:05:00	Exit short position	Market	1	2760	0,38888888	0	-373,89 €	5552,68 €
07/04/2020	09:05:00	Open long position (07/04/2020 - SUBE)	Market	1	2842	0,38888888	1	-3,89 €	5548,79 €
07/04/2020	17:05:00	Exit long position	Market	-1	2796	0,38888888	0	-463,89 €	5084,91 €
08/04/2020	09:05:00	Open long position (08/04/2020 - SUBE)	Market	1	2794	0,38888888	1	-3,89 €	5081,02 €
08/04/2020	17:05:00	Exit long position	Market	-1	2797	0,38888888	0	26,11 €	5107,13 €

A Quantitative Research to Investigate the Relationship of Factors Affecting Employee. Empowerment on Organization Performance

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Abstract

This explanatory research aims to study an association between the factors affecting the performance of banks working in Pakistan. The current study was conducted using a cross-sectional research design, data for this study was collected from 5 private banks of Lahore, Pakistan. A total sample of three hundred bankers was recruited by using a random sampling technique and their ages ranged between 25-45 years. For the analysis of the hypothesis, diverse statistical instruments like PROCESS analysis for mediation and Pearson Product Moment correlation are applied. The results of the study show that employee loyalty, as well as service quality, mediates an association between employee empowerment and financial performance. Numerous other variables influence the financial performance of banks which are not included in this study. The proposed model guides the management in analyzing the service sector's performance.

Key words

Employee empowerment (EE); financial performance (FP); service quality (SQ); employee loyalty (EL).

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1. Introduction

The financial performance of the organization is described through its capacity to attain its targets (Stainer, 2006). Principle to measure the financial performance of the organization must be cohesive and reliant to deliver a complete viewpoint like the organization's goal, business plan, and explicit purposes, along with organization performance (Tomic et al, 2018). Performance management is the theory that helps the organization in managing its complicated parts and those organization which uses this management theory to measure their system, strategies and processes can attain the competitive advantage (Spitzer, 2007).

This descriptive study directs an addition towards a concept, which was previously explained by several authors that employee empowerment positively influences employee loyalty and employee loyalty directly affects the financial performance of service sector organizations (Machado and Cavacoa, 2014; Tvaronaviciene and Balkyte, 2010). The relevance of the topic for the banking industry is significant because the banking industry has become quite competitive in the current environment. To cut their costs banks are taking serious measures to improve their performance. In the current business environment, human resources are the most valuable asset for the service sector organizations to gain a competitive advantage over other organizations. To test the variables that impact the performance of the banking industry, we studied the associations among financial performance, employee empowerment, service quality, and employee loyalty. Yao, Tan, and Shen, (2011) claimed that analysis of these associations is of specific significance to increase sustainable competitiveness also for the performance of the organization; hence, associations are established to enhance performance.

2. Theoretical Framework

Due to globalization, competition has intensely increased in the business world. In this very competitive, unstable, and complicated environment, companies need to innovate different ways for continuing their operations and remain competitive. The needs of the Customer are changing rapidly and getting a larger share of market companies needs to be responsive enough to keep up with the demand of its customers. To gain competitive advantage service organizations need to improve their performance. For this purpose, organizations use different tactics for example they empower their employees so that they turn out to be loyal towards the organization and if the workers are loyal they provide services with improved quality that eventually improves the performance of the organization.

Efficiency is an important feature of employees that are directly linked with organizational performance. The question now occurs that "what are the different methods through which we can increase the efficiency of employees?". According to the current business perspective if empowerment is given to the employees it will not only increase the efficiency of the employees, but it will also affect the organization in different ways like the competitiveness, uniqueness, and success of the organization increase. Empowerment of employees is founded on the notion that if we give the liberty to our employees to make the decision then they will feel more content and

expert and perform their tasks more efficiently and accurately. Due to these working procedures, the efficiency of the employees also enhances.

2.1. Employee Empowerment

Employee empowerment is simply described by Randolph (1995) as a method of transferring power from the employer of the organization to the employees of the organization. This change in the powers will affect the organization in different ways. Grönroos (2001) stated that there is a guarantee of providing a more quick and direct reply to the customer's requirements by the organization if their employees are empowered due to which the satisfaction of the customers also increased. Employee empowerment is explained in different ways by many researchers. According to Ghosh (2013) empowerment of employees is drive through four different perceptions i.e (organizational, psychological, social, and growth). Likewise, Crouse & Becker (1998) explain three perceptions of employee empowerment include training and development, organizational and individual. It is stated by Zeglat et al. (2014) and Kohn & Lee (2001), that the most common types of empowerment of employees are relational and psychological empowerment. According to Jaffe & Scott (1992) viewpoint of individuals regarding empowerment includes commitment, authority, motivation, and locus of control. Another researcher claimed the empowerment of employees is consists of four different components such as power, rewards, knowledge, and information.

Power is related to complete the things it includes giving autonomy, the authority to the employees (Kanter 1993). Yasothai et al. (2015) explain reward as the monetary and non-monetary benefits given to employees to motivate them. While he explains the sharing of knowledge as a method through which employees share information and ideas related to the work of the organization. Vacharakiat (2008) comprehend information is the process through which employees can get information related to the objective and different strategies of the organization.

2.2. Employee Loyalty

The loyalty of employees is a specific behavior of employees through which certain performances are formed. Over time there is a change in the culture of the organization and the performance of the employees. Due to globalization, employee's experience transfer, downscaling, and rearrangement due to which the concept of employee loyalty has been gradually changed. Nowadays, employees always attempt to obtain a new job with better perks as well as privileges and they left the job whenever they get a better option due to which it is difficult for the employer to find someone who is trustworthy and loyal towards the organization. Loyalty is a characteristic that is difficult to find in every situation.

2.3. Service Quality

Quality of the service provided to the customer is review as a crucial predictor to measure the financial performance of the banking industry. Buzzell, Phillips, and Chang (1983); Teal and

Reichheld (1996) explain that the quality of service performs a vital part in the development of return on stockholders' income and market share. According to Mehdi Bozorgi (2007); Buzzell and Gale (1989); Zahorik and Rust (1993) there must be a positive association between service quality and the efficiency of the organization. When the customer of the organization spread good word of mouth regarding the service quality of the organization then it would assist in gaining the interest of new consumers (Teal and Reichheld, 1996). All service sector organizations like banks, hospitals, etc. Understand the importance of service quality, therefore, they provide extraordinary rewards and profits to their employees so, they offer services to the customers which are of high-quality.

According to (Oliver 1977) service quality is the difference between the perception of customers related to the services and the services they receive. In another word, service quality is the perceived quality as a mode of attitude in which the customers shape a long-run assessment (Parasuraman et al. 1988). Parasuraman et al. (1988) explain a model of service quality according to the author there are five dimensions of service quality which include responsiveness, tangibles, empathy, reliability, and assurance. Tangible refers to the availability of gadgets use in providing the service. Zeithaml et al. (2006) refer to reliability as the ability of the employees to provide services constantly and precisely. Responsiveness means that how quickly and timely employees rely on the needs of customers. Assurance is the understanding and politeness of employees and their ability to direct self-confidence and hope. Empathy states towards kind and customized care to clients (Kotler, Keller 2012: 374).

Provided that the first-class service is very important for the organization. According to Oliver (1997) satisfaction of the customer is based on the quality of services performed. Companies normally have to select any one approach out of these two approaches the one is the production line approach and the second one is the empowerment approach (Looy et al. 2003). Sparks et al. (1997) disclose that if the employees are completely empowered then their customers are highly satisfied. In the opinion of Saif and Saleh, (2013) empowerment of employees is one of the most basics features for constant development of the value of products and services. The study of Timothy and Abubaker (2013) approves the positive and important influence of empowerment on service quality and discloses that the empowerment of employees advances the quality of services.

2.4. Financial Performance

Hubbard (2006) claimed that it is difficult for organizations to measure their performance, particularly when there is a continuous change in performance. Many SMEs are getting more or more directed towards their organizational performance. As stated in the literature commonly use variables to measure organizational performance is financial performance, market-based performance, and operational performance (Hofer and Carton, 2006; Combs et al., 2005; Helfert, 1994). In the present study, only the organization's financial performance is measured. Normally financial performance illustrates how the monetary objectives of the organization are accomplished and it also helps the organization in managing its financial risk. The financial performance also evaluates the company's policies in monetary terms. Eneizan and Matar (2018) stated that financial performance also helps in measuring the overall financial capabilities of the

organization during a specific period in comparison with the other organization relating to the same sector. Employee empowerment suggests significant benefits for both organizational as well as personal level (Ignore, 2009). For instance, loyalty and a feeling of ownership would be developed as a result of empowerment. Mathieu et al., (2006) claimed that empowerment has originated to increase capability and reduce expenses. According to Fulford and Enz, (1995) employee empowerment shows a greater degree of job gratification, loyalty, and performance. Furthermore, employee empowerment enhances the amount of motivation, which resultantly, reduce faults and create individuals be extra responsible about their actions; upsurges loyalty, and decreases turnover meanwhile it also increases the effectiveness by enhancing employee pride, assertiveness, along with their dignity (Spatz, 2000 and Ripley & Ripley, 1992).

Mukherjee et al., (2003) claimed that service provider companies along with educational scholars perceive the quality of service as a crucial factor of profit. Gomes, Yasin, & Lisboa, (2004) stated that service quality is directly correlated with organizational performance in the usual service perspective. Moreover, this association has not been empirically examined in the computerized banking environment. Santos, (2003) argued that the sustainability of computerized banking relies on its productivity and study has associated the achievement or flop of computerized banking with quality of service. According to Mols, (1998), the quality of computerized banking attracts the customers and also allows banks to offer lower rates abruptly. Due to the quality of services provided to the customers the profitability of banks also increases (Smith and Moutinho, 2000).

If the supervisor has empowerment, then it provides an effective working environment for its subordinates. According to Ripley & Ripley (1992) empowerment not only encourage the employees but it also increases their accountability towards their everyday task, quality of the service, loyalty towards the job, empowerment positively affect the self-esteem of the employees and it will eventually increase the quality of the product and turnover ratio also decreases. Gronroos lists down some of the positive effects caused by empowering the employees of service sector organizations are the following: 1) The needs of the customers are dealt with faster and direct manner. 2) Fast and direct answers to the complaints of customers. 3) Employees are satisfied with their job 4) Employees deal with the customers more willingly.

Empowerment originates from delegation, which is a conservative management practice for relocating formal authority from one position to another within an organization. The main purpose of empowering employees is providing them the liberty and funds to do things in their way, every so often in a relationship to create a climate in which innovation and creativity increase. According to Kanungo & Conger (1998), there is a sense of competence, a sense of meaning, and personal control of employees in the working environment if they are empowered. Previous studies explained a direct association between the empowerment of employees and financial performance (Lawler & Bowen, 1995).

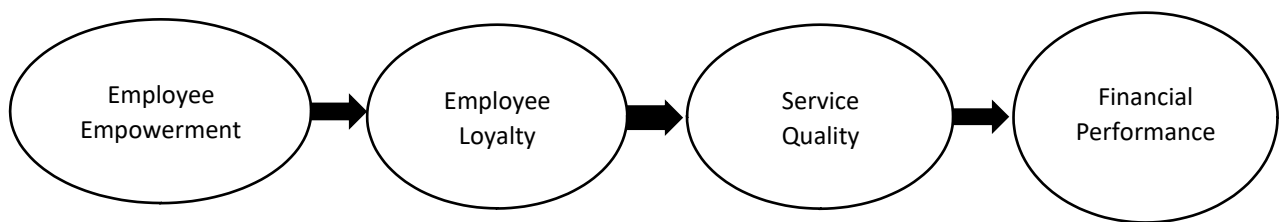
A significant form of theoretical as well as an experiential investigation has been conducted on employees' effect on organizational performance. Research conducted by Sila (2007) to study the effect of employee performance along with employee fulfillment on the performance of the organization. Another study conducted by Scott, Fulmer & Gerhart (2003) explores that whether the positive correlation among the employees and firm is a resource for the firm and it will

positively be linked with improved financial as well as market performance compared to other firms.

In current study the relationship between our independent variable employee empowerment and dependent variable financial performance is affecting by two mediating variables employee loyalty and service quality.

Figure 1

Relationship between variables



Source: Authors' compilation.

3. Methodology

In the present study already well-established and accepted questionnaire is used to test the variables of the research. The participant rated their responses based on a five-point Likert scale of 1 to 5. Attributes of employee empowerment i.e. Autonomy, skill diversity, chore importance besides feedback, and chore identity are assessed using a scale consisting of fifteen items initially created by (Niehoff et.al, 2001).

Table 1

Data sheet of Empirical Study

Banks	No of Respondents
HBL	76
MCB	47
Allied Bank	59
Soneri Bank	43
Faysal Bank	75
Total	300

Source: Authors' compilation.

It was considered useful as it shows a high-reliability value of (0.78). Rentzl's and Matzler (2006) create a scale consist of five-item to measure employee loyalty the same scale is used in this study to measure employee loyalty. The reliability of the scale is (0.78). Service quality is assessed using a five items scale. Initially created through the SERVQUAL tool tested by (Parasuraman et al., 1991). SERVQUAL measures five attributes of service quality by a questionnaire consist of twenty-two items, every question of this scale is not related to our study so, we use a short version of this scale which is already used in different studies created by (Gotlieb et al., 1994). The reliability of the scale is (0.64). The financial performance of banks is measured using two ratios (i.e return on equity and return on assets). The reliability of the scale is (0.79).

4. Results

Findings in Table 2 showed that employee empowerment is significantly and directly associated with employee loyalty. Similarly, employee loyalty is also a positive relationship with service quality. Similarly, service quality has a positive and meaningful relationship with financial performance.

Table 2

Table showing relationship among studied variables

Variables	EL	SQ	FP
Employee Empowerment (EE)	.16**	.39**	.32**
Employee Loyalty (EL)	1	.28**	.19**
Service Quality (SQ)		1	.75***
Financial Performance (EP)			1
Employee Empowerment (EE)	.16**	.39**	.32**

Source: Authors' compilation.

In order to test serial mediation among variables, process analysis was used as shown below;

Table 3

Table showing serial mediation

	Dependent Variables								
	Employee Loyalty			Service Quality			Financial Performance		
Independent Vars.	Coeff.	SE	P	Coeff.	SE	P	Coeff.	SE	P
Employee Empowerment	.22	.09	.015	.39	.05	.000	.03	.04	.03
Employee Loyalty	-	-	-	.11	.03	.000	-.01	.02	.03
Service Quality	-	-	-	-	-	-	.67	.04	.000
Constant	2.68	.37	.00	2.14	.20	.000	1.24	.17	.000
	R ² = .02			R ² = .23			R ² = .56		
	F (1,298) = 5.96; p=.015			F (2,297) = 45.33; p=.000			F (3,296) = 124.54; p=.000		

Source: Authors' compilation.

According to results shown in Table 3, the overall model for employee loyalty (EL) express a variation of 2 percent, where $F(1,298) = 5.96$; $p = 0.015$. The model of the current study also shows that there is direct and significant relationship between employee empowerment and employee loyalty. The overall model for service quality expresses a variation of 23 percent where $F(2,297) = 45.33$; $p = 0.000$. The results of the study also show that service quality is affect by employee empowerment and employee loyalty. The overall model for financial performance expresses a variation of 56 percent, where $F(3,296) = 124.54$; $p = 0.000$. The finding showed that service quality (SQ) has a direct effect on financial performance (FP).

Table 3 also indicated that employee empowerment (EE) indirectly impacts financial performance, and a serial mediation exists between employee empowerment, service quality, and financial performance of banks. It also indicates that employee empowerment (EE) indirectly affects financial performance (FP) through service quality (SQ).

5. Conclusion

The results of the present research exhibited a significant association between service quality (SQ) and personal empowerment. In the past, different studies show a positive connection between the empowerment of employees, service quality (SQ) along customer satisfaction (CS). Duong (2015) stated that a positive association exists among personnel empowerment in addition to service quality (SQ). In the service sector organization, the workforce and the service itself are of equal importance researchers claim that employees are the label of service. The

status of the employees is equally important as service manufacture and service transfer. The results of the current study show that there is a positive association between employee loyalty (EL), employee empowerment (EE), service quality (SQ), and financial performance (FP) of the organization. Previously different studies examine the relationship between the studied variables of service sector industries. According to this study employee loyalty (EL), financial performance (FP), employee empowerment (EE), and service quality (SQ) is significantly associated with one another. Different variables affect the performance of the service sector organization financially i.e. Efficiency, satisfaction of customers, loyalty of customers, and the reduction in cost, etc. However, the current study is conducted by using only three variables that affect the performance of the organization financially. The data for the study was collected only through three hundred respondents which are very limited as per the population of current research. Financial performance (FP) of the other service sector organizations such as hospitals, the education sector is also required to be measured using a similar model. Management of the organization needs to consider loyal employees as the major resource of the service organization. Promoting loyalty among the employee's employers need to allow creative ideas from their employees and they also need to provide them with different rewards. By all the efforts that are reported by the management to create employee loyalty, it will ultimately increase the financial performance.

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Entrepreneurial feminism in Kigali: A social feminism and liberalism perspective

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Abstract

Entrepreneurship has been attributed to a masculine career in many economies. Rwanda was no exception to the discrimination of women in entrepreneurship. Due to gender, stereotype, and patriarchy, Rwandan women were not free in deciding to participate in entrepreneurial feminism. Some women became liberals to break the glass ceiling to launch entrepreneurial feminism. They faced constraints that included a lack of entrepreneurship skills, market opportunity, and fear of failure. This article aimed to explore how gender affects new entrepreneurial feminism creation in Kigali. A quantitative approach used to collect survey data from 409 women-owned SMEs in Kigali were selected purposively. The findings indicated that most women-owned SMEs in Kigali started a necessary business due to unemployment. In contrast, those who needed time to care for their family while generating income launched the opportunity business. (64.3%) accepted permission from partners to start a business. While (24.9%) broke the glass ceiling. A lack of entrepreneurship skills was the major constraint they faced.

Key words

Entrepreneurial feminism; permission; constraint; glass ceiling; Kigali.

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1. Introduction

A simple explanation of entrepreneurial feminism is that it promotes feminist values through the process of creating ventures, to improve the position of women in society. Many reputable organizations, academia, and researchers agreed that the world is losing wealth due to the underrepresentation of females in the socio-economic mainstream of many developed and developing countries or paying females a lower salary compared to males for the same job performed (Amanda et al., 2019; Khadija et al., 2020; ILO, 2020). The latter may be attributed to gender stereotypes, patriarchy, cultural norms, and religious beliefs.

The International Labour Organisation (ILO) reported the global average that females paid are approximately 19% less than that of males for equal work (ILO, 2020). Sadly, employers take advantage of penalizing those women who have children, for instance, in Sub-Sahara Africa; they are paid 31% less than males (Khadija, V at al., 2020).

For many years, in developed and developing economies females were discriminated against for launching and running businesses instead of housekeeping activities, and Rwanda is no exception. Gender stereotypes, patriarchy, cultural norms, and religious beliefs oppressed Rwandan females in many socio-economic activities. Despite their entrepreneurial intention, those downsides mentioned above hamper females to execute their entrepreneurship talent. However, albeit with these obstacles, some of them launched entrepreneurial feminism.

Our core understanding is that submission and the breaking of the glass ceiling factors influenced the females' new enterprises' creation in Kigali. The submission refers to females who submitted to their husbands or male family member to request permission to start a business. Once, they received permission and started businesses they received various support including finance and business opportunities.

In contrast, the liberalists viewed that open and running businesses are absolute female rights, and there is no need to request permission for whoever follows government institution's regulation about launching a business. The liberalists, including those who were refused permission to launch businesses, broke the glass ceiling to open businesses. They may not receive the community support they deserved and we do not know why, but they operate their businesses under fear of failure.

This article aims to explore how gender affects new entrepreneurial feminism creation in Kigali. Thus, the question raised here is "How does gender affect female enterprise creation in Kigali"? To respond to the research question, our theoretical framework is based on feminism and liberalism theory toward gender inequality that stiffens women from embracing entrepreneurial feminism.

However, masculinity is also addressed in this article because it is the opposite of feminism, and it was used to oppress females. Besides this, there is no way to hide from government institutions as they set rules and regulations and monitor their implementation. Masculinity and government institutions appear in the length of the article.

The quantitative method design was used to gather cross-sectional survey data from a sample population of female-owned SMEs in Kigali. The data analyzed using the last SPSS version, 26. This study is necessary because it explores the influence of gender on entrepreneurial feminism.

It addresses the recommendation to overcome the negative constructs that hamper women's involvement in entrepreneurial activities in Kigali, Rwanda, and other developing economies. Those constructs only delay socio-economic development and the UN development agenda is to eradicate global poverty by 2035, and the African Union agenda is designed to achieve gender equality, eliminating poverty in African countries by 2060.

The researchers like United States Agency for International Development (USAID) (2015) and Hakuzimana (2017) focussed on gender analysis for USAID/Rwanda feed the future (FtF). No specific study looks at the impact of gender on entrepreneurial feminism in Kigali. Therefore, this article is essential to identify the role of gender in hampering females to enter the entrepreneurship industry in Kigali. The conclusion and recommendation can duplicate to other economies particularly in Sub-Saharan Africa because most gender issues are similar.

The terms female entrepreneurs and women-owned businesses; female and woman, male and men used synonymously. The rest of the article presented as following: entrepreneurial feminism, methodology, findings and discussion and, conclusion.

2. Entrepreneurial Feminism theory

Entrepreneurial feminism theory emerged from gender equality which creates an entrepreneurship gender gap. Women do not have the same opportunity to access resources compared to men. Integrating women into mainstream entrepreneurship may accelerate social-economic growth (Arora, 2019). This theory addresses the Liberalism theory and Social Feminism theory.

2.1. Liberal Feminism

Liberal Feminism (LF) is the main element of feminism; it is against gender inequality. LF presumes that females and males are equal; they must have some opportunities to access education, political position, work, and economic, among many more. Liberalists view patriarchy as the obstacle for female socio-politico-economic development. Patriarchy is a concept used to describe a females' male dominance from household to government and private sector institutions. Male dominant females in mainstream social-politic-economic create a huge socio-politic economic gender gap (Higgins, 2018).

Despite the persistence of gender inequality, Rwanda had amended the constitution to equalize female and male rights in all country life spheres, including entrepreneurship. This is supported by The World Bank (WB) and the World Trade Organization (WTO) (WTO, 2020).

Despite the liberalists' battle for gender parity, women are still underrepresented in entrepreneurship, and education is required regarding entrepreneurship courses such as sciences, engineering, and technology. Liberal Feminism suggests that by giving women the same opportunity as men, access to finance, education, supply chain, market opportunity, and other resources they may be equal with men in entrepreneurship and other social activities (Unger & Crawford, 1992; Arora, 2019).

Previous research reported that women entrepreneurs manage small-sized businesses compared to men, and due to gender inequality, they faced constraints including inadequate access to the resources, relevant education, economic, ICT, and many more. These constraints hamper their entrepreneurship success (Unger & Crawford, 1992; Chinomona & Maziriri, 2015; Kelley et al., 2017; Nsengimana et al. 2019). Liberal Feminism concurs that by relieving constraints from experienced women entrepreneurs, they could perform business equally like men or better than them (Orser & Elliott, 2015).

2.2. Social Feminism theory

Gender tends to be defined in the social field during sex in biology science. Gender refers to a role male or female plays in society. However, the definition of sex differentiates males and females based on Anatomy, Histology, Physiology, and Genetic factors (Newman, 2018). The social feminism theory assumes that women and men are created differently—their life experience, socialization, and how they view things differently.

Nevertheless, it does not mean that they are weak in entrepreneurship. Men and women have the same entrepreneurship characteristics. However, they differ from very few traits that could not affect their entrepreneurship performance (Fischer et al., 1993).

It is owing to the bottomless cultural reach of the experiential. The difference between females and males, androgyny is usually not considered to be feasible in SF. Nor is it considered desirable; the core principle of SF is that, while women's experience and reasoning have been belittled, their awareness can be conducive to similarly socially efficient behavior. SF argues that it is crucial to understand how knowledge is gendered and recognized that feminine knowledge is ignored or marginalized. This involves identifying both gender disparities and their consequences for individual behaviour and social well-being (Fischer et al., 1993).

Despite the role men and women play in society, the patriarchy and gender stereotype promote men over women and subordinate men. This gender inequality was applied as masculinity entrepreneurship, a male profession that explains why women are underrepresented in entrepreneurship. Lack of society and family support distress women entrepreneurs who impacted their businesses' growth and success (Vossenbergh, 2013). Gender stereotypes create a fear of failure and hold back women entrepreneurs (Orser & Elliott, 2015). However, the literature indicates that some women entrepreneurs boosted their businesses due to full support from husbands and male family members. They helped in performing housekeeping activities and business.

3. Entrepreneurial Feminism

Entrepreneurial feminism defines as “A mechanism to create economic self-sufficiency and equity-based outcomes for girls, Trans, queer women, and women-identified people. Entrepreneurial feminists enter commercial markets to create wealth and social change based on the ethics of cooperation, equality, and mutual respect” (Orser & Elliott, 2015).

Entrepreneurship is no longer a male career; women known as untapped economic forces embrace entrepreneurial feminism and strongly contribute to socio-economic development.

Worldwide women involved in entrepreneurial activities estimate 252 053 113. In the Total Entrepreneurial Activity (TEA), worldwide women represent around 10.2% which was about three-quarters of men's rate. 6.2% of women enterprises versus 9.5% of men enterprises were established. An established business is an enterprise aged 42 months and overperforms well. In contrast, TEA refers to nascent and new businesses less than 42 months of existence. Interestingly, in Sub-Sahara Africa, the start-up phase of venture creation, graduate females are approximately 30% more than graduates men (Amanda et al., 2019).

In terms of job creation, globally, 2.5% of women and 5% of men hired more than 20 workers each. Since women break the ceiling to penetrated entrepreneurship, they are globally active in a TEA at 53.4% versus 43.5 % for men. Their businesses concentrated in retail and wholesale. However, a considerable gap was identified in mining, modern agriculture, and ICT which were captured by men entrepreneurs; they are twice as women in those industries. Concerning opportunities, gender inequality and gender stereotype hamper women entrepreneurs to grab opportunities; this is why males control 47.3% of opportunities compared to 42.1% for female entrepreneurs. Remarkably, global, an average of 64.25% of female entrepreneurs support their families versus their counterpart men 51.9%. However, Sub-Saharan Africa women invest more in their families, around 70% (Amanda et al., 2019).

3.1. Rwanda entrepreneurial feminism

As mentioned in the introduction that gender stereotypes, patriarchy, cultural norms, and religious beliefs were responsible for lower female contribution to entrepreneurship in Rwanda, and Kigali the study site. It is essential to summarise how these factors affect entrepreneurial feminism in Rwanda.

A gender stereotype is a generalized view or preconception about attributes or characteristics, or the roles that are or ought to be possessed by, or performed by women and men. A gender stereotype is harmful when it limits women's and men's capacity to develop their abilities, pursue their professional careers, and make choices about their lives (United Nations Human Rights, 2020).

Therefore, there is vast gender inequality in Rwanda, particularly in Kigali, where most businesses belong to male entrepreneurs who also capture public and private procurement. This is due to the Rwandan society underestimating woman's ability to run and grow a business. However, there is no scientific evidence to confirm women's inability to manage the business, supply, and learning (Byanafashe et al., 2011; North Carolina State University, 2018). Patriarchy has been debated in liberal feminism above.

Culture refers to norms, beliefs, customs, and ideas to guide a particular society. However, most of the disadvantages Rwandan women face stem from cultural norms (Mbabazi, 2018). Cultural norms still challenge women when opening a business; they must first ask permission from the family or husband to start and run a business. Lack of family support stops many women's entrepreneurship ambitions (Muhoza, 2019).

The Rwandan is a people who practice religious beliefs. They believe that women must be subordinate to men who are the breadwinners, making it difficult for women to run a business. In Rwanda around the 1900's, teaching and learning were challenged by the Catholic missionaries who discriminated against females from education. However, education is the catalyst of

enterprise creation and success. Byanafashe (2006) reported that girls waited for 32 years after boys attend secondary schools in 1950. Sadly, they were only allowed to study nursing and midwives, social work, and primary teaching. Fellman (2012) adds that it took nine years for girls after boys to attend primary school. The Catholic church and colonizers promoted women's discrimination in education and the country's mainstream economy, which the consequences thereof remain today (Fellman, 2012).

Despite the impact of a gender stereotype, patriarchy, cultural norms, and religious beliefs, Rwanda. National Institute of Statistics of Rwanda (NISR) Indicates that women represent around 33% of formal businesses. Despite this portion, the businesses are small-scale compared to those of their male counterpart. Despite their background, their efforts were appreciated by many stakeholders as an engine of socio-economic development. However, females must embrace medium and large businesses to ensure their sustainability and equality among women and men (USAID, 2009; Rwanda. National Institute of Statistics of Rwanda, 2018).

66.4% of females involved in farming businesses versus 53.5 males. However, 5.5 % run businesses no related to farming opposite to 11.2% males. In terms of access to formal credit, patriarchy remaining, males receive credit two times than females; thus, only 5.7% of females versus 11.4% accessed formal credit by 2015. As a result, 41.4% of females versus 38.7% of males accessed informal credit by 2015. Depressing, 9.5% of females do not contribute to any economic activity, only housekeeping activities versus 3.2% males (Rwanda. National Institute of Statistics, 2016).

3.2 Female enterprises in Kigali

As indicated above, how gender stereotypes, patriarchy, cultural norms, and religious beliefs impact entrepreneurial feminism in Rwanda, Kigali is no exception. Kigali is the economical and administration city of Rwanda. The nature of business in Kigali differs from those of a rural area based on farming. In Kigali, women appear in various businesses but concentrate on retail and services. Many of them penetrated entrepreneurial activities after requesting permission from their partners or male heads of the family for single females. In contrast, others break the glass ceiling to exercise entrepreneurship as it is their right according to the Rwanda constitution (Naicker & Nsengimana, 2020).

In Kigali, many women are unemployed; they could not find jobs in the public and private sectors, entrepreneurship is a quick option to earn money to support their families. Another hypothesis was that men breadwinners failed to provide the necessary for their families; they called their spouses to embrace entrepreneurship to care for them (Hakuzimana, 2017). Despite the way women started a business, they faced challenges.

3.3. Entrepreneurial Feminism challenges

Females and males may face common challenges, but females have specific challenges linked with a gender stereotype, patriarchy, cultural norms, and religious beliefs. In this article, we called them gender inequality challenges and the first one under discussion is gender disparity.

There is vast gender inequality in Rwanda, where most businesses belong to male entrepreneurs. This is due to the Rwandan society underestimating woman's ability to run and grow a business. There is no scientific evidence to confirm a women's inability to manage the business (Byanafashe, et al., 2011). Awarding public and private tenders to women in supply chain management will increase women's involvement in the mainstream economy. However, calling them to contribute fully in mainstream economic business without privileges will continue to keep them engaged in informal and small-sized businesses in Kigali (Pro-Femmes Twese Hamwe, 2019).

Most of the disadvantages Rwandan women encounter are from cultural norms. They must first ask permission from the family or husband to start a business. However, those who break the glass ceiling, work under cultural norms and pressure that impact their performance and growth. Some male consumers are still conservative, and they do not buy products or services from women when they can find it from men-owned businesses. The Rwandan cultural norms challenge women in the business environment while men do not embrace integrating women in entrepreneurship. In Rwanda, suppliers prioritize men entrepreneurs. Some married women complain of not having full control and decision-making in their businesses. Their husbands still wear cultural clothing to decide how the business should be run (Brooks, 2018; Muhoza, 2019).

Given the opportunity for women like men to access finances may help them grow their businesses, improve their competitiveness, market share, increase GDP, and close the financial inclusion gap. Lack of access to finance means that women SMEs will continue to suffer financially, and this may result in them remaining small-sized enterprises (Rukundo, 2015). The FinScope Rwanda (2016) report indicated that women are at a disadvantage in accessing finance in terms of financial inclusion in Rwanda compared to men. A higher percentage of women (13%) do not access any finance form than 9% of men. Most women use an informal loan to run businesses. This form of loan is not guaranteed, and most of the time, it is short and demands higher interest.

Negating mobility of women-owned SMEs in Kigali exposes their businesses to becoming uncompetitive. The Rwandan culture attributes women to housekeeping tasks. Women are not allowed to travel during the night to take advantage, for example of milk distribution which the transport must be done during the night under the pretext of home responsibility. Refusing women's mobility retains the gender inequality gap. It keeps women running only small-sized enterprises. It also negatively impacts their businesses as they are forced to buy expensive inventory from distributors and wholesalers from which they make very little profit. It benefits men entrepreneurs and enhances entrepreneurship and the gender inequality gap (Blackden et al., 2011; Mukamana et al., 2017).

Sexual harassment traced back to gender stereotypes, where men dominate women, and men continue the same behavior in the workplace and business environment (Tashobya, 2016). Many females that have been harassed prefer to keep quiet instead of saying what happened to them as they fear not being believed and rejected in society (Transparency Rwanda, 2011). Despite the Law N°59/2008 of 10/09/18 punishing those who are involved in sexual harassment, culture still confines Rwandan women; they keep quiet when harassed (Rwanda, 2008). Other constraints

many females facing running businesses in Kigali are finance, government, education and training, and fear of failure.

4. Methodology

Rwanda's Kigali administrative and economic capital was selected because various businesses are contrary to rural areas where most businesses are related to farming. This may show a picture of entrepreneurial feminism in Kigali and how some industries are remaining in masculinity. The sample population meets the following criteria. Females, 18 years of age and older, Rwandan citizen and foreign nationals, speaking Kinyarwanda or English, a business must be one month old and older, a business must be SMEs, a business must be located in the city of Kigali (Gasabo, Kicukiro, and Nyarugenge District), and business must be in the importation, exportation, wholesale, retail, ICT, manufacturing, transport, agriculture, construction, and service sectors.

The purposive method was used to select the sample population. Based on the researchers' judgment, they believed that they selected the appropriate unit of analysis to provide quality data. Due to the lack of statistics for women enterprises in Kigali, the Raosoft sample size calculator was used to determine the sample size 377 of women-owned SMEs in Kigali contributed in the survey (Hightower & Scott, 2012).

4.1. Survey method and instrument

The personal survey used a structured questionnaire to gather data from respondents. In the personal survey, the researcher interacts face to face with respondents. Researchers asked questions to respondents and recorded answers on a google form. Respondents were free to ask clarity to questions they do not understand well. Google form contained a questionnaire in a tablet connected to the internet. Google forms have the benefit of avoiding articlework; data recorded electronically and served on google driver. Data coding, capturing, and cleaning is done automatically. Google Forms also can download data on an Excel sheet which was analyzed using SPSS, 26 version. 409 questionnaires were collected contrary to 377 were programmed that increase the reliability of data and representative of the population.

Demographic data was collected. The business profile data was gathered to gain insight into women's businesses in Kigali. It was also necessary to collect data to investigate the stimulus toward entrepreneurial feminism and whether they requested permission to start a business. From that data, we can differentiate those who submitted (i.e. submission to their husbands) versus those who broke the glass ceiling. Lastly, data was gathered to identify the challenges they face and their gravity.

5. Data analysis and findings

The data presented and discussed were the socio-demographic data and the business profile data. Besides, the stimulus of entrepreneurial intention among entrepreneurs in Kigali; request

for permission to launch a business, and feminism constraints to women-owned businesses in Kigali are discussed.

5.1. Socio-demographic and the business profile findings

The findings indicated that (79.5%) of respondents surveyed were married, (60.6%) stayed with partners. Almost three quarter (73.8%) fell within the age range of 25-44 years. As far as education is concerned, secondary and primary education dominated (97.2%). A significant number of them (88.9%) were Rwandan nationals. The majority (57.7%) of respondents seemed to be unemployed before launching their businesses.

The objective of this section was to have insight into women's SMEs in Kigali. The findings showed that (90.7%) of respondents had no education which was related to business studies i.e. such as entrepreneurship. The same was true of (89.7%) who did not practice entrepreneurship. However, just (9.5%) had internships with various organizations before they began their businesses. The training enhanced their management skills in numerous disciplines, including entrepreneurship, administration, and accounting. The majority (97.8%) of respondents were sole proprietorships, and (58.8%) offered services. Most of their businesses, (54.5%) were between one and five years old. They received start-up funding from their savings (23.5%); husbands (22.7%), and family (15.1%) which indicates that it was difficult for them to secure a loan from a formal lender to start a business. About (65.2%) reported that they started their businesses from scratch, and (90.5%) reported that their customers were citizens of Kigali. It was found that a majority (88.3 %) of the respondents' businesses performed well.

5.2. The stimulus of female entrepreneurial intention

Reasons were sought to determine why female entrepreneurs were inspired to launch businesses in Kigali. Both causes may be push factors that inspire an entrepreneur to launch a necessary business or pull factors that encourage an entrepreneur to launch an opportunity business. Table 1 below offers statistics on the diverse reasons that led females in Kigali to venture into entrepreneurship.

Table1 above indicates that (57.4%,) of respondents run entrepreneurial feminism due to unemployment. A possible motive for launching businesses was to earn income to fulfill their needs. Those who are educated may join the workforce if they find a job on the labor market. Referring to Table1, females involved in entrepreneurial feminism in Kigali necessity (76%) and opportunity (24%) entrepreneurs. Necessity ones were unemployed; faced termination of the contract; not skilled to pursue employment; experienced mistreatment in the workplace; suffered job dissatisfaction; divorced or breakup, and death of spouse and refugee. They started survival businesses with difficulty finding capital start-ups. Kelley et al. (2011) and Fairlie and Fossen (2017) reported that a miserable financial situation pushed necessity entrepreneurs into business to survive. Their businesses are small with a meager income.

Table 1

Motives to start a female business in Kigali

	Frequency	Percent
Push factors (necessity entrepreneurs)		
Unemployment	234	57.4
Maltreatment where I worked	10	2.5
Job dissatisfactions	24	5.9
Divorce or separation	13	3.2
Death of husband	4	1.0
Unwanted pregnancy	0	0
Refugee	1	0.2
I am not educated to find a job in the labor market	10	2.5
My contract with my employer terminated	14	3.4
Pull factors (opportunity entrepreneurs)		
Independence	12	2.9
Fulfilment my entrepreneur intention	6	1.5
Self-actualization	25	6.1
Innovation	9	2.2
I needed time to care for my family while generating income	29	7.1
I needed to generate more revenue	6	1.5
Education, training, and experience	3	0.7
Challenge men by showing them that women can also start and run a successful business	8	2.0
Total	408	100.0

Source: Own elaboration.

Opposite to opportunity entrepreneurs, as shown in Table 1, are those that challenge males by proving that females are also able to launch and run a sustainable business. They are educated, trained, and experienced; they shape the entrepreneur's intention; they want time to take care of the family when producing income; they desire to produce more revenue; independence; innovation, and self-fulfillment.

Opportunity entrepreneurs are financially stable. They launched a business to earn more than their salaries in the workplace and to improve their visibility and dominance. They perceived and pursued an opportunity; they could finance the start-up and the growth stage of a business lifestyle that differentiate them from necessity entrepreneurs who struggle financially to set up a

business (Kelley et al., 2011; Fairlie & Fossen, 2017). The next findings revealed whether women-owned SMEs in Kigali requested permission or not to start a business.

5.3. Request for permission to launch a business

The objective of these findings is to determine whether women-owned SMEs in Kigali requested permission from partners or male relatives to start a business. This finding reveals to what extent gender stereotypes and patriarchy affect women's entrepreneurial feminism creation. As indicated in the literature, submission (request permission to start a business) and to break the glass ceiling (liberalism behaviors to start a business) influenced women-owned SMEs' execution in Kigali entrepreneurial intention, ultimately, launching new ventures. Those who refused permission and those who did not request both considered liberalists break the glass ceiling to start businesses. They fought for their rights; no one could stop their entrepreneurial intention. Referring to Table 2 below, another factor raised "husband's initiative". All these scenarios are discussed below.

Table 2 indicates that married women (55.5%) and single ones (8.8%) were the majority (64.3%) of respondents who were loyal to their partners and family. They believed that women could not decide to start a business; they must submit to a partner or family for single females to request permission to start entrepreneurial feminism. Luckily, they received approbation from the partners and families to go ahead with the launch of enterprises.

They might receive other supports like financial, psychology, physical, and perform some housekeeping activities attributed to female jobs, and they can help them run businesses. Female entrepreneurs feel comfortable, supported, and have increased morale that could affect business performance. As discussed above (37.8%) of a capital start-up from partners and families is evident that this group of women entrepreneurs received full package support from their partners and families.

In line with the current findings, earlier studies by Vossenberg (2013) and Wolf and Frese (2018) have shown that the physical, psychological, and resourceful husbands and families help inspire women's businesses, which affect their market success and development. Some women refused permission to start a business; they revolted, opened the business to realize their dreams.

Table 2 indicates that (3.4%) of respondents were disappointed, partners (2.2%) and families (1.2%) heard their request to start entrepreneurial feminism but in vain. Despite the trust they had in them, they become liberalists, changing the way of thinking and projection that arrived to conclude that no one could stop their right attributed by government institutions, they joined those who break the glass ceiling (24.9%) to exercise their right.

Table 2

Request permission to start a business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Missing values	5	1,2	1,2	1,2

Accepted permission				
I asked permission, and my husband was supportive	227	55,5	55,5	56.7
I asked permission from my family, and they were supportive (single)	36	8,8	8,8	65.5
Refused permission				
I asked permission, but my husband was not supportive	9	2,2	2,2	67.7
I asked for permission from my family, but they were not supportive (single)	5	1,2	1,2	68.9
Break glass ceiling				
I did not ask permission	77	18,8	18,8	87.7
No husband, I made the decision myself (widow)	14	3,4	3,4	91.1
I did not ask for permission from my family (single)	11	2,7	2,7	93.8
Husband initiative				
It was my husband proposition	25	6,1	6,1	100
Total	409	100,0	100,0	

Source: Own elaboration.

The liberalism theory attributes gender stereotypes and patriarchy responsible for gender inequality. These women, seek equality between men and women in all spheres of the country live, they stand up together to say no to gender inequality in entrepreneurship. Even though liberalist is individual, but they share the common issue. Despite their effort to set themselves free to penetrate entrepreneurial feminism, they may not receive support compared to the previous group who received permission to start a business. The community may see them as rebellions. As a result, they run a business in fear of failure.

This result aligned with that of Orser and Elliott (2015); Essa (2018), and Kamberidou (2020) who found that certain women had broken the glass ceiling and asserted their right to freely engage in the country's activities as their male counterparts. They started entrepreneurial feminism. Notwithstanding the gender stereotyping and patriarchal climate, the obstacles they face, but their enterprises are making progress.

The results in Table 2 show (6.1%) of women-owned SMEs in Kigali penetrated feminist entrepreneurship, not for their will but their husbands' initiative. Perhaps, they did not have an entrepreneurial intention; they needed employment in the public or private sector. Despite the definition of gender stereotype cited earlier, the husbands chose them and directed them on what to do. What was behind their husbands' initiative? They possibly failed to provide families with the needs; they could raise more families' income if wives run businesses that could improve their families' welfare. It seems that this group of females entrepreneurs received full package support from their partners compared to other groups. Their businesses may perform well and sustainably.

Vossenbergh (2016); Wolf and Frese (2018) stated that a husband's support catalyses a females enterprise's performance and growth. This is because the partners help their wives perform some house activities and advice and help them in their entrepreneurial activities that boost female entrepreneurs' morale and decrease the fear of failure. Despite the climate females launched enterprises in Kigali, they also face feminism challenges.

5.4. Feminism constrains women-owned businesses

The objective of this section was to identify the amplitude of the challenge they face in doing business in Kigali. The challenges were the majority that agreed with the statement over (50%). These were a lack of entrepreneurial skills, lack of market opportunities, lack of education and training as a constraint, inability to obtain public tenders, lack of information technology skills (e.g. internet), and fear of failure.

Table 3 indicates that most of the respondents, (77.04%), lack entrepreneurship skills, followed by (17.28%) who were neutral on the statement. The disadvantaged background of women who needed to gain an education was experiencing a lack of various skills including entrepreneurship skills (Byanafashe et al., 2011).

The majority of respondents surveyed, (97.2%) have completed primary and secondary education. Despite entrepreneurship courses on the secondary program, it can be argued that the entrepreneurship course maybe not relevant and needed to be updated with relevant skills to enable women-owned SMEs in Kigali to compete, share the market and improve their business performance. Global Entrepreneurship Monitor 2016/2017 Report on Women's Entrepreneurship revealed that the general entrepreneurship program had shown a weakness to improve women entrepreneurship capacity building rather than specific skills to have positioned women in enterprises (Kelley et al., 2017). The above finding is consistent with World Bank (2019), who found that a lack of entrepreneurship skills among women entrepreneurs was a common challenge faced by women-owned businesses in the Africa continent.

Table 3

Feminism challenges faced women entrepreneurs in Kigali

Statement	Disagree (%)	Neutral (%)	Agree (%)
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Lack of entrepreneurial skills is a constraint	5.67	17.28	77.04
Lack of market opportunities is a constraint	9.34	19.41	71.25
Lack of education and training is a constraint	15.20	15.93	68.87
Inability to obtain public tender is a constraint	15.73	16.22	68.06
Lack of information technology skills (e.g. internet) is a constraint	17.40	22.06	60.54
Fear of failure is a constraint	25.06	17.94	57.00
Inability to travel because of family/husband obligations	31.3	26.41	42.30
Collateral to obtain a loan is a constraint	42,33	20.05	37.62
Sexual harassment is a constraint	43.60	25.37	31.04
Lack of a support network is a constraint	62.10	10.27	27.63
It is difficult for women to access finance	74.20	17.69	8.11
Customs and local culture disadvantage women to operate a business	84.31	12.75	0.74
Being a woman is a negative factor in business	93.38	6.13	0.49
There is gender inequality in business	98.52	1.23	0.25

Source: Own elaboration.

The results reveal that (71.25%) of respondents surveyed showed a lack of market opportunities that was a constraint they experienced. A lack of education, ultimately entrepreneurship skills, affected their abilities to identify opportunities. Even though there are local and international business opportunities, men entrepreneurs are favored by entrepreneurship skills, experiences, masculinity, and stable finances to grab any perceived opportunity. Society still underestimates women's ability to exploit an opportunity (Rwirahira, 2018). This is in good agreement with Independent Online (2018) who reported that a lack of identification of opportunities was among the significant constraints faced by South-African women entrepreneurs due to inadequate finance, training, and development programs for females support.

Table 3 indicates that the majority (68.87%) of respondents agreed that a lack of education and training was a constraint challenge women-owned SMEs in Kigali. However, (15.20%) of respondents were shaped with education and training. While (15.93%) of respondents were neutral.

These findings are not surprising, females were discriminated against from proper education, and boys were privileged to attend schools. Since females were allowed schooling, their education focussed on particular courses like education and social nursing work. Nowadays, very few women attend sciences, engineering, and technology in tertiary education (Byanafashe, 2006). These courses were acknowledged as a catalyst of creativity and innovation which make entrepreneurship healthily.

Chinomona & Maziriri (2015) observed low creativity and innovation among women entrepreneurship in Gauteng of South Africa due to lack of sciences, engineering, technology education, and training. Lack of education and training hamper women to embrace small, medium, and large enterprises. This why most women enterprises in Kigali were micro-enterprises (Rwanda. National Institute of Statistics of Rwanda, 2018).

Choto et al. (2014) stated that education is the source of business performance and growth. Rwigema et al. (2008) observed the relationship between education and level of business. The well-educated entrepreneurs tend to conduct small, medium, and large businesses, while the less educated focus on micro-businesses and informal businesses.

From Rwigema et al. (2008) perspective, our interest is that since (97,2%) of respondents completed secondary and primary schooling justified why many women businesses in Kigali were micro-enterprises. These findings are in line with Chinomona & Maziriri (2015) findings that a lack of education and training was a challenge faced by women entrepreneurs in Gauteng of South Africa that affects their business performance.

As shown in Table 3 above, (68.06%) of respondents had challenges obtaining a public tender. In contrast, (15.73%) of respondents obtained public tender. At the same time, (16.22%) of respondents were neutral on the statement. Lack of entrepreneurship skills, education, and training running micro-enterprises, and insufficient capital affected the possibility of obtaining public tender. It is difficult to compete with their counterparts who complete the requirements needed to win a public tender (Transparency Rwanda, 2011). Interestingly, (15.73%) of respondents have succeeded in a public tender; they won some public tenders.

The South African president, Mr. Cyril Ramaphosa, believed that there was no sustainable socio-economic development since women could not participate in the mainstream economy of South Africa. He recognized their difficulties to grab opportunities in the public supply chain, and the government set aside (40%) of a public tender to women entrepreneurs. Furthermore, they can improve their businesses, move forward to embrace the small, medium, and large businesses (Independent Online, 2020). Rwanda's government should learn from South Africa's best practice to award a certain percentage of a public tender to women entrepreneurs. Perhaps (50%) of females represent around (51%) of the Rwandan population (Rwanda. National Institute of Statistics of Rwanda, 2018).

Table 3 shows that (60.54%) of respondents experienced a lack of information technology skills. They could not leverage communication tools such as the internet of things and cell phones to promote their business and communicate with the network. However, (17.40%) familiar with ICT skills and adopted ICT into their businesses. Almost a quarter (22.06%) of the respondents were uncertain.

These findings are not surprising as the gender digital divide was identified in Rwandan society (Rwanda. National Institute of Statistics, 2016). Nowadays, ICT skills are compulsory to run a business and enable them to compete in the marketplace. Lack of ICT skills holds businesses incompetent. It is suggested that empowering women with relevant ICT skills related to business could shift them from running a traditional business to a modern one and to become competitive (Bishumba, 2017). These findings collaborate with those in Global Entrepreneurship Monitor 2018/2019 Women's Entrepreneurship Report (Amanda et al., 2019) who reported that a lack of ICT skills was a common issue in his many countries members.

Table 3 indicates that (57%) of respondents faced the fear of failure constraint. Opposite to (25.06%) who were confident of themselves, running a business free of the fear of failure. However, (17.94%) of the respondents were uncertain. These findings are disappointing, the majority of women-owned SMEs in Kigali run a business under the pressure of failure. As discussed above in the section and shown in Table 2, some women started businesses after requesting their partners' or families' permission. Failure for them means that they disappointed those who allow them to run a business. Simultaneously, those who break the glass ceiling exercise the entrepreneurial activities work under fear of failure; they need to prove their ability to run a successful business like their counterpart men. Some women-owned SMEs in Kigali are the breadwinners; they experienced a fear of failure to provide the families if they failed. These findings are in line with the Global Entrepreneurship Monitor 2018/2019 Women's Entrepreneurship Report found that many women entrepreneurs would shift from entrepreneurship to work in public and private sectors if they found employment instead of running business which put them under fear of failure pressure (Amanda et al., 2019).

6. Conclusion

This article aimed to explore how gender affects new entrepreneurial feminism creation in Kigali. Females are not free to start a business; the Rwanda patriarchy suggests that females must ask permission to partner with a male member of their family to venture into entrepreneurship. However, the liberals view that women should start a business and not request permission from whoever, comply with government regulation regarding business.

The findings indicated that most women-owned SMEs in Kigali started a necessary business due to unemployment; entrepreneurship was a quick option to generate income to survive. In contrast, women who wanted time to take care of their families while producing revenue dominated the group of opportunities entrepreneurs. Push factors relating to the necessity entrepreneurs overshadowed the pull factors linked to opportunity entrepreneurs. These results reflect those of Fatoki (2014) who also found that unemployment was a significant factor that pushed women under 35 years to launch SMEs in Polokwane and Mankweng in the Limpopo province of South Africa.

Despite the push and pull factors to launch entrepreneurial feminism, most women-owned SMEs in Kigali had to request permission from partners or male family members to start an enterprise.

In contrast, some break the glass ceiling to excise entrepreneurial activities without requesting permission.

Despite requesting or not permission to start businesses, they faced constraints originated from gender inequality. The most significant constraint was a shortage of entrepreneurial skills. This was accompanied by a lack of market opportunities, a lack of education and training, inability to obtain public tenders, lack of information technology skills (e.g., Internet), and fear of failure.

Remarkably, gender inequality and access to finance were not constraints confronting women-owned SMEs in Kigali. These findings are contrary to those by the Global Entrepreneurship Monitor 2016/2017 Report on Women's Entrepreneurship who found that access to finance and gender inequality were among the challenges women-owned SMEs faced in over a hundred countries members of Global Entrepreneur Monitor (Kelley et al., 2017).

This study adds to the growing body of research that indicates how gender affects female new enterprise creation in Kigali. This study identified the constraints related to gender encountered by women-owned SMEs in Kigali. It could serve as a foundation that policymakers and stakeholders could use to find sustainable solutions to constraints linked to gender faced by women entrepreneurs not only in Kigali, Rwanda but in other developing economies.

This study endorsed the recommendation that Rwandan society should be taught about entrepreneurial feminism to set free women to make themselves the decision to launch a venture. Entrepreneurship programs should be updated with relevant skills to enable entrepreneurs to cope with the business environment challenges.

It was difficult for women-owned SMEs in Kigali to obtain a public tender. The government should follow the best practice of South Africa, which award 40% of government procurement to women entrepreneurs (Independent Online, 2020). The Rwandan government should do so by bringing women entrepreneurs to the public supply chain by providing them at least 50% of public tender as they make up 51% of the Rwandan population.

The findings indicated that women in Kigali engaged in entrepreneurial activities due to a lack of another source of income. A future study could explore the reasons why women do not consider entrepreneurship as a career path.

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The post-COVID-19 retail landscapes: Perceptions of Small and Medium Size Retailers in South Africa

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Abstract

This paper offer insight to the substantial role of the small and medium retailers (S&M) and how Covid-19 has impacted the sector. The economic contribution of this group of retailers have been noted to be high. Policy measures of the government of South Africa in response to the pandemic was severe on the informal retailers who were stopped from operating their businesses. The paper highlighted the internal and external struggles and opportunities of the retailers. There is the need to revalue the sector according to its contribution to the society, assist the retailers to improve on their infrastructure, formalise their practises, embark on reform programmes aimed at improving their capacities.

Key words: small and medium retailers; Struggles; opportunities; informal sector.

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1. Introduction

The spread of the coronavirus also known as the COVID-19 pandemic globally has significantly impacted on consumer behaviour, product demand, retail stores, factories, and logistics services. Initiatives to contain the spread of the pandemic have negatively impacted on the urban poor, vulnerable groups, female-headed households, child headed households, the homeless, migrants, refugees, the unemployed, informal sector employers/employees, and casual workers (Crush and Si, 2020).

Among the many groups affected by the pandemic in the informal sector of the South African economy are the small and medium retailers. Informal retail trade dominates the informal sector of the national economy and contributes highly to the informal sector output (Wegerif, 2020). Considering its notable economic contribution, the government of South Africa injected financial assistance to the sector to cushion the adverse effect of the COVID-19; pandemic on retail business, however, the support extended neither increased the growth nor sustained the survival rate of the entities in this sector (Shipalana & O’Riordan, 2020).

According to the pre-COVID-19 global retail forecasts for 2020, the estimated growth of the sector was not realised but was halved due to the unpredictable impact of the pandemic (Abi Younes, Ayoubi, Ballester, Cristelli, de Rassenfosse, Foray, Gaule, Pellegrino. Heuvel, Webster and Zhou, 2020). For instance, at the insurgence of the pandemic and its associated conventions, consumers forego discretionary purchases in favour of survival items like stocking food and household goods (Hand, 2020). This tide favoured grocers whom the government categorized as essential retailers, though they experienced significant increase in their operational cost (Hand, 2020).

As the unexpected pandemic disrupted the way retail business was conducted as well as the consumer behaviour, it underpinned a mixed effect among retailers. The heterogenous effect unearthed three distinct features in the retail sector namely:

1. Only retail businesses that were categorised as essential providers were permitted to operate during the lockdown.
2. Retailers whose operations were solely on contact (face-to-face) basis were more adversely affected while those who operated virtually were less affected.
3. Although all the retailers seemed to be equally capable of running their businesses, some were more capable of coping with adverse situations and transiting to novel operating techniques than others (OECD, 2020)

These revealed scenarios have resulted into different liquidity positions that left many retailers struggling while others are thriving. Forward thinking retailers are answering the call to prepare for the omni-channel shopper and respond adequately to the shift in demand (Del Rio, & Malani, 2020). The omni-channel shopper is a multichannel method to sales that focuses on offering smooth customer experience virtually and /or offline using mobile devices or computers. Therefore, examining the perceptions of the small and medium retail operators about the effect of the pandemic on their operations in the pandemic era is imperative (Jere, Jere & Aspelung, 2015). The aim of this paper is to ascertain participants position with respect to the identified scenarios, internal struggles and opportunities, and outward struggles and opportunities, as they experienced during the pandemic. The paper is an extract from an empirical study being conducted.

2. Literature

Globally, in last few months there has been unprecedented, unexpected, uncertain, and complex change in the retail sector. The change was accelerated by the wake of Coronavirus Pandemic, that has left many retailers struggling to survive and others are thriving. The effect of the COVID-19 on retail businesses have been labelled with three distinct features: Firstly, by the COVID-19 conventions which include social distancing measures, Government postulated that only retail businesses which are deemed essential can operate. Those retailers whose businesses were viewed to be non-essential were shut down. More so, the essential retailers regularly operate under difficult conditions e.g., shortage in labour supply, disruptions in supply chains demand and working conditions. While the sales of clothing retailers and non-food items dropped highly, the sales of food, beverages and tobacco retail items increased in 2020. Secondly, the psycho-social measures impacted retailers with physical stores more than the online retailers. This may eventually facilitate the shift ongoing from brick-and mortar retailing to online retailing. For example, in France and United Kingdom, the market share of e-commerce has rapidly increased, and the retail expenses spent on online products is high (Del-Rio-Chanona et al, 2020). Thirdly, retail businesses co-exist simultaneously with differing crisis coping abilities. This effect is likely to be unequal due to the weight of the crisis on the brick-and mortar and small retailers, while the online and large retailers are more likely to survive. In the informal sector where the S&M retailers are a majority, the impact of the pandemic are not parallel due to the little capacity to withstand crisis. This paper will now consider the nature of the small and medium retailers, their struggles, and opportunities.

3. Nature of small and medium retailers

Strategies to contain the spread of COVID-19 have been exceptionally hard on the urban poor, vulnerable groups, female-headed households, child headed households, the homeless, migrants, refugees, the unemployed, informal sector employers/employees, casual workers (Crush and Si, 2020). Among the many groups affected by the pandemic, are the small and medium retailers in the informal sector of the South African economy. Informal retail trade dominates the informal sector and contributes highly to the informal sector output (Wegerif, 2020). According to Jane Barrett, *"it is important to note that own-account workers (i.e., owners of one-person enterprises – a subset of self-employed individuals) make up a large portion of the informal sector – approximately 50 percent of informal sector workers and 80 percent of informal firm owners in South Africa. This distinction is important because own-account workers require different strategies of support than better-resourced informal firms"* (Barrett 2021). Wegerif, (2020) documented that the government along with the private sector does not understand how the informal sector function, how then can they offer solutions to the sector?

The Small and Medium (S&M) retailers perform the traditional role of supply of goods and services and generating employment. The S& M retailers also provide variety of colour and choice in a sector that is standardized structurally.... Retail businesses are also socially responsible to the community they offer services to. They provide a sense of location by

identifying culturally and socially with the community infrastructures. That explains why they are not isolated or excluded by the community members from where they operate (Jere, Jere & Aspelung, 2015). The informal retail traders have become recognised by government in Poland, because not all consumers can afford to shop at the location of the formal retail shops. For example, low-income households, the aged and the non-mobile consumers may not be advantaged to shop at the big retail centres. The informal retailers are contributors to meeting the needs of their customers through personal relationships and preserving the community. In many locations it may be the only provider of specialised goods and /or services and where local purchases can be made. Their role therefore goes beyond buying and selling to being part of the community with a sense of belonging. The viability of a retail business depends on the opportunities and struggles of the operator whose environment is highly competitive (Wereda & Wozniak, 2019).

4. Opportunities of the S&M retailers

According Willemse, (2011), the following successes were documented on the S&M retailers. They provide goods and services to customers, they have flexibility that is relative to big business, practise of collective bargaining or unionisation, depend on social networks for informal financing, opportunities abound to provide for self and family, the development of retailing skills and confidence, have partial access to additional income, and limited use of start-up capital (Williamse, 2011). The Department of Business Innovation and skills United Kingdom (2013) contributed to the literature from the growth perspective, by alluding that internal capacity and capability to grow is responsible for business success of the S&M retailer. Adding that external environment including the market may also be contributory. Importantly, the vision of the business owners regarding growth and development is fundamental (Department of Business, Innovation, and skills U.K.2013)

The success of the sector is a function of the compelling values the retailer is offering. Grewal, Chandrashekar, & Citrin, (2010) documented that retailers must manage six levers of retail opportunities, these are store, supply chain, technology, services, merchandise, and price. Stores offer important opportunities from the customer point of view. It speaks to the retail format and externalities of the business to the outsider. Stores are an important opportunity to the success of retailing because it is concerned with the overall experience of the customer and considers the functional benefits offered by the physical location. Services are key drivers of the retail success, in a competitive environment where differences matter. Services offer convenience to the customer with the facilitation of customer decision, access, transaction, benefits, and post benefit convenience. Merchandising management is finding stocking goods that best meets the target customer's needs and ensuring the adequacy of the same anytime and anywhere. Price is fundamental to retail opportunities in that it measures services and offerings with value. Important to price are monetary price, time, customer, and the effort the customer foregoes to acquire product. Managing supply chain is ensuring the effective and efficient combination of manufacturers, suppliers, transportation, warehouses, and stores input into retail business. The technology factor is a contributor to the success especially when appropriately applied to the

supply chain at any level. Retailers that apply technology are more likely to do well (Grewal et al 2010). These success opportunities are operational until the disruption of COVID-19. The viability of these factors for survival of the crisis of the pandemic by the sector has remained questionable. During the pandemic, successful retailers have used technology as a tool to drive all other factors in order to be successful.

In South Africa, successful large retail chains have adopted the use of these six levers as model to run their retail store layout. However, in the phase of the pandemic, can these opportunities guarantee success?

5. Struggles of S&M retailers

Previous studies wrote extensively on the challenges of the S&M retailers. Cant and Ligthelm, (2002) outlined five broad factors that affect the S&M retailers. One, Marketing related factors like: increase in competition, limited market size, in effective marketing, lack of knowledge of competitors and poor location. Two, Financial factors are: problems in sourcing finance, high operating expenses, consumer credit management, poor cash flow management, and lack of financial planning. Three, Human resource factors: new labour laws, inability to attract and retain suitable staff, low labour productivity, poorly trained employees and high labour turnover. Four, Management factors: adapting to changing business environment, time management, delegation, and co-operative management, planning and prioritizing, and effective control. Five, Macro-environment factors: crime and corruption, inflation, unemployment, interest rates, and exchange rates (Cant & Ligthelm, 2002).

Cost control, Innovation, value, and consolidation are among the many challenges that S & M retailers face. To sustain the retail business, value is of dominant importance. To measure success in retailing, the retailers have relentlessly relied on providing better value than their competitors. More-so, those serving the low-income consumers and informal retailers. The retailers keep innovating to increase customer service and patronage. They are kept on their toes to find ways of maximising customer shopping experience. For example, many small retailers must employ the use of constant discount and quantity discount to maintain competitive advantage and improve on customer experience. The retailers serving low- income consumers always struggle with the need to effectively manage their value chains to reduce systems costs on one hand, meet the customers service and pricing on the other hand. Finding the balance has been a Hercules hill for many small retailers (Bolton & Shankar, 2018).

Studies have documented that high crime rates, inadequate business/management training, inadequate urban infrastructure, dissenting voices among stakeholders, distrust, and cynicism towards local authorities, fast changing consumer behaviour are cited as challenges faced by S&M retailers (Murithi, 2017; Mahadea & Zogli, 2018; Boatemaa, Barney, Drimie, harper, Korsten, Pereira, 2019). Many S& M retailers are confronted with continuous competition which results in market concentration. By high level of market concentration, we mean a fractional number of retailers with better access and resources have formed a chain in the retail sector. These enjoy economies of scale and compete favourably together. This trend is a threat of the survival of

S&M retailers. The threat is intensified when large retailers diversify into niches that are exclusively for the small retailers. Elsewhere, these large retailers have ventured into long hours of operations, thereby, rendering the small neighbourhood retailers redundant. In United States, one third of new retailers hardly survive the first year of operation, most casualties are retailers in the central business district crowding out with the large retail outfits (Howe, 1992). Same is recorded in the United Kingdom, particularly to “mom and pop” stores (Coca-Stefaniak et al 2010). Mom and pop store is a colloquial term used to describe a small family-owned business.

Supply chain and logistics struggles of the S&M retail are associated with the distributor minimum order sizes that exceed the S&M retail inventory. When the inventory level increase, operating cost is higher, meaning that the S&M retailer cannot compete favourably in comparison to the larger retailers. This weakness points to the limited financial resources and small working capital expenditure available to the S&M retailers. Even if the S&M retailers have the necessary skills to manage business, limited resources are equal to inability to compete and make succession plan.

In the emerging markets, the major setbacks identified are lack of financial support, infrastructure, training, management experience, coupled with corruption and inadequate accounting record (Okpara, & Wynn, 2007). In India, a study conducted on the barriers of the S&M retailers revealed that working capital, power shortages, equipment and managerial skills are the major struggles of the S&M retailers (Coad & Tamvada, 2012). In England, a study documented that financial difficulties (lack of investments in emerging businesses) inadequate support, and unwillingness to acknowledge the challenges of S&M retailers, rigidity of financial institutions and large organizations.

6. Impact of Covid-19 on S&M Retailers and their customers.

In South Africa, a national lockdown was announced by the national government on the 23rd of March 2020, the lockdown was effective midnight 26th of the same month. All people except essential service workers including those in retailing, were to stay at home. The government deployed the Soldiers and police forces to enforce the announcement. The announcement also emphasised that only retailers that deal with essential goods like food supply are permitted to operate. Earlier a state of disaster had been declared due to the growing awareness of the spread of Covid-19 pandemic. Though food was declared an essential service, informal retailers like food traders, street traders, hawkers, spaza shop owners, etc were prevented from operating their businesses thereby lost all income. Fresh produce traders lost the stocks that were not sold or eaten. Even the big retailers in fashion and clothing were adversely affected. Poverty and hunger became immediate challenges. Since lockdown, many businesses have not been able to break-even, while the weak ones have closed business permanently. In the bid to prevent the spread of the pandemic, psychosocial measures and policies adopted by the government created uneven result to the S& M retailers who depend on sales for income.

The government under the Disaster Management Act 2002 (Act No57) announced in terms of regulations, that spaza shops could operate, but that they must obtain permits. The situation was

complicated when a government Minister implied that only South African owned shops would be allowed to open business. That heightened confusion among security forces who used the occasion to extort from shop owners who are non-citizens (Sizani, 2020). A further amendment to the earlier regulations by the national government was made in April 2020 (Government notices No R.419). Informal retailers were permitted to operate, but with due permission from a municipal authority. Many S& M retailers obtain permits while others were left confused as the municipality had no permitting system. Major problem with the municipalities was identifying the small retailers who had shops before the lockdown. Despite the possession of permits S& M retailers were arrested and harassed by the security forces.as reported (Wegerif, 2020).

During the first two months of the lock-down it was document in a study that household running cost increased by 8 %. From March 2019 to May 2020, 13% increase was recorded on fresh food retail items. Onion increased by 58%, Cabbage by 22%. (PMBEJD, 2020b). one reason given for the increase was the absence of small retailers on the streets where the traders would buy the items at cheaper prices and benefit from other services (PMBEJD, 2020a). Therefore, the S&M retailers serve as a bridge to their respective customers and assist them in keeping the household cost at affordable level.

As the pandemic hit the farmers, and the farm workers due to loss of demand, decline in sales, so also is the ripple effect on the S& M retailers who were not allowed to transport themselves to the farmers. The cycle of hunger and poverty was created by the pandemic for the small capital-oriented retailer.

7. Conclusions

Modern retailing has accorded much recognition to the corporate owned supermarkets and their supply chains as being more desirable and hygienic. During the Covid-19 conventions and restrictions retail customers will still need to purchase essential goods, which means some risk, but that does not imply that the supermarkets are the safest option. However, it means that a wide range of new hygienic measures will have to be introduced to avoid transmission of the pandemic (Evan 2020). Therefore, the need for government to assist street traders and local spaza shops to create a safe environment that offers advantage to the S&M retailer (WIEGO, 2020).

Poor infrastructure, lack of water, sanitation and shelter has been viewed as obstacles to an hygienic environment. Some lack of investment in facilities is a reason for the devaluing of the retailing done by the small outfits. Investment in supportive infrastructure on a long-term basis is part of the effort needed to sustain the S&M retailers. For example, in Nanjing China, a town planning policy implemented was called “Crawling Peg”. It is the reservation of space for public markets and small-scale local fresh produce (Zhang, Si, Crush, Scott, and Huang, 2019).

Formalization of the S&M retail sector is a critical way of strengthening the informal sector. A shift in the narrative of these owner-operated businesses requires more research to unpack the way the stakeholders organise themselves, so they could be better supported to build on the present practices. By formalization of the sector a firm can operate within the broader legal

framework of the country. When an enterprise is tagged informal, it speaks to the insignificance attached to the sector. Therefore, a change of language is needed including moving away from the concept of informal to formal. This results in simple interventions that is aimed at formalising the sector alongside the large corporations.

The conglomerate of S&M retailers is shop owners, street traders, and hawkers who operate their businesses together. According to Wagerif, (2020), “*core characteristics need to be built that are central to the positive contribution of these S& M retailers to the local communities*”. In terms of capital and bureaucratic requirements to operate these businesses should be easy and without barriers. The interdependence of their business nature should reflect on all aspects of their operations.

The crisis experienced by this sector during the Covid-19 confirmed the importance of the retailers, highlighted the vulnerability of these businesses and the need to create social safety net as a strategic response to the needs of the retailers in this sector. More needs to be done for the sector to allow the stakeholders to reach their full potentials in terms of readiness for crisis and normalcy. There is the need to balance efforts in supporting the sector, in a way not to undermine the mode of operation but to focus on their positive economic and social impacts.

Towards rebuilding the of the economy severely exacerbated by the pandemic. South Africans needs to embrace a comprehensive reform programme to build the kind of economy that will thrive as a country. It will be perverse to use the limited state capacity to shut down and erect barriers that stand against entrepreneurial progress in the former or informal sectors.

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Promoting the Mental Health of Healthcare Workers during COVID19 Pandemic: the influence of psychosomatic problems (work-related stress), social support, fear of COVID-19 and demographics

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Abstract

This paper examines the influence of work-related stress, social support, fear of COVID-19, and demographics in promoting mental health (MH) amongst healthcare workers (HCWs) in Nigeria. Hence, it adopted a survey research design. The results showed that work-related stress, social support, fear of COVID-19, and demographics strongly and jointly influence healthcare workers' mental health in Nigeria. Also, they indicated a significant independent influence of these independent factors on healthcare workers' mental health. The results show that out of the demographics considered in this study (such as gender, age, marital status, level of education, profession, department, work experience, and state of residence), only marital status did not significantly influence the healthcare workers' mental health in Nigeria. So, the government, health faculties, clinical psychologists, human resources managers, and medical practitioners should encourage reducing work-related stress. This should be done by increasing social support, reducing fear of COVID-19, and considering demographics while trying to promote healthcare workers' mental health in Nigeria, especially during the current COVID -19 pandemic era. Thus, this paper has recognized work-related stress, social support, fear of COVID-19, and demographics as significant influencers in promoting mental health amongst healthcare workers in Nigeria.

Key words

Sustenance; healthcare; influence; mental health; COVID-19.

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1. Introduction

The coronavirus disease 2019 (COVID-19), previously identified as severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), and the 2019 novel coronavirus (2019-nCoV), was initially recognized in November 2019 in Wuhan, the capital city of Hubei Province of China (Wu & McGoogan, 2020; WHO, 2020). The infection swiftly spread all over Hubei Province and other areas in China before spreading to different places across the globe, resulting in an international health crisis (Wu & McGoogan, 2020; WHO, 2020). Notably, healthcare workers' mental health has significantly been affected as the virus spreads (Wu *et al.*, 2009). Hence, in fighting the abrupt advent of the virus, mental distress amongst healthcare workers surfaced slowly, while anxiety and fear appeared instantaneously and reduced in the initial phases of the epidemic with sadness and posttraumatic trauma signs emerging later and persisting for an extended time, resulting in profound impacts (Wu *et al.*, 2009). In a country like Nigeria, the COVID-19 pandemic presents unique challenges to its already delicate mental health services (Ogunwale *et al.*, 2020). On February 27, 2020, the initial instance of COVID-19 in Nigeria was confirmed. Since then, the amounts of established cases have increased to 1,182 by April 25, 2020, which called for a rapid response by the Nigerian government (Oyeniran & Chia, 2020). Nevertheless, there are scarce studies on the psychological and physical effects of eruptions of communicable infections on the healthcare workers, mostly when related to high workload, stress, and burnout are connected to the risk of infection (Xiao *et al.*, 2020).

Therefore, understanding the impact of the COVID-19 epidemic on healthcare workers' mental health is vital towards establishing policies and mediations to promote the psychological well-being of healthcare workers. Studies on the effect of Covid-19 on health professionals' mental health in Nigeria are pretty few. Hence, the current study adds to the body of knowledge by investigating the potential factors that affect the promotion of healthcare workers' mental health in Nigeria, particularly during the current Covid-19 pandemic.

The current paper aims to look into the mental health of healthcare workers in Nigeria during the Covid-19 pandemic, as affected by psychosomatic problems (work-related stress) (WRS), social support (SS), fear of Covid-19 (FoCovid-19), and demographics. This paper, hence, intends to propose strategies for achieving and promoting the sound mental health of healthcare workers in Nigeria. Therefore, the objectives of the current investigation are:

- To look into the relationships that exist between the independent variables of study (psychosomatic problems (work-related stress), social support (SS), fear of Covid-19 (FoCovid-19), demographics, and the MH of HCWs in Nigeria during the current Covid-19 pandemic;
- To investigate the effect of psychosomatic problems (work-related stress), SS, FoCovid-19, and demographics on the MH of HCWs in Nigeria during the current Covid-19 pandemic;
- To achieve an empirical model to ensure healthcare workers' mental health in Nigeria during the current Covid-19 pandemic.

2. Theoretical framework

Prior investigations have indicated that surviving severe communicable viruses, such as SARS, can result in depression, burnout, posttraumatic stress disorder (PTSD), anxiety, and stress (Wu, Chan & Ma, 2005). Medical workers directly treating COVID-19 patients are at higher risk than others. This position could be due to inadequate personal protective equipment, excessive workload/work hours, and inadequate support (Cai *et al.*, 2020). Social support (SS) is the awareness that an individual receives some assistance and care from people and participates in an active social system. These practical means can be in the form of companionship (for instance, sense of belonging), information (for example, pieces of advice), financial assistance, or emotion (nurturing) (Thomas, Liu & Umberson, 2017). This care can come from several sources, including colleagues, friends, government, family, and organizations. Nevertheless, studies on social support have gone across disciplines, including public health, medicine, psychology, nursing, social work, and human resources management.

2.1 Theoretical framework

The crucial role of healthcare workers during a pandemic is massive and vital, making them more susceptible to stress due to the overwhelmed healthcare systems and the fear of acquiring the infection (Tam *et al.*, 2004; Wilson *et al.*, 2005). Moreover, healthcare workers' stress during a pandemic impairs their cognitive functioning, attention, and clinical decision-making (Panagioti *et al.*, 2018). Also, work-related stress increases among healthcare workers during a pandemic because COVID-19 is a newly emerging virus that tends to spread rapidly, inexact contagiousness, and paucity of information connected to it (Barry, Al Amri, & Memish, 2020). Notably, pandemic infectious diseases such as COVID-19 impose a significant level of stress on healthcare workers taking care of infected patients, with their foremost worry being the risk of acquiring it or transmitting the infection to their families (Temsah *et al.*, 2020). To test more evidently the link between work-related stress and the mental health of healthcare workers in Nigeria during the present Covid-19, the current researcher states the first hypothesis:

H1: There is a significant correlation between work-related stress and healthcare workers' mental health in Nigeria.

According to prior studies, adequate social support positively affects mental health (Prati & Pietrantonio, 2010; Kent de Grey RG *et al.*, 2018). Studies have also shown that the medical staff's social support reduces their anxiety, stress, and mental health challenges. Social support (SS) helps lessen physical and psychological stress (Adamczyk & Segrin, 2015). Social support provision positively adds to healthcare workers' mental health in all settings (Kent de Grey *et al.*, 2018). The literature review showed a range of findings on the relationship between social support and health workers' mental health. For example, Ogunwale *et al.*, 2020 found a significant correlation between the amount of support healthcare workers receive and their mental health; and Yang *et al.* (2018a) suggested a substantial social support impact on mental health support reduces anxiety and improves self-efficacy. Yang *et al.* (2018b) further posited that social interactions reduce negative emotions such as anxiety and improve mood. This literature has therefore inspired the following hypothesis:

H2: There is a significant correlation between social support and healthcare workers' mental health in Nigeria.

The fear of contracting this virus poses an adverse mental influence on well-being specialists (Lee *et al.*, 2018). Kontoangelos *et al.* (2020) posited that COVID-19 is exceptionally frightening and fear-inducing. Hence, the fear of COVID-19 is much higher than the fear of regular flu, although the latter has exterminated considerably more people. Furthermore, public health emergencies can have several mental effects on healthcare workers, expressed in fear, anxiety, and worry. The potential spread of the virus from human to human and the growing number of deaths could provoke healthcare workers' fear of becoming ill (Huang *et al.*, 2020). Going by preceding research about the relationship of fear of Covid-19 and the mental health of healthcare workers, the current researcher states the following hypothesis:

H3: There is a significant correlation between fear of Covid-19 and healthcare workers' mental health in Nigeria.

Concerning the demographics of healthcare workers, Badahdah *et al.* (2020) indicated a significant influence of gender on mental health. Rodríguez-Rey *et al.* (2020) noted that women showed a significantly low mental health level. Also, Etheridge and Spantig (2020) conversed that women are more likely to experience poor mental health than men. Moreover, findings have shown that female healthcare workers have suffered more poor mental health since the coronavirus outbreak than male healthcare workers (Wang *et al.*, 2020). Zhang *et al.* (2020) opined that the females showed more GAD symptoms in the early stage of the COVID-19 pandemic than the males. They further noted that the female gender was found to exhibit increased depression, insomnia, and anxiety. Badahdah *et al.* (2020) suggested that age significantly and positively correlated with mental health. This position infers that the older the participants, the better their mental health. Besides, Liang *et al.* (2020) indicated that the difference between medical staff less than 30 years old and those above was not statistically substantial. In addition, Liang *et al.* (2020) revealed no significant difference in depression and anxiety scores amongst healthcare workers within the COVID-19 related department and other departments. Rodríguez-Rey *et al.* (2020) also noted that married participants significantly increased mental health levels than single participants. In contrast, Badahdah *et al.* (2020) revealed that marital status had no impact on mental health. Liang *et al.* (2020) indicated that

nurses show a higher level of anxiety and depression than doctors. Cai *et al.* (2020) also informed that nurses were more nervous and anxious than other experts. Also, Chakraborty (2020) showed that healthcare workers with less than five years of work experience showed a reduced mental health level. Considering the educational level, respondents who had a Ph.D. indicated better mental health than those with specialized training, high-school educations, and university undergraduate studies (Rodríguez-Rey *et al.*, 2020). Besides, more educated individuals should possess better mental skills, which help them cope with any disease outbreak (Mihashi *et al.*, 2009; Drapeau *et al.*, 2011). Intending to test more evidently the correlation between the demographics of healthcare workers and their mental health, the present researcher states the following hypothesis:

H4: There is a significant relationship between the demographics and mental health of the healthcare workers in Nigeria.

Also, the literature above has inspired the following hypothesis:

H5: Work-related stress, social support, fear of Covid-19, and demographics significantly influence the mental health of healthcare workers in Nigeria.

3. Methods

This investigation included 240 healthcare workers from both the University College Hospital in Oyo State and Lagos State University Teaching Hospital in Lagos State of Nigeria. The present researcher included one hundred and twenty (120) participants from each hospital. However, these two states were the first and third states rated high in the confirmed COVID-19 cases during the investigation period in July 2020 (Oyeniran & Chia, 2020). In the current study, participants were either nurses, doctors, midwives, or auxiliary services, who worked in fever or respiratory clinics, COVID-19 pneumonia isolation hospital ward, Intensive Care Unit (ICU), auxiliary services, or the outpatient clinics. All study participants volunteered to partake in the investigation. In this paper, the researcher conducted a cross-sectional clinical study, which involved self-reported surveys. The current researcher obtained the demographics of the healthcare workers. The present researcher also measured psychosomatic problems, namely work-related stress, perceived social support, and the fear of Covid-19, using validated scientific questionnaires. Participants completed all the questionnaires anonymously.

3.1 Instrumentation

The questionnaire used in measuring the constructs under study is comprised of different segments.

Section A: Demographic Questions

This section is for the participants' demographic data (for instance, gender, age, marital status, the highest level of education, profession, department, working experience, and state of residence).

Section B: Psychosomatic problems (Work-related Stress)

The present researcher adopted the questionnaire on work-related stress, which came from a battery of tools exploring burnout syndrome in numerous work events, which was in the study conducted by Monterrosa-Castro *et al.* (2020). It contains 12 questions and six Likert-type answer choices. However, no investigations reporting psychometric assessments were recognized. However, the researcher realized a Cronbach's alpha coefficient of 0.95 for this scale's reliability in the current study.

Section C: Perceived Social Support

This paper adopted a 12-item scale developed by Zimet *et al.* (1988) in measuring perceived social support. It had a Cronbach's alpha of 0.85. The scale's response format consisted of a 5-point Likert alternating from strongly disagree (1) to strongly agree (5). The reliability of this scale, in this paper, Cronbach's alpha coefficient is 0.98.

Section D: Fear of Covid-19

In measuring the fear of Covid-19 in this paper, the present researcher adopted a 7-item scale that measures the fear of COVID-19 (FCV- 19S). It comprises a five-point Likert scoring format from strongly disagree (1) to strongly agree (5). The initial Cronbach's alpha of this scale was 0.82, while its reliability in the present study is 0.97.

Section D: Mental health assessment

The present study used four measuring instruments to evaluate healthcare workers' mental health. These scales are the 7-item Generalized Anxiety Disorder (GAD-7), the 9-item Patient Health Questionnaire (PHQ-9), the 22-item Impact of Event Scale-Revised (IESR), and the 7-item Insomnia Severity Index (ISI). These instruments were adopted to evaluate anxiety, depression, distress, and insomnia, respectively. The GAD-7 evaluates the severity of stress, having a four-point Likert scale format ranging from Not At All Sure (0) to Nearly Every day (3) (Löwe *et al.*, 2008). The PHQ-9 assesses the severity of depression. It comprises a four-point Likert format scale from Not At All (0) to Nearly Every day (3) (Kocalevent *et al.*, 2013). Concerning the ISI that measures the severity of insomnia, it comprises a five-point Likert scale format from None (0) to Very Severe (4) (Morin *et al.*, 2011). Moreover, the IES-R evaluates specific stressful life events. The measuring instrument has a five-point Likert scale format from Not At All (0) to Extremely (4) (Weiss, 2007). As Kang *et al.* (2020) used, this battery of scales had a Cronbach's alpha of 0.89. However, this paper realized a Cronbach's alpha coefficient of 0.91 for this scale's reliability.

To validate the measuring scales' effectiveness, the current researcher adopted a pilot study to detect any possible difficulties in completing the questionnaires. The present researcher assured the participants' privacy was well-maintained in the inquiry process as inclusive of the primary research. The current researcher retrieved a total number of 215 valid questionnaires, and these questionnaires were analyzed.

4. Results

The statistical package for social sciences (SPSS v 26) was utilized in analyzing the data obtained from the respondents. The results are presented in Table 1.

Table 1

Descriptive statistics of the healthcare workers' demographic and professional features

		Freq.	%			Freq.	%
Gender	Male	100	46.5	Profession	Doctor	94	43.7
	Female	115	53.5		Nurse & Midwife	70	32.6
	Total	215	100		Auxiliary Services	51	23.7
Age	20-29	60	27.9	Department	Total	215	100
	30-39	49	22.8		Fever clinic or respiratory clinic	44	20.5
	40-49	53	24.7		COVID-19 pneumonia isolation Hospital ward	86	40.0
	50 and Above	53	24.7		Intensive Care Unit (ICU)	35	16.3
	Total	215	100		Auxiliary services	34	15.8
					Outpatient clinics	16	7.4
Marital Status	Single	78	36.3	Work Experience	Total	215	100
	Married	137	63.7		Less than 2 years	52	24.2
	Total	215	100		2 – 5 years	72	33.5
Highest Level of Education	College Degree or Below	108	50.2	State of Residence	5 years and above	91	42.3
	Bachelor's Degree	44	20.5		Total	215	100
	Master's Degree or Above	63	29.3		Lagos State	112	52.1
	Total	215	100		Oyo State	103	47.9
					Total	215	100

Source: Author's Findings

A total of 215 out of 240 healthcare workers completed the survey questionnaire. Of those, 100 (46.5%) were male while 115 (53.5%) were female. Sixty (27.9%) of these healthcare workers were between the age of 20-29, 49 workers (22.8%) between the age of 30-39, 53 (24.7%) between 40-49 years of age, while the remaining 53 (24.7%) were 50 years and above. Also, 78 (36.3%) of the participants were single, whereas the other 137 (63.7%) were married. Besides, 108 (50.2%) of the healthcare workers had a college degree or below, 44 (20.5%) had a Bachelor's degree, while 63 (29.3%) healthcare workers had a Master's degree or above.

In addition, out of the 215 healthcare workers that completed the questionnaire, 94 (43.7%) were doctors, 70 (32.6%) were nurses and midwives, while 51 (23.7%) of them were rendering auxiliary services. The current study also included pertinent hospital clinical units, with 44 (20.5%) responses from fever clinic or respiratory clinic, followed by staff from COVID-19 pneumonia isolation Hospital ward 86 (40.0%), 35 (16.3%) from the intensive care unit (ICU), 34 (15.8%) auxiliary services units, then outpatient clinics 16 (7.4%). Moreover, 52 (24.2%) of the healthcare workers had work experience less than two years, 72 (33.5%) had between 2 – 5 years work experience, while the remaining 91 (42.3%) healthcare workers had work experience of 5 years and above. This paper shows that 112 (52.1%) of the 215 healthcare workers resided in Lagos State, while 103 (47.9%) resided in Oyo State.

As earlier stated, this paper's first objective is to look into the relationships between the independent variables of study WRS, SS, FoCovid-19, demographics, and the MH of HCWs in Nigeria during the current Covid-19 pandemic. Hence, this paper has carried out a Zero-Order correlation analysis to achieve this objective, and the results are in Table 2.

Table 2

Zero Order Correlations showing the relationship between the independent variables work-related stress, social support, fear of Covid-19, demographics, and the mental health of healthcare workers in Nigeria during the current Covid-19 pandemic

Variables	Work-related Stress	Social Support	Fear of Covid19	Gender	Age	Mrt. Status	Highest Level of Edu.	Profsn	Dept	Wk Exp.	State of Res	M.H	Mean	SD
Work-related Stress	1												28.61	5.299
Social Support	-.557**	1											49.68	8.751
Fear of Covid-19	.707**	-.319**	1										16.29	3.117
Gender	.099	-.041	.232**	1									1.53	.500
Age	-.144*	-.037	-.126	-.049	1								2.46	1.143
Marital Status	.072	.017	.021	-.025	.118	1							1.64	.482
Highest Level of Education	.061	-.089	.071	.055	.008	.019	1						1.79	.869
Profession	-.038	.006	-.172*	-.094	.153*	-.044	-.162*	1					1.80	.798
Department	.077	-.056	-.069	-.064	-.128	.088	-.147*	.075	1				2.50	1.195
Work Experience	-.085	-.056	-.084	-.127	.457**	.075	-.066	.307**	.047	1			2.18	.797
The State of Res.	-.165*	.196**	-.027	.073	.168*	-.167*	-.101	-.122	.123	.109	1		1.48	.501
Mental Health	-.757**	.857**	-.599**	-.170*	-.075	-.075	-.044	.114	-.068	-.064	.196**	1	105.48	14.299

Source: Author's Findings

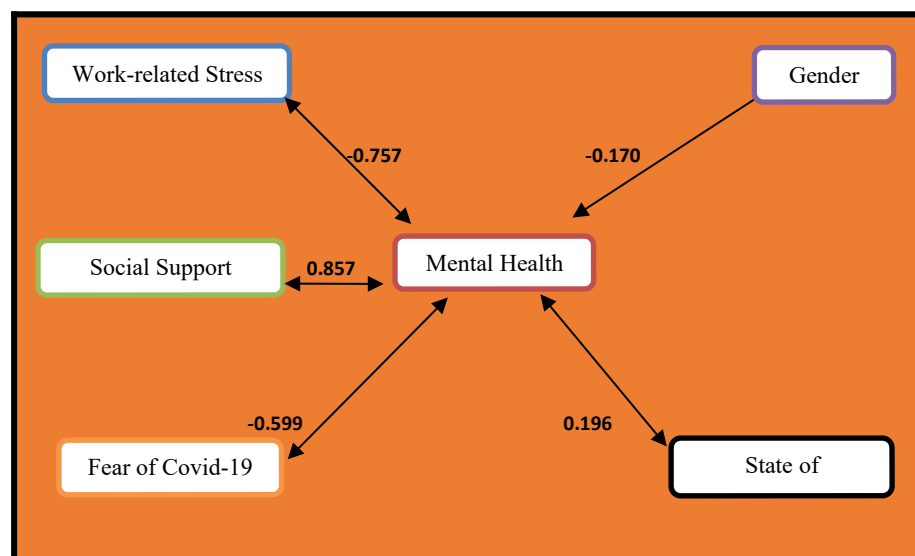
From Table 2, the result matrix shows that work-related stress has a significant negative relationship with mental health at ($r = -0.757$; $p < .01$). Hence, an increase in healthcare workers' work-related stress in Nigeria will decrease their mental health. Results also reveal that social support substantially correlates with an individual's mental health ($r = 0.857$; $p < .01$). This position means that an increase in healthcare workers' social support in Nigeria receives better mental health. Also, the current results indicate that the fear of Covid-19 negatively relates to mental health at ($r = -0.599$; $p < .01$). This result infers that the healthcare workers' fear of Covid-19 within Nigeria reduces their mental health level.

Furthermore, the current results indicate a significant negative correlation between the gender of healthcare workers in Nigeria and their mental health at ($r = -0.170$; $p < .05$). These results also show that the healthcare workers' state of residence, where they practice their profession, positively correlates with their mental health ($r = 0.196$; $p < .01$). However, these results also indicated that age, marital status, level of education, profession, department, and work experience of healthcare workers in Nigeria, do not correlate with their mental health at ($r = -0.075$; $p > .05$; $r = -0.075$; $p > .05$; $r = -0.044$; $p > .05$; $r = 0.114$; $p > .05$; $r = -0.068$; $p > .05$; and $r = -0.064$; $p > .05$) respectively.

Therefore, this paper has achieved its first objective: to look into the relationships between the independent variables of study work-related stress, social support, fear of Covid-19, demographics, and healthcare workers' mental health in Nigeria the current Covid-19 pandemic. Figure 1 displays the correlation matrix between the independent variables and mental health among healthcare workers in Nigeria.

Figure 1:

Relationship matrix between the independent variables and mental health among healthcare workers in Nigeria



Source: Author's Findings.

The findings shown in Table 3 revealed that work-related stress, social support, fear of Covid-19, and demographics significantly and strongly jointly influence the sustenance of mental health amongst healthcare workers in Nigeria ($R = .955$, $R^2 = .913$, $F(11, 203) = 193.411$, $p < .01$). This result infers that work-related stress, social support, fear of Covid-19, and demographics accounted for 91% of the observed changes in the self-reported mental health level amongst healthcare workers in Nigeria. In contrast, the remaining 9% attributes to other factors not considered in this study.

Table 3

Multiple regressions showing the sustenance of the mental health of healthcare workers in Nigeria, as influenced by psychosomatic problems (work-related stress), social support, fear of Covid-19, and demographics

Influencers	B	β	t	Sig	95.0% Confidence Interval for B		R	R^2	F (11, 203)	P
					Lower Bound	Upper Bound				
Constant	94.173		22.518	.000	85.927	102.418				
Work-Related Stress	-.715	-.265	-7.523	.000	-.903	-.528				
Social Support	1.013	.620	23.762	.000	.929	1.097				
Fear of Covid-19	-.916	-.200	-6.332	.000	-1.201	-.631	.955	.913	193.411	<.01
Gender	-2.523	-.088	-4.076	.000	-3.744	-1.303				
Age	-1.632	-.130	-5.292	.000	-2.240	-1.024				
Marital Status	-.667	-.022	-1.028	.305	-1.946	.612				
Highest Level of Education	1.049	.064	2.977	.003	.354	1.743				
Profession	2.134	.119	5.171	.000	1.320	2.947				
Department	-.656	-.055	-2.465	.015	-1.181	-.131				
Work Experience	-1.040	-.058	-2.349	.020	-1.913	-.167				
State of Residence	2.385	.084	3.603	.000	1.080	3.690				

Source: Author's Findings.

Dependent Variable: Mental Health

Further findings revealed the significant independent effect of each independent factor on the variance in the MH of HCWs in Nigeria: work-related stress contributed about 27% variance in mental health ($\beta = -.265$, $t = -7.523$; $p < .05$), social support about 62% ($\beta = .620$, $t = 23.762$; $p < .05$), and fear of Covid-19 about 20% ($\beta = -.200$, $t = -6.332$; $p < .05$) variance in mental health. Moreover, gender contributed about 8% variance in mental health ($\beta = -.088$, $t = -4.076$; $p < .05$), age about 13% ($\beta = -.130$, $t = -5.292$; $p < .05$), highest level of education about 6% ($\beta = .064$, $t = 2.977$; $p < .05$),

and profession about 12% ($\beta = .119$, $t = 5.171$; $p < .05$) variance in mental health. In addition, department contributed about 6% change in mental health ($\beta = -.055$, $t = -2.465$; $p < .05$), work experience about 6% ($\beta = -.058$, $t = -2.349$; $p < .05$), and state of residence about 8% ($\beta = .084$, $t = 3.603$; $p < .05$) change in mental health. However, the marital status of healthcare workers in Nigeria did not significantly influence their mental health. Nonetheless, the overall results largely achieved the second purpose of this paper, which is to investigate the influence of WRS, SS, FoCovid-19, and demographics on the MH of HCWs in Nigeria during the recent Covid-19 pandemic.

However, these results require further clarifications on the influence of demographics on mental health. For instance, two significant demographics, gender and state of residence will be further analyzed using a t-test, as presented in table 4.

Table 4 shows a significant difference in score between the two levels of gender among healthcare workers at ($t(213) = 2.513$; $p < .05$ in Nigeria, two-tailed with male healthcare workers ($M = 108.08$, $SD = 14.41$) scoring higher than female healthcare workers ($M = 103.22$, $SD = 13.87$). With a negative influence of gender on mental health as earlier indicated ($\beta = -.088$, $t = -4.076$; $p < .05$), this result infers that male healthcare workers with a lower mean score have better mental health compared to their female counterparts. Hence, the result further shows that gender groups significantly influenced mental health among healthcare workers in Nigeria.

Table 4

T-Test Summary showing the influence of gender and state of residence on mental health

DV		N	Mean	SD	df	t	P
Gender							
Mental Health	Male	100	108.08	14.41	213	2.513	<.05
	Female	115	103.22	13.87			
State of Residence							
Mental Health	Lagos	112	102.80	14.22	213	-2.916	<.05
	Oyo	103	108.40	13.88			

Source: Author's Findings.

Furthermore, Table 4 indicates a substantial difference in score between the two levels of residence among healthcare workers at ($t(213) = -2.916$; $p < .05$ in Nigeria. It two-tailed with healthcare workers in Oyo State ($M = 108.40$, $SD = 13.88$) scoring higher than healthcare workers in Lagos State ($M = 102.80$, $SD = 14.22$). With a positive influence of the state of residence on mental health as earlier specified ($\beta = .084$, $t = 3.603$; $p < .05$), this result, therefore, infers that healthcare workers who resided in Lagos State with a higher mean score have better mental health than those who lived in Oyo State. Thus, the result further shows that the state of residence significantly influenced mental health among healthcare workers in Nigeria.

Moreover, other significant demographics, such as education, age, profession, department, and work experience, will be analyzed using one-way ANOVA. Table 5 shows that group 1 (20-29 years old) and group 2 (30-39 years old) are not significantly different from each other in mental health. Besides, group 1 (20-29 years old) and group 4 (50 years old and above) are not significantly different. However, group 1 (workers who are 20-29 years old) and group 3 (workers who are 40-49 years old) are considerably different from each other at a $p < .05$ level in terms of their mental health. Also, results indicate that group 3 (40-49 years old) is the only group that is significantly different from all other groups in terms of their mental health, as every other group is not substantially different from the other.

Table 5

One-way ANOVA - Multiple Comparisons (age, level of education, profession, department, and work experience groups).

Multiple Comparisons						
Dependent Variable: Mental Health						
(I) Age	(J) Age	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
20-29	30-39	-6.02075	2.51423	.081	-12.5316	.4902
	40-49	10.52296	2.46145	.000	4.1487	16.8972
	50 and Above	-2.11855	2.46145	.825	-8.4928	4.2557
30-39	20-29	6.02075	2.51423	.081	-.4902	12.5316
	40-49	16.54370	2.58779	.000	9.8423	23.2451
	50 and Above	3.90219	2.58779	.435	-2.7992	10.6036
40-49	20-29	-10.52296	2.46145	.000	-16.8972	-4.1487
	30-39	-16.54370	2.58779	.000	-23.2451	-9.8423
	50 and Above	-12.64151	2.53654	.000	-19.2102	-6.0728
50 and Above	20-29	2.11855	2.46145	.825	-4.2557	8.4928
	30-39	-3.90219	2.58779	.435	-10.6036	2.7992
	40-49	12.64151	2.53654	.000	6.0728	19.2102
(I) Level of Education	(J) Level of Education	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
College Degree or Below	Bachelor's Degree	-.46633	2.56529	.982	-6.5212	5.5885
	Master's Degree or Above	1.58201	2.27389	.766	-3.7850	6.9491
Bachelor's Degree	College Degree or Below	.46633	2.56529	.982	-5.5885	6.5212
	Master's Degree or Above	2.04834	2.81805	.748	-4.6031	8.6998
Master's Degree or Above	College Degree or Below	-1.58201	2.27389	.766	-6.9491	3.7850
	Bachelor's Degree	-2.04834	2.81805	.748	-8.6998	4.6031
(I) Profession	(J) Profession	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Doctor	Nurse & Midwife	-.74073	2.25069	.942	-6.0530	4.5716
	Auxiliary Services	-4.38611	2.47937	.183	-10.2382	1.4659
Nurse & Midwife	Doctor	.74073	2.25069	.942	-4.5716	6.0530
	Auxiliary Services	-3.64538	2.62461	.349	-9.8402	2.5495
Auxiliary Services	Doctor	4.38611	2.47937	.183	-1.4659	10.2382
	Nurse & Midwife	3.64538	2.62461	.349	-2.5495	9.8402
(I) Department	(J) Department	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound

Fever clinic or respiratory clinic	COVID-19 pneumonia isolation Hospital ward	2.05814	2.63518	.936	-5.1929	9.3092
	Intensive Care Unit (ICU)	4.87143	3.22008	.555	-3.9890	13.7319
	Auxiliary services	-1.08824	3.24635	.997	-10.0210	7.8445
	Outpatient clinics	7.68750	4.15053	.347	-3.7332	19.1082
COVID-19 pneumonia isolation Hospital ward	Fever clinic or respiratory clinic	-2.05814	2.63518	.936	-9.3092	5.1929
	Intensive Care Unit (ICU)	2.81329	2.85052	.861	-5.0303	10.6568
	Auxiliary services	-3.14637	2.88016	.810	-11.0715	4.7787
	Outpatient clinics	5.62936	3.87084	.593	-5.0217	16.2805
Intensive Care Unit (ICU)	Fever clinic or respiratory clinic	-4.87143	3.22008	.555	-13.7319	3.9890
	COVID-19 pneumonia isolation Hospital ward	-2.81329	2.85052	.861	-10.6568	5.0303
	Auxiliary services	-5.95966	3.42346	.411	-15.3797	3.4604
	Outpatient clinics	2.81607	4.29047	.965	-8.9897	14.6218
Auxiliary services	Fever clinic or respiratory clinic	1.08824	3.24635	.997	-7.8445	10.0210
	COVID-19 pneumonia isolation Hospital ward	3.14637	2.88016	.810	-4.7787	11.0715
	Intensive Care Unit (ICU)	5.95966	3.42346	.411	-3.4604	15.3797
	Outpatient clinics	8.77574	4.31022	.253	-3.0844	20.6359
Outpatient clinics	Fever clinic or respiratory clinic	-7.68750	4.15053	.347	-19.1082	3.7332
	COVID-19 pneumonia isolation Hospital ward	-5.62936	3.87084	.593	-16.2805	5.0217
	Intensive Care Unit (ICU)	-2.81607	4.29047	.965	-14.6218	8.9897
	Auxiliary services	-8.77574	4.31022	.253	-20.6359	3.0844
(I) Work Experience	(J) Work Experience	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Less than 2 years	2 – 5 years	-2.65598	2.59212	.562	-8.7742	3.4622
	5 years and above	1.64011	2.47604	.786	-4.2041	7.4843
2 – 5 years	Less than 2 years	2.65598	2.59212	.562	-3.4622	8.7742
	5 years and above	4.29609	2.24657	.138	-1.0065	9.5987
5 years and above	Less than 2 years	-1.64011	2.47604	.786	-7.4843	4.2041
	2 – 5 years	-4.29609	2.24657	.138	-9.5987	1.0065

* The mean difference is significant at the 0.05 level.

Source: Author's Findings.

Table 5 shows that all the levels of education groups: group 1 (healthcare workers with a college degree or below), group 2 (healthcare workers with a Bachelor's degree), and group 3 (healthcare workers with a Master's degree or above) are not considerably different from one another, with regards to their mental health. Furthermore, Table 5 shows that all the professional groups: group 1 (Doctor), group 2 (Nurse and Midwife), and group 3 (Auxiliary service provider) are not significantly different from one another at a $p \geq .05$ levels concerning their mental health. Also, Table 5 indicates that all the department groups: group 1 (Fever clinic or respiratory clinic), group 2 (COVID-19 pneumonia isolation Hospital ward), group 3 (Intensive Care Unit - ICU), group 4 (Auxiliary services), and group 5 (Outpatient clinics) are not significantly different from one another at a $p \geq .05$ level about their mental health. Moreover, Table 5 shows that all the work experience groups, namely, group 1 (with less than 2 years work experience),

group 2 (with 2 – 5 years work experience), and group 3 (with 5 and more years' work experience) are not significantly different from one another regarding mental health.

Also, Table 6 shows the actual differences in the mean scores between all the sets of groups. The results in Table 6 show the substantial difference between the mean scores of age groups: group 1 (workers who are 20-29 years old = 106.18), group 2 (workers who are 30-39 years old = 112.20), group 3 (workers who are 40-49 years old = 95.66), and group 4 (workers who are 50 years old and above = 108.30). As earlier stated, age negatively influence mental health ($\beta = -.088$, $t = -4.076$; $p < .05$). This result infers that the younger the healthcare worker, the better their mental health, and vice versa. Hence, younger healthcare workers who fall under group 2 (for instance, 30-39 years old) have the highest mean score of 112.20 and experience better mental health. Also, the above-stated results show that out of the three-level of education groups: group 1 (healthcare workers with a college degree or below = 105.85), group 2 (healthcare workers with a Bachelor's degree = 106.32), and group 3 (healthcare workers with a Master's degree or above = 104.27), group 2 (healthcare workers with a Bachelor's degree) has the highest mean score (mean = 106.32). As mentioned earlier, there is a significant positive influence of education level on mental health ($\beta = .064$, $t = 2.977$; $p < .05$). It infers that the higher the level of education of healthcare workers, the better their mental health. So, group 2 (healthcare workers with a Bachelor's degree) has better mental health than other groups. Besides, the current results show that out of the three groups of the profession: group 1 (Doctors = 104.20), group 2 (Nurses and Midwives = 104.94), and group 3 (Those in the auxiliary services = 108.59), group 3 (Those in the auxiliary services) has the highest mean score (mean = 108.59). The results earlier stated indicated a significant positive influence of profession on mental health ($\beta = .119$, $t = 5.171$; $p < .05$), meaning that group 1 (Doctors, mean = 104.20) and group 2 (Nurses and Midwives, mean = 104.94), have poor mental health compared with group 3 (Those in the auxiliary services).

Table 6

Descriptive

Descriptive								
Mental Health								
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
20-29	60	106.1833	10.27007	1.32586	103.5303	108.8364	90.00	132.00
30-39	49	112.2041	15.69764	2.24252	107.6952	116.7130	81.00	133.00
40-49	53	95.6604	15.02683	2.06409	91.5185	99.8023	76.00	124.00
50 and Above	53	108.3019	10.90445	1.49784	105.2962	111.3075	89.00	126.00
Total	215	105.4837	14.29883	.97517	103.5615	107.4059	76.00	133.00
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
College Degree or Below	108	105.8519	12.78493	1.23023	103.4131	108.2906	76.00	133.00
Bachelor's Degree	44	106.3182	19.15758	2.88811	100.4937	112.1426	80.00	133.00

Master's Degree or Above	63	104.2698	12.91686	1.62737	101.0168	107.5229	80.00	133.00
Total	215	105.4837	14.29883	.97517	103.5615	107.4059	76.00	133.00
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Doctor	94	104.2021	13.67250	1.41021	101.4017	107.0025	81.00	133.00
Nurse & Midwife	70	104.9429	16.02795	1.91571	101.1211	108.7646	76.00	132.00
Auxiliary Services	51	108.5882	12.63040	1.76861	105.0359	112.1406	80.00	126.00
Total	215	105.4837	14.29883	.97517	103.5615	107.4059	76.00	133.00
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Fever clinic or respiratory clinic	44	107.5000	13.47608	2.03160	103.4029	111.5971	80.00	129.00
COVID-19 pneumonia isolation Hospital ward	86	105.4419	15.73277	1.69651	102.0687	108.8150	76.00	132.00
Intensive Care Unit (ICU)	35	102.6286	14.59872	2.46763	97.6137	107.6434	81.00	126.00
Auxiliary services	34	108.5882	11.72957	2.01161	104.4956	112.6809	81.00	133.00
Outpatient clinics	16	99.8125	10.99223	2.74806	93.9552	105.6698	89.00	118.00
Total	215	105.4837	14.29883	.97517	103.5615	107.4059	76.00	133.00
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Less than 2 years	52	105.2885	11.16777	1.54869	102.1793	108.3976	81.00	123.00
2 – 5 years	72	107.9444	15.31720	1.80515	104.3451	111.5438	81.00	133.00
5 years and above	91	103.6484	14.90367	1.56233	100.5445	106.7522	76.00	132.00
Total	215	105.4837	14.29883	.97517	103.5615	107.4059	76.00	133.00

Source: Author's Findings.

Furthermore, the current results show that out of the departments where healthcare workers discharge their duties: group 1 (Fever clinic or respiratory clinic = 107.50), group 2 (COVID-19 pneumonia isolation hospital ward = 105.44), group 3 (Intensive Care Unit (ICU) = 102.63), group 4 (Auxiliary services = 108.59), and group 5 (Outpatient clinics = 99.81), group 5 (Outpatient clinics, mean= 99.81) has the least mean score. As mentioned earlier, the department significantly negatively influences mental health ($\beta = -.055$, $t = -2.465$; $p < .05$), which infers that healthcare workers that fall within group 5 (Outpatient clinics, mean= 99.81), with the least, mean score, experience better mental health than healthcare workers in other departments. Moreover, the present results indicate that out of the groups of work experience: group 1 (Less than 2 years = 105.29), group 2 (2 – 5 years = 107.94), and group 3 (5 years and above = 103.65), group 3 (5 years and above = 103.65) has the lowest mean score. As earlier noted, work

experience has a substantial negative influence on mental health ($\beta = -.058$, $t = -2.349$; $p < .05$), which infers that the lower the work experience of healthcare workers, the better their mental health, and vice versa. Therefore, healthcare workers who have 2-5 years of work experience (with the highest mean) are lower than workers with 5 years of work experience, which places them as healthcare workers with better mental health.

Therefore, the results above have achieved the study's second objective: to investigate the effect of psychosomatic problems (work-related stress), social support, fear of Covid-19, and demographics on healthcare workers' mental health in Nigeria Covid-19 pandemic.

5. Discussion

The current results indicate that work-related stress negatively affects mental health. These results also confirmed that healthcare workers' work-related stress in Nigeria significantly reduces their mental health. Hence, this position confirms the assertion of Panagioti *et al.* (2018), who noted that healthcare workers' stress during a pandemic would impair cognitive functioning, attention, and clinical decision-making. Therefore, consistent reduction of the work-related stress of healthcare workers will promote their mental health. The current findings also show that social support positively relates to mental health among healthcare workers in Nigeria and that social support increases their mental health. Therefore, the present results support Prati and Pietrantoni (2010); Kent de Grey *et al.* (2018) indicated that adequate social support positively affects mental health. The results also support Yang *et al.* (2018), who suggested a significant impact of social support on mental health, indicating that social support reduces anxiety and improves self-efficacy. Thus, an increase in the social support received by healthcare workers will promote their mental health. In addition, the current results show that the fear of Covid-19 negatively influences mental health. The results further indicate that the fear of Covid-19 amongst healthcare workers in Nigeria significantly reduces their mental health. These facts support the positions of (Lee *et al.*, 2018), who posited that the fear of getting infected has an adverse mental influence on health experts. Hence, a steady reduction in the healthcare workers' fear of Covid-19 will promote their mental health in Nigeria.

Moreover, the current findings reveal that gender negatively relates to mental health and that state of residence significantly positively correlates with mental health among healthcare workers in Nigeria. These results further indicate that the gender and state of residence of healthcare workers in Nigeria significantly affect their mental health. The further analysis noted that male healthcare workers have better mental health than their female counterparts and that healthcare workers who reside in Lagos State have improved mental health than those who lived in Oyo State. These results sustain the positions of Rodríguez-Rey *et al.* (2020), who noted that women showed a significantly low mental health level, and Etheridge and Spantig (2020), who opined that women are more prone to experience poor mental health than men. These results also confirm the findings of (Wang *et al.*, 2020), who noted that female gender healthcare workers suffered more poor mental health to the coronavirus outbreak than male healthcare workers. Furthermore, the current findings establish a significant effect on healthcare workers'

age on their mental health. These results also demonstrated that healthcare workers who are 30-39 years old experience better mental health than all other age groups. These results could not sustain the position of Liang *et al.* (2020), who indicated no statistically substantial difference between medical staff at a younger age (less than 30 years) and their colleagues with older age (30 years and above). The present findings also show a significant negative correlation between age and mental health, which is different from the direction suggested by Badahdah *et al.* (2020), who opined that age significantly and positively correlated with mental health.

The present results show that education and the healthcare workers' specific profession in Nigeria positively affect their mental health. Further analysis established that healthcare workers with Bachelor's degrees experience better mental health than other groups. The analysis also noted that doctors, nurses, and midwives have poor mental health compared to healthcare workers in auxiliary services. These results affirm the position of Rodríguez-Rey *et al.* (2020). They noted that participants with a higher level of education (such as Ph.D.) showed better mental health than respondents with specialized training, high-school educations, and university undergraduate studies. The results also corroborate the suggestion of (Mihashi *et al.*, 2009; Drapeau *et al.*, 2011), who noted that more educated people possess better mental skills, which may help cope with the concern of any disease outbreak. However, this paper indicates explicitly that healthcare workers with a Bachelor's degree experience better mental health than other groups. However, the above-stated results could not support the findings of Liang *et al.* (2020), who indicated that nurses were a lot more anxious and depressed than doctors, and that of Cai *et al.* (2020), who also suggested that nurses are significantly more nervous and anxious than other experts. This is because the present results show no significant difference in doctors' mental health (mean = 104.20) and nurses (mean = 104.94). Hence, the current investigation suggests no variance between doctors' and nurses' mental health in Nigeria.

Furthermore, the present results indicate that healthcare workers' department and work experience in Nigeria negatively influence their mental health. Further analysis recognized that healthcare workers who work within the outpatient clinics experience better mental health than those in other departments. This position is not in agreement with Liang *et al.* (2020), who indicated no substantial difference in depression and anxiety scores amongst healthcare workers within the COVID-19-associated department and other sections. Hence, healthcare workers in departments such as the fever clinic or respiratory clinic, COVID-19 pneumonia isolation hospital ward, and the Intensive Care Unit (ICU) experience more declining mental health. Further investigation indicated that workers who have 2-5 years of work experience have better mental health. This paper's position concerning healthcare workers' work experience in Nigeria disconfirms Chakraborty's opinion (2020), who noted that healthcare workers with less than five years of work experience showed a reduced mental health level. The present results also show that healthcare workers' marital status in Nigeria does not influence their mental health. This position is tangent with that of Badahdah *et al.* (2020), who revealed that marital status had no impact on mental health.

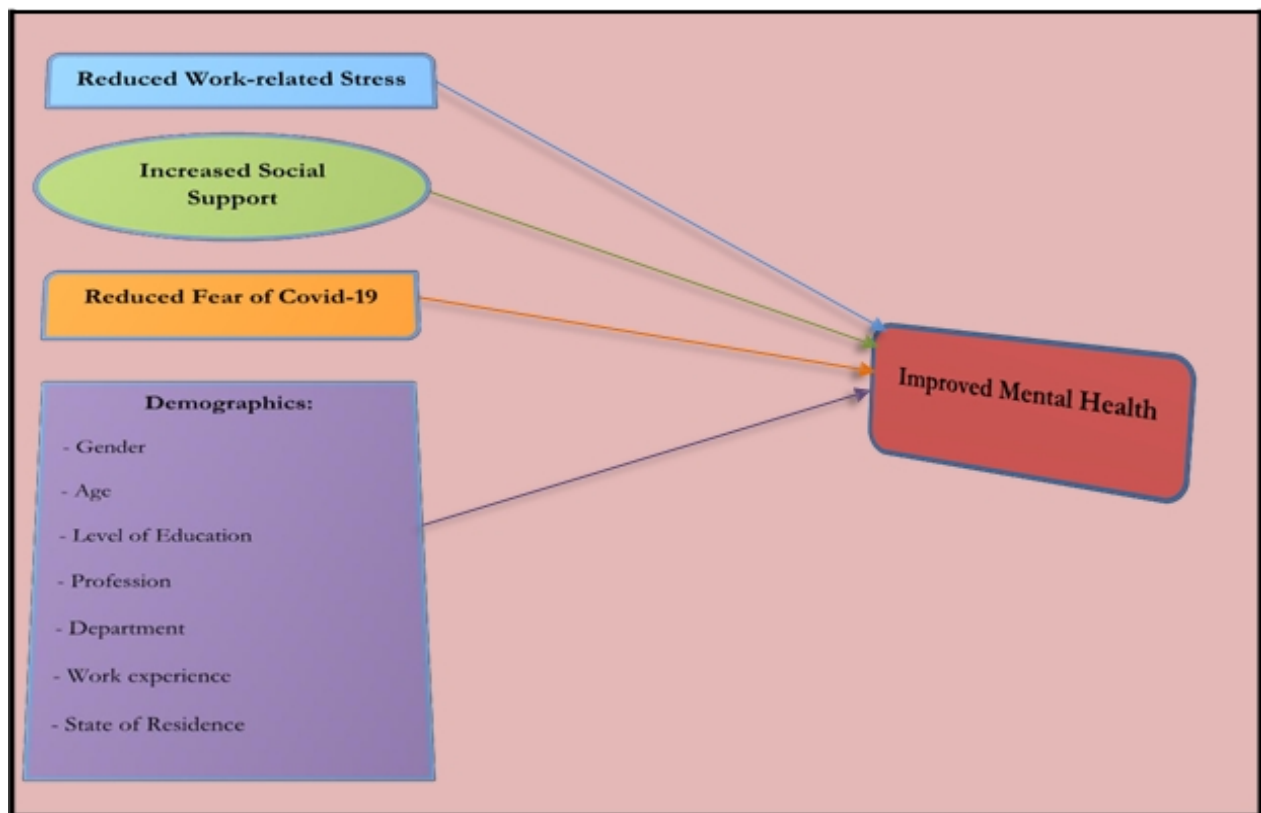
Notably, this paper has achieved its first and second objectives: to look into the relationships between the independent variables of study WRS, SS, FoCovid-19, demographics, and the MH of healthcare workers in Nigeria during the current Covid-19 pandemic. To investigate the effect of

psychosomatic problems (work-related stress), social support, FoCovid-19, and demographics on the mental health of HCWs in Nigeria, during the current Covid-19 pandemic.

Figure 2 in the current study shows a practical model of promoting mental health amongst healthcare workers in Nigeria. Hence, the present results suggest the indicated model for promoting mental health and thus achieved the third objective of the study to develop an empirical model in ensuring the sound MH of HCWs in Nigeria during the current Covid-19 pandemic.

Figure 2

A practical model of promoting mental health amongst healthcare workers in Nigeria



Source: Author's Findings.

5.1 Practical implications

The current findings have several implications for further research and suitable scientific and developmental strategic intervention essential for reducing work-related stress, the fear of vulnerability on the job, improving social support, and mental health promotion among healthcare workers. These results will also positively impact healthcare workers' mental health in Nigeria, particularly during the current Covid-19 pandemic.

6. Conclusion

Pandemic infectious diseases such as COVID-19 impose a significant level of depression, anxiety, and stress on healthcare workers who take care of infected patients, with their greatest fear of contracting the infection or spreading it to their families. Thus, the mental and social readiness of this pandemic conveys global importance. Nonetheless, this paper's main goal was to examine how to promote healthcare workers' mental health in Nigeria, during the current Covid-19 pandemic, by looking into work-related stress, social support, fear of Covid-19, and demographics as influencers. Based on its results, work-related stress, social support, fears of Covid-19, and demographics have a strong joint and independent effect on mental health sustainability amongst healthcare workers in Nigeria.

Moreover, this study has indicated that work-related stress significantly negatively influences mental health sustainability amongst healthcare workers in Nigeria. Also, this paper established that social support significantly and positively impacts the sustenance of mental health amongst healthcare workers in Nigeria. The current study also concluded that the fear of Covid-19 amongst healthcare workers in Nigeria negatively affects the sustenance of their mental health. This paper further concluded that the gender, age, level of education, profession, work department, work experience, and state of residence of healthcare workers in Nigeria significantly affect their mental health. However, it showed that healthcare workers' marital status in Nigeria does not significantly affect their mental health.

Hence, the findings of this paper show that reduced work-related stress, increased social support, reduced fear of Covid-19, and demographics (such as gender, age, level of education, profession, work department, work experience, and state of residence) significantly influence the sustenance of mental health amongst healthcare workers in Nigeria, especially during the current Covid-19 pandemic.

7. Recommendation

Efficient and comprehensive actions should be taken promptly to positively increase the healthcare workers' mental health in Nigeria, particularly during the Covid-19 pandemic. Hence, the current results suggest the necessity for timely mental health screening in HCWs during public health crises and indicate the importance of timely strategies to reduce these workers' workload. The government should consider shorter working duration, regular rest periods, and rotating shifts for healthcare workers during this outbreak. Clinic managers should make available logistic backing for medical staff and create care groups for them, as reduced work-related stress improves healthcare workers' mental health.

There is a need for adequate support to healthcare workers from their families, colleagues, friends, and significant others, especially during a global health emergency. This action will go a long way in helping them achieve and maintain better mental health. Adequate awareness should be made on the importance of support (emotional, physical, social, and work) for healthcare workers in Nigeria at these critical moments.

Moreover, government and healthcare organizations should deploy protection facilities and measures to reduce the fear and concerns of frontline workers during social and public health crises, such as the current Covid-19 pandemic. The government and healthcare entities should arrange for well-furnished quarantine wards mainly for ill healthcare workers and insurance schemes for work-related harms.

Also, special attention should be accorded to female healthcare workers' mental health, work environment, and psychosocial needs, including nurses, community health workers, midwives, and facility support staff. The current study findings show that they are more susceptible to poor mental health, particularly during the current Covid-19 pandemic. Given the female healthcare workers' high-level vulnerability, decisive actions need to be in place to avert mental, social, and physical distress.

More than that, government and health facilities should set up counseling services for healthcare workers, especially the older ones, as they are more susceptible to declining mental health. Equally, healthcare workers, especially the older ones, should be conscious of the signs of mental health-related issues and seek help.

Furthermore, evidence-based education and training of healthcare workers in Nigeria on preparedness for the pandemic are indispensable to improving the experience, skills, and MH of medical staff in this pandemic and any future outbreak. Also, healthcare workers in Nigeria with a higher education level need to use their awareness, training, and experience in handling this outbreak, bringing about a lower level of anxiety, depression, fear, and a higher positive attitude.

Also, healthcare workers (especially doctors and nurses) should be adequately guarded as they discharge their duties in the current pandemic face because they experience poor mental health more than other workers. Adequate PPE, ongoing counseling and support should be made available to them.

In this study, the more years of healthcare workers' work experience, the less likely for them to enjoy good mental health. This fact could be due to their several encounters with what diseases and outbreaks have done to their patients and the rigor they need to exert in line with their knowledge of tackling problems. Hence, it is recommended that the more experienced workers help other workers by providing adequate support and counseling to reduce workloads.

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COVID-19 pandemic and the South African township economy: A focus on King Williams Town, Eastern Cape, South Africa

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Abstract

This paper aims to assess the relationship between COVID-19 pandemic and the South African township economy in King William's town, South Africa. The research methodology utilized a descriptive cross-sectional (survey) design. The population included micro and small business owners and or managers in King Williams Town, South Africa. Random sampling technique was used to sample 210 participants. The data were collected from owners/managers of micro and small businesses using a questionnaire method. The average age of the participant was 29 years (SD = 1.12), 37.6% were males while 62.4% were females. The findings of this study revealed the impact of the pandemic on micro and small businesses in the township area and that COVID-19 pandemic negatively affected micro and small business performance. The study therefore concludes that South Africa's lockdown measures introduced to contain the virus have had a significant economic impact on the township economy, particularly on micro and small businesses, which account for the majority of the township economy.

Key words

COVID-19 Pandemic; Township Economy; King William's Town; South Africa.

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1. Introduction

Townships are probably the most potent political, social and economic spaces in the country today. They accommodate most of the urban population on a relatively small physical footprint and have traditionally been viewed as dormitory settlements plagued by unemployment, poverty and crime (Strengthening Township Economies, 2019). What then is township economy? Township economy refers to businesses and markets that are located in townships; these businesses are heterogeneous, have a high rate of informality, and are also survivalist - 70% of them do not last more than three years (GEM, 2014). Thus 'township economy' refers to the microeconomic and related activities taking place within areas broadly defined as 'townships'. The township economy covers both the formal and informal sectors for example, the Retail businesses, professional services financial institutions, fashions and accessories, transportation and consumer fast moving goods etc.

According to Charman (2016), the term 'township' "is a legal term that refers to a formally promulgated urban area". The concept is also used to describe places that were historically developed (through central planning) to racially segregate South African cities and generate labour pools for the colonial and apartheid economies. According to the World Bank in Business tech (2016), about fifty percent of South African inhabitants live in the township and rural settlements, which comprises of sixty percent (60%) unemployed and about thirty-eight percent (38%) employed citizenry. The author further reiterates that the black South African were made to live in the dormitory-style townships that were built as far away as possible from economic city centers. However, the post- apartheid development policies have led to the construction of townships filled with government housing with an increase in the number of households living in formal dwellings over time from 65.1% in 1996 to 79.2% in 2016 (StatsSA ,2016; Business tech,2016).

Sadly, townships in South Africa are still marked by high population density, informality, poverty, crime, and general socio-economic backwardness, and apartheid's footprints can still be seen 26 years later. Thus, these townships still exude the footprints of apartheid spatial planning injustices which expose the townships to many social challenges such as infectious diseases (Pernegger & Godehart, 2007). These townships were bedevilled with social-economic challenges coupled with high crime rate, unemployment, poverty and of course high COVID-19 infection rate (Pernegger & Godehart, 2007; Mbambo and Agbola, 2020).

Previous scholars (Roy, 2020; Akbulaev, Mammadov and Aliyev, 2020; Mbambo and Agbola, 2020) have asserted that the pandemic COVID-19 have affected people and societies around the world and will have a lasting impact on the global economy/trade, it has also created a widespread economic slowdown both in townships and rural economies and has also affected different sectors of the economy. Therefore, it is on this premise that this study decides to investigate the effect of COVID-19 pandemic on the South African township economy with a focus on King Williams Town, Eastern Cape, South Africa.

1.2 The Objectives of the Study

This paper aims to assess the effect of COVID-19 on South African township economy. The specific objectives are to:

1. Identify the challenges confronting business owners during the COVID-19 pandemic era.
2. Determine the impact of COVID-19 on business performance.
3. Proffer strategies that will assist the business survive the pandemic period

2. Conceptual framework

2.1 COVID-19 in South Africa

According to Kumar et al., (2020) in Oni and Omonona (2020), the COVID-19 pandemic in South Africa is part of the current COVID-19 pandemic caused by SARS-CoV-2, which is a new strain of coronavirus that has not been previously discovered in humans. COVID-19 was identified as the source of a respiratory infection outbreak that began in Wuhan, China. COVID-19, a virus, has rapidly spread across the globe; however, with the help of globalization, various government leaders quickly took proactive measures to halt the virus's spread to their territories, instituting national lockdowns to control the movement of people because humans have been identified as the virus's primary carrier or medium of transmission.

The Minister of Health, Zweli Mkhize, verified the virus's transmission to South Africa on March 5, 2020, with the first known patient being a male citizen who tested positive upon his return from Italy. The patient is a 38-year-old man who travelled to Italy with his wife, according to the National Institute for Communicable Diseases (2020). They were part of a group of 10 people that arrived back in South Africa on March 1, 2020. The patient consulted a private general practitioner on March 3, with symptoms of fever, headache, malaise, a sore throat and a cough. The practice nurse took swabs and delivered it to the lab. The first death to have occurred from the disease was reported on 27 March 2020.

However, on the 15th of March, the President of South Africa, His Excellency, Cyril Ramaphosa, declared a national state of disaster and also broadcast the measure to curtail the pandemic such as instant closures of schools from the 18th of March 2020 and immediate restriction on travels. The national coronavirus command council was also set up with the mandate to lead nation's plan to contain the spread and mitigate the negative impact of the coronavirus. Sequel to this, The President announced a national lockdown on the 23rd of March, 2020, starting from 27th March, 2020.

2.2 King William's Town, Eastern Cape

In 1834, King William's Town began as a mission station on the banks of the Buffalo River, about 50 kilometres west of East London in what is now known as South Africa's Eastern Cape. Following the burning of the mission station, Governor of the Cape Colony Sir Benjamin D'Urban ordered the formation of a town named after King William IV of England. (SA Places, n.d)

King William's Town's economy used to be founded on its proximity to indigenous Xhosa tribes, who traded wool, hides, skins, and other items for manufactured and imported commodities from European settlers. The vast quantity of trade that took place between the two groups

contributed greatly not only to King's economic success, but also to the destruction of indigenous black culture (Dickinson, 2008)

Because the name King William's Town has colonial connotations, the province administration explored renaming the town with a traditional African name in 2007. On February 21, 2021, the town was renamed "Qonce."

Figure 1

The township



Source: Ryan Koons (2010).

2.3 COVID -19 challenges and the Township Economy

There is paucity of literature on COVID-19 challenges and the township economy. Nevertheless, Mbambo and Agbola (2020), investigated the effect of COVID-19 in township and the lessons for spatial restructuring in South Africa, the author discovered that poor restructuring, unsettled land disputes and settlement over population frustrate government's interventions to control the spread of COVID-19 in KwaMashu and other South African townships. While in similar study, Oni and Omonona (2020) who studied the effect of COVID-19 on the small scale businesses in Alice metropolis, using a qualitative approach discovered that COVID-19 pandemic negatively affected the performance of small businesses in South Africa. In addition, Bartik , Bertrand, Cullen and Glaeser et al., (2020) studied the consequence of COVID-19 on small business outcomes and expectations on the American economy and found out that the pandemic has a great negative consequences on the economy and therefore suggest that a large potential economic benefits for policies that can safely lead to reopening the economy quickly.

3. Theoretical framework

Fred Fielder proposed the first theory based on the contingency approach, the contingency theory of effectiveness, in the 1960s. The key notion of this early theory is that the success of leadership (in terms of group performance) is determined by the interaction of two factors: the leader's job or relationships motivations, and the situation (Seyranian, 2012). Contingency concept is a set of behavioural theories that asserts that there is no one-size-fits-all strategy to organizing and leading a business enterprise in a management setting. Instead, a leader ought to be chosen who will be in a position to make choices primarily based on the state of affairs and surrounding circumstances. Fred Fiedler popularized this concept with his well-known Contingency model, which cleared the route for different contingencies.

The position of the organizational theorist is that "the best way to organize depends on the nature of the environment to which the organization relates" (Scott, 1992: 89). Contingency theory is based on two main assumptions: First and foremost, there is no one-size-fits-all approach to organization. Second, not all methods of organization are equally effective (Galbraith, 1973). Therefore, operators of small businesses in King Williams's town, South Africa must imbibe the contingency skill and be creative in handling situation around their businesses because COVID-19 virus is novel and there is no prior knowledge on how to handle it.

4. Materials and Methods

The study adopted a quantitative descriptive cross-sectional (survey) design. The population included micro and small business owners and or managers in King Williams Town, South Africa. The data were collected from owners/managers of micro and small businesses using a questionnaire method. Two hundred and forty-five (245) questionnaires were randomly distributed among owners/managers of micro and small businesses in King Williams Town, South Africa. However, only two hundred and ten (210) questionnaires were returned for analysis. This study utilizes descriptive tools on result presentation. The average age of the participant was 29 years (SD = 1.12), 37.6% were males while 62.4% were females.

5. Results

Objective 1: To identify the challenges confronting business owners during the COVID-19 pandemic era.

Table 1

The descriptive frequency of the challenges confronting business owners

	Strongly disagree	Disagree	Indifferent	Agree	Strongly agree	X	SD.
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We were confronted with low patronage	19 (9%)	0 (0%)	5 (2.4%)	13 (6.2%)	173 (82.4%)	4.53	1.18
Our supply chain channels were severely effected	24 (11.45)	7 (3.3%)	15 (7.1%)	27 (12.9%)	137 (65.2%)	4.17	1.37
Limited access to resources and basic infrastructure.	23 (11%)	13 (6.2%)	27 (12.9%)	22 (10.5%)	125 (59.5%)	4.01	1.40
Limited access to finance/capital.	28 (13.3%)	18 (8.6%)	7 (3.3%)	33 (15.7%)	124 (59%)	3.99	1.48
Limited access to markets	21 (10%)	3 (1.4%)	24 (11.4%)	44 (21%)	118 (56.2%)	4.12	1.28
Limited access to skills training and mentorship	34 (16.2%)	8 (3.8%)	56 (26.7%)	21 (10%)	91 (43.3%)	3.61	1.47
Cash flow issues	17 (8.1%)	8 (3.8%)	3 (1.4%)	10 (4.8%)	172 (81.9%)	4.49	1.22
Lack of Time	43 (20.5%)	0 (0%)	25 (11.9%)	26 (12.4%)	116 (55.2%)	3.82	1.58
Ineffective or absence of Web Presence	43 (20.5%)	0 (0%)	110 (52.4%)	21 (10%)	36 (17.1%)	3.03	1.27
Trouble Finding Good and suitable Employees	50 (23.8%)	3 (1.4%)	49 (23.3%)	28 (13.3%)	80 (38.1%)	3.41	1.57
Finding and Retaining Customers	42 (20%)	3 (1.45)	18 (8.6%)	29 (13.8%)	118 (56.2%)	3.85	1.58
Difficulties in the obligatory compliance measures to access government's loan relief	12 (5.7%)	7 (3.3%)	83 (39.5%)	8 (3.8%)	100 (47.6%)	3.84	1.23
High Overhead cost of running business	37 (17.6%)	8 (3.8%)	0 (0%)	3 (1.4%)	162 (77.1%)	4.17	1.58
Weight average mean						3.93	1.40

Source: Own elaboration.

Table 1 showing the descriptive frequency of challenges confronting business owners. The table shows that majority of the participants strongly agreed to all the items except one (ineffective or absence of web presence) as the challenges facing micro and small business owners/ managers since the outbreak of COVID-19 pandemic. The results show that 88.6% of the participants agreed that they were confronted with low patronage, 78.1% agreed that their supply chain channels were severely affected, 70% agreed that they have limited access to resources and basic infrastructure, 74% agreed that they have limited access to finance/capital, 77.2% agreed that they have limited access to markets, 64.3% agreed that they have limited access to skills training and mentorship, 86.7% agreed that it affected their cash flow issues, 67.6% agreed that they are faced with lack of Time, 51.1% agreed they are faced with trouble finding good and suitable employees, 70% agreed that they are faced with finding and retaining customers, 51.4% agreed that they are confronted by difficulties in the obligatory compliance measures to access

government's loan relief, and 78.5% agreed to be confronted with high overhead cost of running business, while 20.5% disagreed, 52.4% were indifferent that they are confronted with ineffective or absence of web presence.

Objective 2: To determine the impact of COVID-19 on business performance.

Table 2

The descriptive frequency of the impact of COVID-19 on business performance

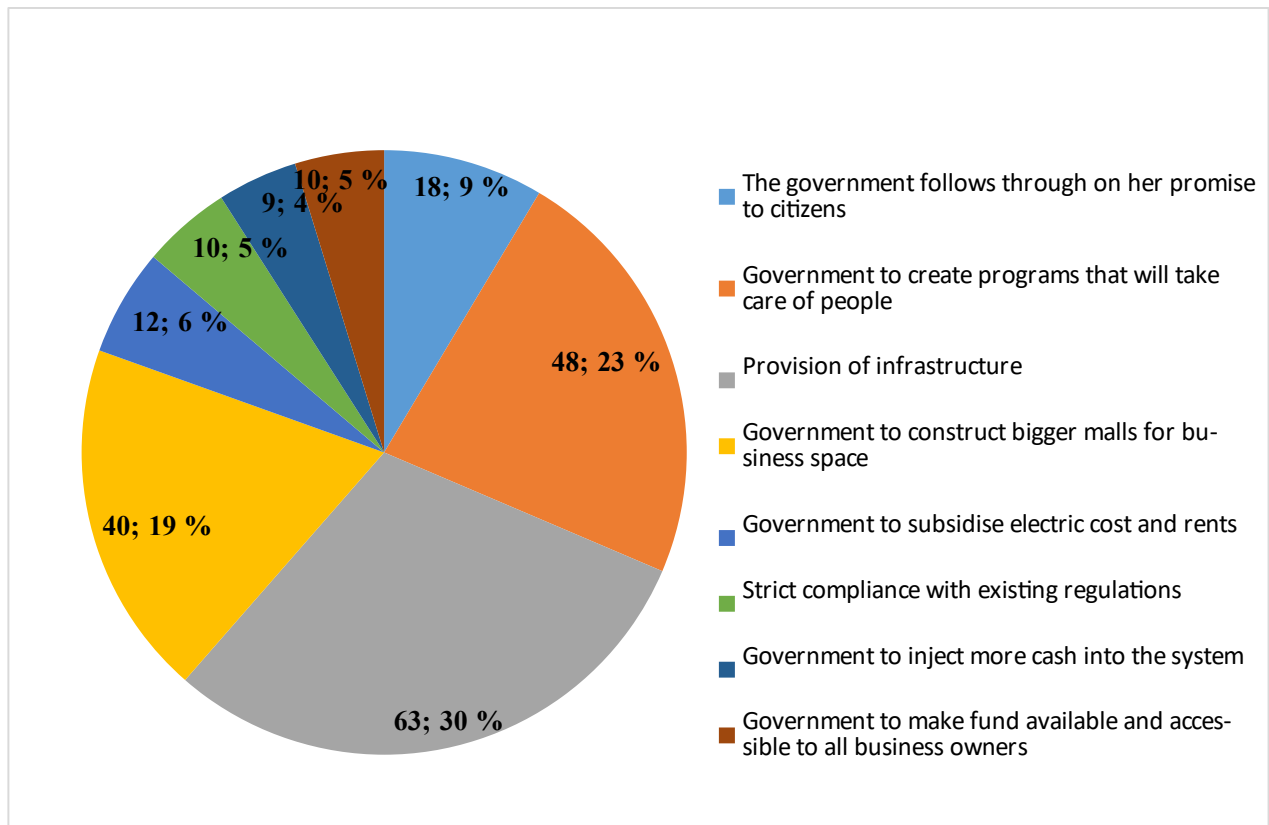
	Strongly disagree	Disagree	Indifferent	Agree	Strongly agree	X	SD
Our total sales have grown dramatically since the beginning of COVID-19	153 (72.9%)	10 (4.8%)	10 (4.8%)	7 (3.3%)	30 (14.3%)	1.81	1.47
Our return on sales has increased over since the beginning of COVID-19	139 (66.2%)	11 (5.2%)	30 (14.3%)	0	30 (14.3%)	1.91	1.45
Our profit margin has improved since the beginning of COVID-19	179 (85.2%)	21 (10%)	0	10 (4.8%)	0	1.24	0.69
Our customers are happier than they were before the COVID-19	121 (57.6%)	20 (9.5%)	0	22 (10.5%)	47 (22.4%)	2.31	1.71
Our employee satisfaction has gone up since the beginning of COVID-19	112 (53.3%)	14 (6.7%)	20 (9.5%)	28 (13.3%)	36 (17.1%)	2.34	1.61
Our employee retention has been very good since the beginning of COVID-19	94 (44.8%)	20 (9.5%)	25 (11.9%)	34 (16.2%)	37 (17.6%)	2.52	1.59
Weight average mean						2.02	1.42

Source: Own elaboration.

Table 2 showing the descriptive frequency of the impact of COVID-19 on micro and small business performance. The table shows that majority of the participants strongly disagreed to all the items describing factors of business performance. The results show that 77.7% of the participants disagreed that their total sales have grown dramatically since the outbreak of COVID-19, 71.4% disagreed that their return on sales has increased over since the outbreak of COVID-19, 95.2% disagreed that their profit margin has improved since the outbreak of COVID-19, 67.1% disagreed that their customers are happier than they were before the COVID-19, 60% disagreed that their employee satisfaction has gone up since the outbreak of COVID-19 and 54.3% disagreed that their employee retention has been very good since the outbreak of COVID-19.

Objective 3: To propose strategies that will assist the business survive the pandemic period.

Figure 1



Task technology fit model. Respondents opinion on how township economy can be improved.

Source: Own elaboration.

Figure 1 above showing the distribution of participant's opinion on how township economy can be improved. The results show that 18 (8%) of the participants suggest that government should follow through on her promises to citizens, 48 (23%) suggest that government should create programs that will take care of people, 63 (30%) suggest provision of infrastructure, 40 (19%) suggest that the government should construct bigger malls for business space, 12 (6%) suggest that government should subsidise electricity cost and rents, 10 (5%) suggest strict compliance with existing regulations, 9 (4%) suggest that government should inject more cash into the system and lastly 10 (5%) suggest that government should make funding available and accessible to all business owners.

6. Discussion

Since the outbreak of COVID-19 pandemic, one of the most serious concerns has been the economic impact of the objectives, particularly on the township economy, which is often characterised by micro and small businesses. Findings of this study revealed the impact of the pandemic on micro and small businesses in the township area. The results of objective one shows that majority of the participants strongly agreed to all the factors except one (ineffective or absence of web presence) that attempted to describe the challenges faced by micro and small business owners/ managers since the outbreak of COVID-19 pandemic. The findings showed that the participants confronted with low patronage, their supply chain channels severely affected; they have limited access to resources and basic infrastructure; have limited access to finance/capital; have limited access to markets; they have limited access to skills training and mentorship; it affected their cash flow, also confronted with a lack of time, while some have trouble finding suitable employees. More so, the findings showed that micro and small businesses faced with finding and keeping customers; confronted with difficulties with the obligatory compliance measures to access government loan relief and are confronted with high overhead cost of running business. While some disagree, majority showed an indifference that they are confronted with ineffective or absence of web presence.

Second, the findings of objective two showed that majority of the participants strongly disagreed with all the items describing the indices of business performance. This implies that the extent to which COVID-19 pandemic negatively affected micro and small business performance. The results showed that micro and small business performance total sales was affected drastically, their return on sales decreased, profit margin dropped, customers were not pleased unlike before the COVID-19, employee satisfaction went down and employee release has been high since the outbreak of COVID-19. Last, the third objective attempted to identify strategies that will assist businesses to survive after the pandemic. The findings show that the micro and small business owners or managers want the government to follow through on her promises to citizens, create

programs that will take care of people, suggest provision of social infrastructure and construct bigger malls for business space. Also, the findings showed that micro and small business owners or managers want the government to subsidise electricity cost and rent, suggest strict compliance with existing regulations, inject more cash into the system and lastly make funding available and accessible to all business owners.

As researchers continue to investigate, the impact of COVID-19 pandemic on micro and small businesses undeniably is felt globally. For example, Lewin (2020) investigated 200 start-ups in the United Kingdom. The findings show the devastating impact of the pandemic on these start-ups. According to the study, the drop-in revenue has forced these start-ups to make a slew of tough decisions in order to survive. The study found that majority of the respondents renegotiated office rents, half stopped hiring, and the budget for advertising was drastically reduced. Several start-ups have also implemented a pay reduction policy of at least 15% of an employee's salary. Similarly, most new businesses expect a cumulative revenue decline of over 25% in 2020. They predict that revenue for business-to-customer companies will fall by 50% this year. Many new businesses are considering venture capital. Because of a revenue shock, this pandemic period is not pleasant for businesses and service providers around the world. In a similar sense, Korankye (2020) investigated the effects of COVID-19 on the positions of small and medium-sized businesses in Kumasi Metropolis, Ghana. The findings revealed that because of the COVID-19 pandemic, SMEs are fighting for survival, which bring about revenue reduction, downsizing, reduction in demand, organisational restructuring and fear of remaining in business. This shows how COVID-19 affected the operations of small and medium-sized businesses.

Further, Catalyst for Growth (C4G) conducted a quantitative study to determine the impact of COVID-19 on SMME business operations in Africa, including South Africa. Analysis of the data collected shows that COVID-19 had a significant impact on SMMEs' daily business operations, revenue, and employment. Several SMMEs mentioned the possibility of closure during and after COVID-19. The findings show that, despite numerous obstacles, SMMEs want financial assistance to keep their businesses running. As a result, multi-stakeholder participation in mobilising financial and non-financial resources to assist SMMEs is required. The COVID-19 pandemic's multiple negative effects on MSMEs include labour market, supply chain, productivity and value chain, financing and liquidity, workforce, operations, and business sentiment (KPMG Advisory Services, 2020). Ojukwu (2021) investigated the financial performance of micro enterprises in Nigeria following the COVID-19 pandemic. The findings show that the COVID-19 pandemic has a significant negative impact on the revenue of micro enterprises. Further, the study found that COVID-19 has a negative and significant impact on the inventory and profit margins of micro enterprises. As a result, the COVID-19 pandemic has had a significant and negative impact on the financial performance of micro enterprises in Nigeria.

In a study conducted by Harvard Business School, it was also observed that many small businesses are financially vulnerable as a result of the current outbreak (Bartik et al., 2020). A drop in demand could also be the result of a loss of customer or buyer flow. These findings imply that, in addition to other risks, the majority of MSMEs are vulnerable to financial, supply chain, and demand constraints. The impact of COVID-19 on South African businesses is compounded by the country's long-standing lockdown restrictions, which began much earlier than other African countries. Stricter trade restrictions have also harmed these businesses' ability to trade their

goods and services, whereas other economic factors are not subject to trade restrictions. To summarise, micro and small businesses are far more likely than medium and large businesses to bear the brunt of the economic fallout of COVID-19 pandemic. This is due to the fact that this business categories are often confronted with institutional shortcomings in Africa, including South Africa, which contribute to resource scarcity and persistently volatile economic conditions.

7. Implications of the study

South Africa's lockdown measures introduced to contain the virus have had a significant economic impact on the township economy, particularly on micro and small businesses, which account for the majority of the township economy. Many businesses in these categories have used the majority of their business savings to feed their families during the lockdown and now need capital to reopen their doors after the lockdown. As a result of the policy implications of this study, it is necessary to address support programmes for township and rural enterprises that can help mitigate the pandemic's impact on the township economy.

Second, the government's requirement that applicants be registered with the Companies and Intellectual Property Commission (CIPC), SARS, and UIF, as well as have a municipal trading permit, should be relaxed to ensure that those in greatest need of the support scheme are not excluded.

8. Conclusion

The study looked at the economic impact of the COVID-19 pandemic on townships economy. The findings show that COVID-19 containment measures had a cascading effect on micro and small businesses. The findings show that they have low patronage, are severely impacted by supply chain channels, lack access to basic infrastructure and resources, lack access to finance/capital, lack access to markets, lack access to skills training and mentorship. It impacted their cash flow and made it more difficult for them to comply with the mandatory compliance measures required to access government loan relief. Also, it had a negative impact on their business performance, emphasising the strategies that will help businesses survive the pandemic. The study's implication was stated.

9. Avenue for Future Research

Despite this study holistically investigated the effect of COVID-19 pandemic on the South African township economy which focuses on King Williams Town in eastern cape, South Africa, future studies are encouraged to cover more geographical space i.e selected provinces in the country or the entire country. In addition, future investigation may explore different methodology approach of research i.e qualitative method or mixed method.

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COVID-19 pandemic: a qualitative evaluation of MSMEs survival strategies in Nigeria

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Abstract

The COVID-19 pandemic has led to the introduction of protection measures, such as: Lockdown, social distancing, closure of event centers, curfew, closure of night clubs and the discouragement of the gathering of large crowd, among others. These protection measures have negatively impacted most business enterprises. This has equally threatened the corporate survival of most enterprises, especially micro, small and medium enterprises (MSMEs). This study examined the chief executives of MSMEs' perspectives on the strategies that were employed to survive during the Covid-19 pandemic in Nigeria. This study adopted exploratory research design. The study was conducted in three purposively selected states (Lagos, Kano and Anambra states) because the three states account for the largest concentration of MSMEs across the three largest ethnic groups in Nigeria. The primary data was gathered through in-depth interviews which were conducted on 24 purposively selected MSMEs CEOs from Lagos, Kano and Anambra States. The findings revealed that MSMEs were adversely impacted by the Covid-19 pandemic. Particularly, states that enforced strict lockdown. This led to reduction in patronage, thereby threatening the corporate survival of most enterprises, especially enterprises that do not deal on essential commodities, like: Drugs, food and health care, among others.

Key words

Covid-19, MSMEs, Survival Strategies.

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1. Introduction

The corona virus disease (COVID-19) pandemic has negatively affected the human capital of nations and the recommended protection measures have adversely impacted the economic activity of the globe. As a result of the pandemic, the International Monetary Fund (IMF) projected that the global economy will contract sharply by 3% in 2020, much worse than during the 2008/2009 financial crises. The Nigeria economy is projected to contract by 3.4% in 2020, which is higher than the global average (International Monetary Fund [IMF], 2020).

The pandemic has triggered extraordinary panic, and disruptions for business organizations in general, particularly, micro, small and medium enterprises (MSMEs). The MSMEs sector tends to be adversely affected by the pandemic, considering its low capital and its inability to absorb shocks. The pandemic is seen as an existential threat to the survival of MSMEs in Nigeria as well as the entire world at large. While the health impact of the crisis is substantial, the economic effects are no less devastating especially for businesses.

MSMEs are highly important to the socio-economic development of nations, they possess immense prospect for the generation of employment, contribution to the gross domestic product (GDP), diversification of output, enhancement of indigenous technology and indigenous entrepreneurship development, among others (Eze, Oladimeji & Fayose, 2019; Eze & Chambe, 2021). MSMEs segment of the Nigerian economy provides about eighty-five percent (85%) of the jobs in the nation. In addition, the MSMEs sector, which is important for the diversification of the nation's economy and the utilization of the nation's raw materials, have an appreciable contribution to the gross domestic product of nations (National Bureau of Statistics [NBS], 2019).

The pandemic has engendered significant challenges for MSMEs in Nigeria, propelling most MSMEs to concentrate less on routine operations and focus majorly on crisis management and alternative business response efforts. This study sought to examine the chief executives of MSMEs' perspectives on the strategies that were employed to survive during and after the Covid-19 pandemic lockdown. The study focuses on CEOs that were business executives during the 2008–09 financial crisis or 2016–2017 recession.

The specific objectives of the study are stated below:

- i. To ascertain the impact of COVID-19 pandemic on Nigerian MSMEs
- ii. To examine the coping strategies of Nigerian MSME's during COVID-19 Lockdown
- iii. To evaluate the coping Strategies of Nigerian MSMEs after the COVID-19 Lockdown

2. Literature Review

2.1 Covid-19 Pandemic

Corona viruses is of the Orthocoronavirinae sub-family in the Nidovirales order. Corona has crown-like spikes on the outer surface of the virus; thus, it was named a corona virus. Corona viruses are minute in size (65-125nm in diameter) and contain a single-stranded RNA as a nucleic material (Perlman, 2020). World Health Organization (WHO) described the corona virus disease as COVID-19 to reflect the year of the outbreak.

Although COVID-19 location and origin is not in doubt, however the natural reservoir of the virus is still subject of various interpretations. While some believed the virus is zoonotic and bats may be the culprits because of sequence identity to the bat-CoV. (Zhu, Zhang, Wang, Li X, Yang, & Song, 2020; Perlman, 2020), there is also the view that it was a laboratory genetically modified compound. Meanwhile WHO believes COVID-19 may cause various symptoms such as pneumonia, fever, breathing difficulty, and lung infection. It is spread primarily through droplets of saliva or discharge from the nose when an infected person coughs or sneezes www.who.int. It is believed that most people infected with COVID-19 will be asymptomatic while others will experience mild to moderate respiratory illness. However older people from age 65 and especially those with underlying medical challenges like cardiovascular diseases, diabetes, chronic respiratory diseases and cancer are more likely to develop serious illness with fatal consequences in some cases.

The first laboratory-confirmed case of 2019-nCoV infection was on December 1, 2019 in Wuhan, China. The outbreak was said to have occurred in a local market, the Huanan Seafood Market (wet-market), with at least 41 cases reported (Huang, Wang, Li X, Ren, Zhao, Hu, 2020). It was also reported that live animals such as bats, frogs, snakes, birds, marmots and rabbits are frequently sold at the Hunan seafood market (Wang, Horby, Hayden, & Gao, 2020).

As at the time of writing this paper there is no known cure for COVID-19. However, some effected persons have being treated with a combination of therapies and thereafter tested negative and discharged to go home. Meanwhile, to prevent and slow down transmission, WHO and Nigeria Centre for Disease Control (NCDC) advocated regular washing of hands with detergent, using alcohol-based sanitizers, maintain social and physical distancing and robust public awareness about the virus.

Meanwhile, the virus has created a total disruption of the world economic order with almost all countries of the world including Nigeria imposing a total lockdown of upwards of 21 days in some selected states. A lockdown of any country certainly will come with severe political, economic and social consequences both on the short run and long run.

2.2 Nigeria Centre for Disease Control (NCDC)

In response to the COVID-19 pandemic, the Nigeria Centre for Disease Control (NCDC) a government agency charged with the responsibility to lead the preparedness, detection and response to infectious disease outbreaks and public health emergencies confirmed the first index case of coronavirus in Nigeria on 27th February 2020. The agency immediately swung into action and on 28th February 2020, a multi-sectoral Emergency Operations Centre (EOC) was activated at

Level 3, which is the highest emergency level in Nigeria –led by NCDC in close coordination with the State Public Health EOCs (PHEOC) <http://covid19.ncdc.gov.ng/>.

Meanwhile several public health measures that can prevent or slow down the transmission of the virus were introduced which include isolation of infected persons, identification and follow up with contact persons, physical/social distancing, environmental disinfection, use of personal protective equipment, regular washing of hands and use hand sanitizers. As of date, the study is not aware of any antiviral treatment of COVID-19. However, infected persons are treated with immune boosting drugs and supportive care (Huang et. al., 2020)

2.3 COVID-19 and Survival Strategies

Since the outbreak of COVID-19 pandemic in December 2019, countries took measures to stop the spread by imposing lockdown within their national boundaries. In Nigeria, after the reported index case on 27th February 2020, governments at various levels effected total lockdown of some states including the closure of national boundaries. These steps were taken in an effort to curtail the spread of the deadly pandemic. Nonetheless, the imposed lockdown either in full or partial came with devastating social and economic consequences.

While there is no evidence-based therapy or established practice of how to manage a pandemic such as COVID-19 that presents multiple challenges business outfits such as MSMEs will need to adopt coping strategies. Such strategies Nembhard, Burns, and Shortell (2020) suggest should be able to navigate uncertainty, manage crisis, mitigate damage and promote recovery. They identify these strategies to include putting people first, creative management of operations, teamwork and communication, form partnerships, and adopt transparent and humble leadership.

2.4 People first

Operators of MSMEs should care for the well-being of their employees physically and emotionally, giving them emotional support will give them confidence that they are appreciated. Compassionate practices such as personal check-ins and offering palliatives either in cash or materials things such as foodstuffs will be considered supportive. Worline and Dutton (2017) believe such gesture has a connection with employee satisfaction, teamwork and low absenteeism.

2.5 Initiate partnership arrangement

No organisation including MSMEs can hope to independently survive the challenges posed by COVID-19 pandemic. Its scope and magnitude cut across demographic, geographic and organisational boundaries. Therefore, creating effective external partnership with similar organisations, supply vendors, consumer groups and other critical stakeholders will be helpful in coping with the lockdown occasioned by the pandemic. Nembhard, Burns, and Shortell (2020) believe that organisations that thrive especially when confronted with a novel challenge such as the COVID-19 pandemic are those that leverage both internally and externally. They argued that

partnering with external bodies, even those with whom one may not necessarily have had strong ties in the past, could help grant access to novel knowledge about innovations and their implementation, creative problem-solving approaches, and issues such as equipment and manpower deficit.

2.6 Adopt teamwork and effective communication

The challenges occasioned by COVID-19 pandemic calls for coordinated team approach that cuts across multiple functions and roles. MSMEs operators who have not build teams in their workforce will be confronted with hard choices if they are to survive the economic and operational downturn. However, Gittel, (2020) argued that effective teamwork is dependent on accurate, timely, and problem-solving communication enhanced by shared goals, shared knowledge and mutual respect which is refers to as relational coordination. It requires people to feel safe to ask questions, raise concerns, offer suggestions, and share differences of opinion about strategies – a situation that may not always be found in the management of MSMEs.

2.7 Demonstrate humble leadership

Leadership which is the process of engaging with others to achieve set goals is very critical to any organisation, even more critical in a crisis situation such as the COVID-19 pandemic lockdown. Leadership provides assurance and direction in a clearly, timely and transparent way (Hayes &Wotten, 2010). Operators of MSMEs that seek to survive the pandemic will need to demonstrate leadership that motivates and gives direction and hope to the employee. Such approach will convey to the employees the desire to position the organisation for appropriate and effective response in tackling the impact of the pandemic.

Employees' cooperation will be available if leaders prioritize the actions highlighted and communicate their importance, provide resources to achieve set goals and adopt a humble leadership (Nembhard, Burns, &Shortell, 2020). As opposed to a leader that displays arrogance and believes he is all knowing, a humble leader appreciates his limitations and recognizes the capacity of employees to identify and solve problems (Schein & Schein, 2018). Humble leaders allow 'others' participation, leading to enhanced employees' trust in the organization, interest and energy in participative problem-solving, collective ownership of decisions, and innovative solutions that reflect the collective and unique strengths of the workforce (Hayes &Wotten, 2010; Schein, & Schein, 2018). Effective implementation of these actions could ameliorate the impact of the pandemic on SMEs and enhance their capacity to overcome.

2.8 The Concept of Micro, Small and Medium Enterprises (MSMEs)

The concept of MSMEs has been defined by various nations using different metrics. These metrics include: asset, revenue and number of employees, among others. In Nigeria, Small and Medium Enterprises Development Agency of Nigeria's [SMEDAN] (2015) definition is the most widely accepted definition of MSMEs. According to SMEDAN (2015), micro enterprises are business entities that employ a minimum of an employee and a maximum of nine employees with assets (less landed property) below ten million naira; small enterprises are business entities that employ

a minimum of ten employees and a maximum of forty nine employees, with assets (less landed property) between ten million naira and less than one hundred million naira; and medium enterprises are business entities that employ a minimum of fifty employees and a maximum of one hundred and ninety nine employees, with assets (less landed property) of one hundred million naira, but less than one billion naira.

MSMEs constitute a significant determinant of the socio-economic growth and development of Nigeria. MSMEs contribute significantly to Nigeria economy. According to the National Bureau of Statistics (NBS, 2019), MSMEs account for 59, 647, 954 jobs in Nigeria, which is equivalent to 86.3% of the national workforce.

Table 1

SMEDAN's MSMEs Classification

	Size Category	Employment	Assets (N Million) (excluding land and buildings)
1	Micro enterprises	1-9	Less than 10
2	Small enterprises	10-49	10 to less than 100
3	Medium enterprises	50-199	100 to less than 1,000

Source: SMEDAN (2015)

The joint survey carried out by NBS and SMEDAN in the year 2017 revealed that as at December 2017, Nigeria had a total of 41,543,028 micro small and medium enterprises (MSMEs), which comprised of 41, 469,947 micro enterprise that represents 99.8% and 73,081 small and medium enterprises that represents 0.2%. Lagos State accounts for the highest number of MSMEs (NBS, 2019).

The MSMEs sector accounts for 59,647,954 jobs; this figure includes owner-managers, which represent 86.3% of the entire workforce of Nigeria as at December 2017. The micro enterprises segment contributes an enormous 95.1%. However, the job creation capacities of micro enterprises are relatively weak at 1.37 workers per enterprise, in comparison with 39.5 workers per small and medium enterprises (NBS, 2019). MSMEs equally assist the nation in its drive for socio-economic and industrial development through the utilization and transformation of indigenous resources and technology and the manufacturing of intermediate goods. MSMEs are the engine driving the growth and development of the nation's economy as well as providing job creating opportunities, income redistribution and the development of the rural economy (SMEDAN, 2007).

3. Methodology

This study adopted exploratory research design. The study was conducted in three states in Nigeria, namely: Lagos, Kano and Anambra states. This was because, the three states account for the largest concentration of MSMEs across the three largest ethnic groups in Nigeria (NBS, 2019). The study adopted purposive sampling technique to select respondents from the selected MSMEs. The inclusion criteria were that the respondents were MSMEs chief executives, being in business for at least five years, were affected by the 2008–09 financial crisis or 2016-2017 recession, can communicate fluently in English language and volunteered to participate in the study. Data were gathered through the primary and secondary sources. The primary data was gathered through in-depth interviews which were conducted on 24 purposively selected MSMEs CEOs from Lagos, Kano and Anambra states who demonstrated mastery of the subject matter in the qualitative survey across the three states through video enabled applications such as Zoom, Skype, WhatsApp, Imo and Viber through which immediate feedback and face-to-face gestures were elicited. While secondary data was adopted from existing literature. Data were content analysed and presented in tables.

Table 2

Respondents according to states

S/N	States	Number of Respondents
1	Lagos	10
2	Kano	8
3	Anambra	6
Total		24

Source: Authors' Compilation

The Interview guide consisted of two sections. Section A was used to obtain demographic information, while Section B addressed the research objectives.

4. Results and Discussions

4.1 Socio-Demographic Characteristics of Interviewees

The study involved 24 interviewees from Lagos, Anambra and Kano states. Data from Table 1 showed the gender distribution of the participants (14 males and 10 females). The ages of the interviewees were between 28 years and 57 years and the average age for the study was 43 years.

Table 3

Characteristics of Interviewees

SN	Sex	Age	Marital Status	Education	Bus Type	Location	State	Year of Est.
1	Male	52yrs	Married	SSCE	Small Enterprise	Ketu	Lagos	2003
2	Male	57yrs	Widowed	SSCE	Small Enterprise	Njikoka	Anambra	1998
3	Female	38yrs	Married	HND	Micro Enterprise	Ikorodu	Lagos	2012
4	Male	33yrs	Single	SSCE	Micro Enterprise	Lekki	Lagos	2013
5	Female	32yrs	Married	SSCE	Micro Enterprise	Umunya	Anambra	2012
6	Male	42yrs	Married	SSCE	Micro Enterprise	Dala	Kano	2007
7	Male	48yrs	Married	B.Sc	Small Enterprise	Isolo	Lagos	2014
8	Female	28yrs	Single	NCE	Micro Enterprise	Amuwo	Lagos	2014
9	Female	45yrs	Married	SSCE	Micro Enterprise	Bichi	Kano	2001
10	Male	42yrs	Married	JSCE	Small Enterprise	Gwale	Kano	2014
11	Female	30yrs	Married	OND	Micro Enterprise	Kano	Kano	2015
12	Female	38yrs	Married	SSCE	Micro Enterprise	Oko	Anambra	2009
13	Male	46yrs	Widowed	Masters	Medium Enterprise	Oshodi	Lagos	1999
14	Male	49yrs	Married	SSCE	Small Enterprise	Maryland	Lagos	2002
15	Male	52yrs	Married	SSCE	Small Enterprise	Kano	Kano	1995
16	Male	56yrs	Married	SSCE	Medium Enterprise	Ihiala	Anambra	1998
17	Female	48yrs	Married	SSCE	Micro Enterprise	Onitsha	Anambra	2002
18	Male	44yrs	Married	SSCE	Small Enterprise	Iyana-Ipaja	Lagos	2011
19	Male	45yrs	Married	SSCE	Small Enterprise	Epe	Lagos	2015
20	Female	33yrs	Single	HND	Micro Enterprise	Kibiya	Kano	2013
21	Male	50yrs	Married	SSCE	Medium Enterprise	Kano	Kano	2003
22	Female	37yrs	Married	B.Sc	Micro Enterprise	Awka	Anambra	2013
23	Female	31yrs	Married	JSCE	Micro Enterprise	Ikeja	Lagos	2014
24	Male	47yrs	Married	SSCE	Small Enterprise	Dala	Kano	2007

Source: Fieldwork (2020).

On marital status, data showed that majority of the respondents (19) were married while three (3) were single and two (2) widowed. Also, majority (15) had SSCE, others had Masters (1), Bachelors degree (2), HND (2), NCE/OND (2) and JSCE (2). On the nature of business owned by the participants, data showed that majority (12) owned micro enterprises while others owned small enterprises (9) and medium enterprises (3). Participants' years of establishments varied between 1995 to 2015.

4.2 Impact of COVID-19 Lockdown on Nigerian MSMEs

Data showed that MSMEs owners had different experiences on the management of businesses during the lockdown occasioned by the COVID-19 pandemic. The experiences varied based on lack of uniformity of all states in Nigeria in adhering strictly to the lockdown order of the federal government of Nigeria. The experiences of the MSMEs' CEOs in Lagos state revealed that some shops and stores were looted few days into the lockdown and the lockdown order in the state was strictly enforced and monitored with para-military bodies. Also most CEOs claimed that many of their employees were initially placed on half salary at the beginning of the pandemic and eventually laid off when there were no sustainability measures of wages payment. However, two participants who were into essential services had contradicting experience. These were captured below:

I run a patent medicine store and we were given the permission to open our pharmacy stores and supermarket because drug sales falls under essential services but with very strict rules which restricted many of my workers from coming to work. Meanwhile, we only sold to customers, we could not order for goods from stores and warehouses and the few ones we paid for were not permitted to be imported into the country. We had to start making referrals to neighbouring stores but altogether, our business thrived during the pandemic. This eventually meant that I needed to cut down cost and to this end; I placed my workers on 20 percent wages because I understand that they also need to feed their families.

IDI/38years/Married/Female/Micro Enterprise/Lagos

I have stopped sales and asked all my employees to find other means of survival until I got a call from a government official that my store will be used to house drugs for COVID-19 patients. Since then, I have been given a special license and I can say that my business has enjoyed a positive face-lift from what I used to experience prior to the pandemic. But despite that, I couldn't bring back all my employees. I had to lay off more than half of them with a commensurate pay to part with.

IDI/46years/Widowed/Male/Medium Enterprise/Lagos

Despite these claims, the experiences of other business owners in Lagos state who participated in this study were very unpalatable. These were webbed around looting, robbery, disruption by thugs and security agencies that were vigorously enforcing the lockdown order, loss of patronage to customers who relocated or were experiencing lockdown, lack of capital to purchase exorbitant goods from industries.

In Anambra state, data showed that the effect of the lockdown was only effective in the first two weeks. Thereafter, there were several cases of armed robbery, looting of shops and invasion of

private properties. Meanwhile, individual business owners quietly ran their businesses. These were captured in these responses:

My wife and children were already getting hungry because we were not used to closing down in our food business. I usually go to shop in the evening with my family to pack cartons of drinks and food to my neighbourhood. We restarted the business at home in our compound and the patronage has been very encouraging. The money made out of the business sustained us further when it seems the lockdown would never be over.

IDI/56years/Married/Male/Medium Enterprise/Anambra

There are quite many security challenges that we faced during the lockdown. This was not helped by the increased dependency by families, friends, neighbours and church members. Beggars suddenly increased on the streets and even in my shop, there are so many debtors who come to buy on credit. I am still grateful because many shops around me here (points finger to the neighbouring shops) have been robbed and their properties carted away mostly at night and weekends.

IDI/48years/Married/Female/Micro Enterprise/Anambra

The experience in Kano differed because the lockdown order was not totally strict in the state. As such, business activities thrived and were going on normally. This was expressed by a participant:

It is you people that know what you are calling coronavirus in the west there. Over here, we are very safe. As you can see, people are going on with their daily business activities without any fear like you people. Businesses here have been very okay. We don't have any problem.

IDI/50years/Married/Male/Medium Enterprise/Kano

Implicit from above is that only Lagos and Anambra states experienced strict lockdown which affected the businesses of the participants. The impacts included decreased patronage for participants except for those dealing in essential commodities such as pharmaceutical stores, food, fruits and groceries, among others. In Kano state, business activities remained very active during the lockdown and post lockdown period.

4.3 Coping strategies of Nigerian MSMEs during COVID-19 Lockdown

On the coping strategies adopted to sustain businesses, very few of the participants stated that grants, loans, aids from family, religious, government and corporate organizations such as banks and cooperative societies aided the survival of their businesses. Other participants revealed that

they diversified into core lucrative points to earn money during the lockdown. This was captured in the response below:

When the lockdown became fully effective and I sensed that I would die of hunger with my household and a few dependents if I don't think outside the box, two of my employees and I started manufacturing hand sanitizers and nose Masks which were branded and sold to corporate organizations and medical institutions here in Awka. It was so unbelievable to many that I could diversify from being a food vendor to producing hand sanitizers and later nose masks. Through this, we were able to take care of ourselves and families and send token to my employees who can not join us in the new venture. And we were able to raise a huge capital to kick start the food business after the lockdown.

IDI/37years/Married/Male/Micro Enterprise/Anambra

Meanwhile, many participants mostly from Lagos and Anambra states complained that there were very few supports from the government to aid their businesses. Those into textiles, furniture, electronics, decoration and house utensils claimed that their businesses were so close to crumbling because some of their major debtors were victims of mortality caused by the COVID-19. This was captured in the response of one of the participants:

I lost close to one hundred and fifty million naira to a customer who died via the deadly virus and this has damaging effects on my business survival. I have tried accessing loans from banks but the conditions are just not encouraging. I have also applied to the Lagos state government for a relief loan; they said they are still processing it. I have been living on the proceeds from my poultry business and support from friends and families.

IDI/45years/Married/Male/Small Enterprise/Lagos

The above revealed that the supports enjoyed by the respondents were mostly from the chain of their social networks (family members, friends and business allies) and very few had support from secondary groups such as religious bodies or financial institutions in the period of the lockdown. Many of the participants (mostly in Lagos and Anambra states) resolved to diversification for survival. However, in Kano, study found out that there were few interventions from the government for individuals who ran into challenges in the COVID-19 period.

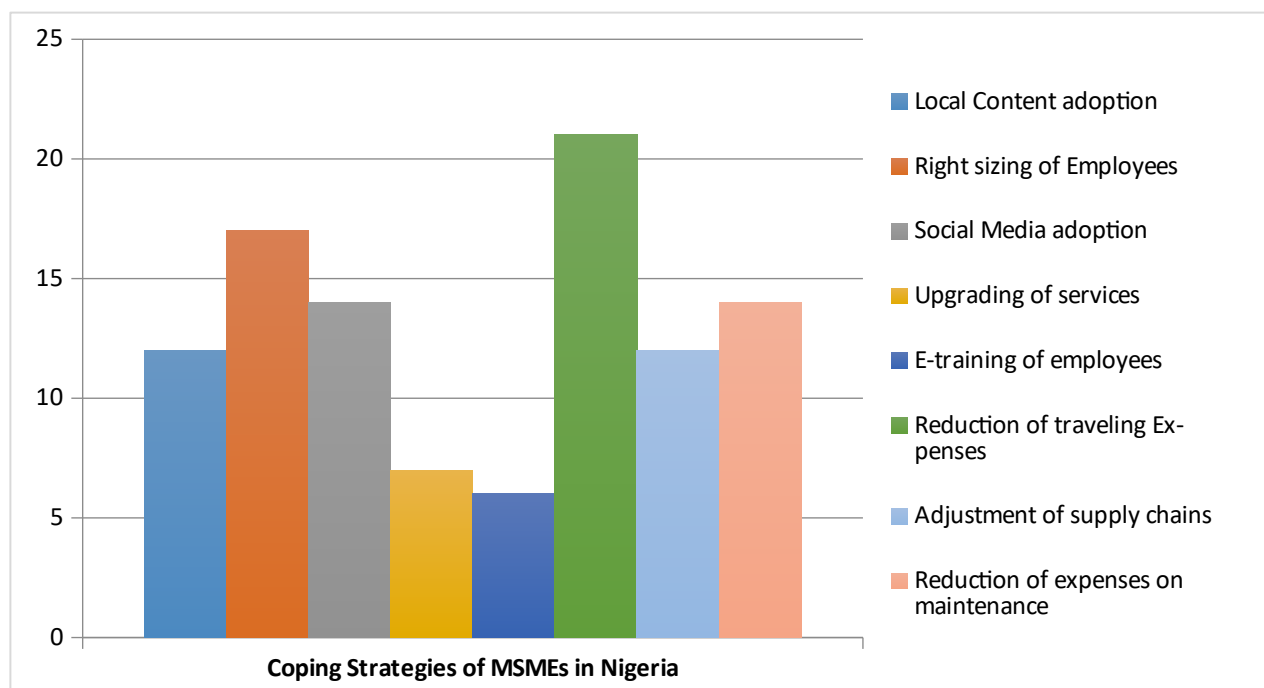
4.4 Coping Strategies of Nigerian MSMEs after the COVID-19 Lockdown

Several strategies were adopted by the participants to deal with the challenges that confronted their businesses during the COVID-19 lockdown. These ranged from increased dependence on local content initiative (12) to reduction of employees' physical contact with customers (17). Others include: adoption of social media in marketing, sales and delivery of products (14), upgrading of services and systems in order to adjust to providing solution to the needs emanating

from COVID-19 pandemic and lockdown (7), e-training and replacement of employees who lack digital skills (6), reduction of traveling and transportation expenses (21), re-evaluation and adjustment of supply chains (12) as well as reduction of expenses on maintenance (14). These are presented in the graph in Figure 1.

Figure 1

Chart on the Coping Strategies of Nigeria MSMEs



Source: Fieldwork (2020).

The Coping Strategies of Nigeria MSMEs after the COVID-19 Lockdown brought about restructuring and adjustment in the day to day activities of MSMEs owners in the selected states. The study revealed that many MSMEs owners in Lagos and Anambra states (12 respondents) changed from total dependence on imported goods to locally made products such as the making of hand sanitizers, nose masks, safety bowls and others. Also, all the respondents from Lagos and Anambra states and one from Kano state attested to the reduction of the numbers of employees in their organization but this was more prominent in Lagos state as the respondents claimed that over 75 percent of their employees were either relieved of their jobs or had mutual agreement to be removed from the payroll until the organization returns to full operation. This was captured in the response below:

There was a mutual understanding between me and my employees because it is obvious that we can no longer sustain the unending heavy bills which are on us. The security bill, electricity, rent and rates, VAT and bank charges on every transaction with miscellaneous and despite all this, the patronage level has dropped drastically because everyone is wary of having personal contact that may brew the chances of

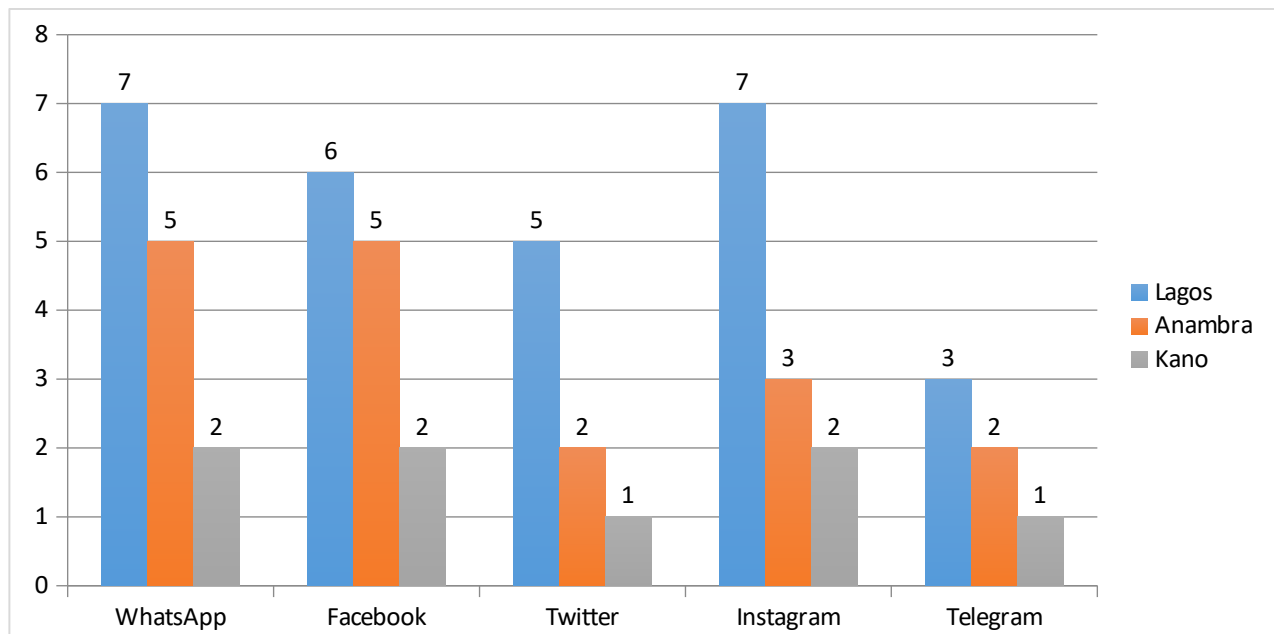
contacting the virus. What I did was to call a virtual meeting of my staff and announce the pathetic state we are and I sought their suggestions before we decided to stop paying their wages. But I still sent them monthly stipends from the little proceeds we make via referral and online transactions and they have been very understanding, supportive and cooperative. This affected more than 80 percent of my staff.

IDI/46years/Widowed/Female/Medium Enterprise/Lagos

Also, the participants (Lagos, 7; Anambra, 5 and Kano, 2) adopted social media to market, brand, sell and deliver their products and render services as a coping strategy. These included the adoption of WhatsApp, Facebook, Zoom, Twitter, Instagram, and Telegram. Figure 2 shows the adoption scale via graph.

Figure 2

Social media adopted for marketing, sales and product and service delivery by MSMEs



Source: Fieldwork (2020).

Other coping strategies of MSMEs include adjustment of services and systems to proffering solution to the needs emanating from COVID-19 pandemic and lockdown, online training and replacement of employees who lack digital skills (6), reduction of traveling and transportation expenses (21), re-evaluation and adjustment of supply chains (12) as well as reduction of expenses on maintenance (14).

From the above, the study found that the coping strategies adopted were increased usage of local content, reduction of employees' physical contact with customers and co-employees, use of social media, upgrade of services, electronic-training and replacement of redundant employees, reduction of traveling and transportation expenses, re-evaluation and adjustment of supply chains and reduction on maintenance expenses.

5. Conclusion and Recommendations

The study concluded that most MSMEs were adversely impacted by the Covid-19 pandemic. Particularly, states that enforced strict lockdown. This led to reduction in patronage, thereby threatening the corporate survival of most enterprises, especially enterprises that does not deal on essential commodities, like: Drugs, food and health care, among others.

Furthermore, most supports enjoyed by business owners were mostly from the chain of their social networks (family members, friends and business allies) and very few had support from secondary groups such as religious bodies, financial institutions or the government in the period of the lockdown. Finally, several survival strategies were employed by MSMEs to mitigate the challenges of the Covid-19 pandemic. These strategies include: Diversification of businesses, adoption of social media in marketing, sales and delivery of products, upgrading of services and systems in order to adjust to providing solution to the needs emanating from COVID-19 pandemic and lockdown, e-training and replacement of employees who lack digital skills, reduction of traveling and transportation expenses, re-evaluation and adjustment of supply chains as well as reduction of expenses on maintenance.

In line with the research findings, the following are recommended:

- i. The government should enhance the security apparatus of the nation before the enforcement of lockdown. This is because; pandemic propelled lockdown tends to increase the rate of crime, as witness in most state that strictly enforced the lockdown.
- ii. The government of Nigeria came up with some enterprise support packages as well as providing some palliatives. However, the support provided were grossly inadequate, as most business owners did not benefit from the supports provided by the government and its agencies. It is recommended that the government should enhance its enterprise support packages, as this tends to enhance the survival of MSMEs.
- iii. It is also recommended that enterprises should diversify their businesses to meet the need of the nation during pandemic. This is because, most enterprises that diversified into the production of essential items, like hand sanitizers, face mask, food items and the health sector recorded appreciable growth.
- iv. MSMEs should employ the following survival strategies; towards mitigating the challenges of the Covid-19 pandemic: Adoption of social media in marketing, sales and delivery of products, upgrading of services and systems in order to adjust to providing solution to the needs emanating from COVID-19 pandemic and lockdown, e-training and replacement of employees who lack digital skills, reduction of traveling and transportation expenses, re-evaluation and adjustment of supply chains, reduction of expenses on maintenance as well as reducing redundancy.

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A note on what do we talk about when we talk about Chinese Research?

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Abstract

This research note addresses the question stated in its title, what do we talk about when we talk about Chinese research? The article provides arguments for an understanding of Chinese research as a cultural unit, regardless of regional, political and historical differences that can be found in different territories. This does not mean the regional, political and historical differences are not relevant to researchers, on the contrary, they must be considering by researchers. Cultural similarities are needed to connect the different types of Chinese cultures, but not at the expense of omitting regional differences.

Key words

Chinese research, Chinese culture, emit-etic, indigenous research.

How to cite this article

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1. What do we talk about when we talk about Chinese research?

This article aims at addressing the question stated in its title, what do we talk about when we talk about Chinese research? And to provide arguments for an understanding of Chinese research as a cultural unit, and understanding that acknowledges regional, political and historical differences that are part of modern Chinese research. For the last 30 years, China has been growing in importance and relevance to the world, and a clear definition of what is and what is not Chinese research could help to research in general but also to establish what is indigenous Chinese research and what is not aiding on the etic-emic debate and research (Wang, et al., 2013).

Following the work of Greeven, and Van de Kaa (2013) who develop a working theory for understanding the business environment in Mainland China, this research note complements their work by addressing the cultural aspect of what does it mean to be Chinese, from a cultural perspective (Sposato, 2019). Even though there is one country called China, officially the People's Republic of China, and unofficially referred to as Mainland China, there are many Chinese cultural societies with different degrees of autonomy classified as Chinese from a cultural perspective (Fan, 2000; Yau, 1988). For example, Hong Kong and Macao are part of the People's Republic of China but have a large degree of political autonomy. Taiwan, which is officially named the Republic of China, is a politically independent entity but considered by the Beijing government as a rebel province. Therefore, 'Cultural Chinese' is the term that better represents the shared history, experiences and ethnic ancestry of this group of people (Hong et al., 2010).

In a looser sense, the concept of Chinese societies could also be applied to Singapore, with a prominent Chinese ethnic population and entrenched Chinese values; or to Chinese communities in Southeast Asian countries, who migrated from Mainland China and have largely kept themselves separate from the indigenous population, as is the case in The Philippines, Thailand and Malaysia, among other countries. These communities have been the focus of research on Chinese cultural values (Westwood, 1992, 1997) and can consequently be classified as Chinese regarding ethnicity and culture.

The idea of Chinese culture as a unit independent from political differences is mostly based on the study conducted by the Chinese Cultural Connection (CCC) in 1997. This study identified 40 core Chinese cultural values which are independent of political systems and define what it means to be culturally Chinese. Fan (2000) conducted a study validating and expanding the values to 71, showing the importance and contested nature of these values. While Chinese people have been said to share the same values and beliefs, it has been highlighted that they may understand and apply these beliefs in different ways (Fan, 2000).

Political differences have not stopped researchers from using and comparing theories, research instruments and techniques among these different political jurisdictions, where communities are part of the Chinese cultural context (López Jiménez, Dittmar and Portillo, 2021); for instance, The Oxford Handbook of Chinese Psychology (Bond, 2010) makes no distinction in general terms between different groups of culturally Chinese people. The text quite often presents findings from studies of Mainland China, together with findings from Taiwanese and/or Hong Kong samples, making no cultural distinctions. The following is a quotation from Tang et al. (2010), included in The Oxford Handbook of Chinese Psychology:

Flexible and egalitarian gender roles attitudes are generally endorsed by better-educated individuals, especially female university students, in China (Chia, Allred & Jerzak, 1997), Hong Kong (Leung & Ng, 1999), Taiwan (Zhang, 2006) and Singapore (Teo, Graham, Yeoh, & Levy, 2003). (Tang et al., 2010: 537).

This quotation is a clear example of how research in Chinese cultural settings is used and presented in a unifying manner, independently of geographical or political boundaries (López Jiménez and Dittmar, 2018; Dittmar, 2012). Additionally, the same methodology and conceptualizations have been adopted by The Handbook of Chinese Organizational Behaviour (Huang and Bond, 2012), a similarly relevant and influential book in the field of organizational behaviour.

The International Association for Chinese Management Research (IACMR, n.d.), the body which groups the leading management scholars in Chinese studies, also takes a similar approach, highlighting that "[it pursues] scientific analyses of individual, group, and firm behaviors in the Chinese context" (online). Also, it is clear from its activities that by Chinese context, it means culturally Chinese societies. As an illustration, its main publication, the peer-reviewed Journal of Management and Organizations Review, publishes articles not only related to Mainland China, but also to Hong Kong, Taiwan, Macao and Singapore; in essence, research conducted in Chinese cultural contexts. As it does this publication the Journal of Chinese Human Resources Management with its inclusive approach to a greater, cultural China. Publishing an entire special issue on Human Resources Management in China (Jin, 2016) and also greater China (Wang and Tian, (2011), for example; Macao (Vong et al., 2018), Hong Kong (Chan and Burgess, 2010) and Taiwan (Korte and Li, 2015).

Furthermore, leading scholars in Chinese management research do not account for regional differences. One such example is Anne Tsui, one of the top 100 most cited researchers in business, economics, and management, according to the Academy of Management (webapp4.asu.edu) and Kwok Leung, the former President of the International Association for Cross-Cultural Psychology (iaccp.org). When researching in Hong Kong, Taiwan, and Mainland China, Anne Tsui considers these territories as culturally Chinese, but when the differences are political or institutional, they may be significant to the study and require highlighting as well as discussion.

Finally, thematic reviews of management in China also tend to include a broader Chinese perspective and are often guided by the concept of Chinese culture instead of political divisions. This point is eloquently expressed in the literature review conducted by Jia et al. (2012). Their article analyses the levels of local contextualization within research carried out in China but focuses on Mainland China, Hong Kong, Macao and Taiwan, all being considered under the umbrella term of Chinese cultural research. As so far argued in general research articles like the published by Hatum and Preve, (2015), just do not create subsets of cultural distinctions.

However, as stressed by Huo and Randall (1991) and Stening and Zhang (2007), researchers should acknowledge regional and subcultural differences within China. Throughout the extended Chinese territory and its numerous populations, Chinese culture is prone to the creation of subcultures, which leads to the possibility of encountering emic knowledge, which falls under the umbrella of Chinese culture. Also, emic knowledge that is only relevant to the specific Chinese

subculture studied, in this case, Hong Kong, as well as etic knowledge which is universally relevant across cultures (Sposato and Rumens, 2018). Based on this evidence, it is possible to conclude that in the broad field of management and its different subfields, Chinese culture tends to be understood and researched as a unified concept (Sposato, 2015).

Having argued for a common understanding of Chinese culture, it is also necessary to acknowledge the singularities of Chinese subcultures must also be considered. For example, in the case of Hong Kong, whilst 92.6% of the population is ethnically Chinese (Census and Statistics Department Hong Kong Special Administrative Region, 2014), Hong Kong was still a British colony for more than 150 years, an influence which demands consideration. In the case of Singapore, the country is a multicultural society where Chinese culture coexists with Malay and Indian cultures; and in the case of ethnic Chinese groups living in Southeast Asia, these groups have also been exposed to native cultural influences and in cases intermarried. Therefore, it is necessary to highly how local singularities have had an impact on each of the Chinese cultural groups when conducting research (Sposato and Jeffrey 2020).

2. Conclusion

In conclusion, wide arguments have been presented in this paper for the understanding of Chinese research as a unified term that united the idea of a common Chinese culture, providing scope for unifying different Chinese groups. Nevertheless, differences should also be considered when conducting research in a Chinese cultural context, as different political systems have also influenced the meaning of what is it to be Chinese.

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Brief notes on the effects of the coronavirus on e-sales of small and medium-sized companies in Spain

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Abstract

Flexible business models, with strong e-commerce platforms and capable of generating synergies with other companies and local suppliers, are profiled as the best able to face the economic impact of COVID-19 in the year that we are in now: 2021. For the business fabric of the entire world - from small companies to multinationals - the arrival of the coronavirus has been an unprecedented crisis, for which no one was prepared. In the last half year, hundreds of businesses have disappeared, and it is already expected that many others will do so during 2021.

Key words

Coronavirus, SME, challenge, e-sale.

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1. Effects of the coronavirus on e-sales of SMEs in Spain

In the last half year, hundreds of businesses have disappeared, and it is already expected that many others will do so during 2021. However, other companies, some with only five workers (smaller SMEs), have in recent months experienced their online sales growing up to 150% during confinement and have resurfaced strengthened from the pandemic. Both experiences constitute the map that entrepreneurs will necessarily have to follow to rethink (or reorient) their business model (Nowland, Necka & Cacioppo, 2018; Manolova et. al., 2020) if they want to survive in the post-COVID era.

The impact of the coronavirus may have caused the deepest financial crisis since World War II. Companies will face new parameters that in recent recessions were nonexistent: health risk, labor problems due to the mandatory distancing between workers and logistical paralysis due to mobility restrictions.

More than building a robust business, the trend that marks the new normal is to promote a flexible business model - for the head of the company and its workers - that can adapt rapidly to both the needs of the market and that of its employees or customers. The first thing that must be done is to adapt the facilities of the company and the service with the new health protocols - distance, telework, gloves, gel, PCR tests, and a long et cetera- measures that will not only improve customer trust but also the piggy bank of annual budgets because this new corporate health policy is likely to last for the next few years. The scenario in which we live is turbulent, and no one knows how long what has been called the new normal will last in the business scenario.

A disruptive and changing way of working, according to the scenarios that are proposed, will be essential to manage the uncertainty that goes along with COVID-19. Although strategic planning is always necessary, in these moments, it is essential to set achievable goals in the short term and modify them based on new expectations, as well as having a team capable of responding to emergencies. (López Jiménez, Dittmar & Vargas Portillo, 2021a).

Changes will also come from outside. The most visible case is the reconversion of supply chains. Mobility restrictions, especially at borders, are leading large companies to shift their network of producers to more localized producers to provide security in regard to stockpiling against new outbreaks and a possible closure of border customs. Therefore, expanding the choice of suppliers, even if doing so increases costs and reduces efficiency, is a lesson in long-term profitability that many companies are learning from the pandemic and an opportunity for SMEs to see increased sales.

The issue with supplier networks is logistics, a sector that nobody cared about until things started to go wrong. It has been extraordinary to see how resilient retail supply chains have been (Jaworski, Kohli, & Sahay, 2000), a trend that will continue in the coming years. Therefore, having a safe and reliable delivery company has become essential for all businesses, even for small SMEs, which have jumped on the Internet as a channel to survive this crisis (Dittmar, 2012).

In the last half year, a large part of the planet has taken an intensive course on e-commerce and telecommuting, two routes without which it now seems impossible to open a business. It is

essential that a company (large or small) have these structures to survive. This fact is still a pending issue in Spain, where only 17.1% of SMEs have an online store. However, having a website is not enough (López Jiménez, Dittmar & Vargas Portillo, 2021b). Maintaining a strong sales level requires having a good logistics system for the storage of goods and a delivery company that delivers the product quickly and without problems. Furthermore, communication with the client (both to advise them and to solve possible problems) should be essential to ensure their loyalty.

More than half of Spanish companies increased their online sales in the last year, indicating that e-commerce has consolidated as a complement to international expansion during the pandemic (Papadopoulos, Baltas & Balta, 2020). Additionally, economic uncertainty and increased regulation are the main obstacles to the internationalization of Spanish companies. The pandemic has positioned e-commerce as one of the options most used by Spanish companies to expand their business beyond their country of origin. Entrepreneurs recognize that during the coronavirus, a period in which mobility between countries has been significantly restricted, online commerce has grown exponentially, consolidating itself as a parallel solution to internationalization. The need for diversification in a local market impacted by the effect of the coronavirus is pushing companies to focus their internationalization plans beyond a formula to increase turnover. Progress toward internationalization and operational flexibility, typical of medium-sized companies, is seen as a clear advantage over large companies.

Working from home has proven to be profitable: infrastructure costs have been reduced, and time is better managed. However, the companies that have not been able to adapt to this form of work have watched many of their employees suffer from chronic stress, isolation and even physical deterioration. However, not all companies have consolidated this form of service provision. Both large and small and medium-sized Spanish companies plan to return to their previous levels of remote and face-to-face work prior to the coronavirus crisis.

As has always happened in all crises, ingenuity when creating new ways of selling or communicating with customers is a differentiating advantage (López Jiménez, Dittmar & Vargas Portillo, 2021c). Creativity allows many companies to rethink new ways of producing with remote monitoring and the incorporation of robots and even to alleviate customers' fears of being infected in a physical business. A good starting point is to develop a good system of social listening, which is to check in with social networks every day to know what is happening in a given sector and recognize the needs of customers that go beyond supply and demand, such as what concerns them most when buying or the type of relationship they want to have with the seller. Social listening is a set of techniques that allow us to actively listen to our clients using social networks. This activity is carried out using different tools that allow us to monitor all the comments made about us. In this way, we will be able to know exactly what the opinions of our customers are, as well as their concerns regarding and problems derived from our products.

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