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**THE IMPACTS OF COVID-19 ON MUSLIM
ENTREPRENEURS AND THEIR SURVIVAL STRATEGIES**

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UUM
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**THE IMPACTS OF COVID-19 ON MUSLIM ENTREPRENEURS AND THEIR
SURVIVAL STRATEGIES**

BY

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**Thesis Submitted to
Othman Yeop Abdullah Graduate School of Business,
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Pusat Pengajian Perniagaan Islam
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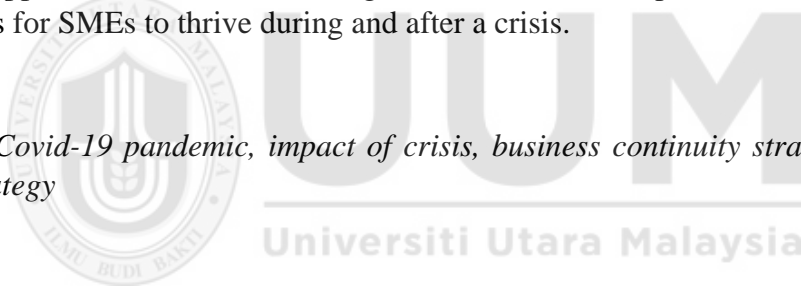
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ABSTRACT

The recent global catastrophe is the spread of the Coronavirus, which has greatly affected all aspects of the economy. Lockdown, isolation, restricted travel order, and social distancing are some protective steps adopted by the government to secure public health. Though noting the importance of national order in preventing the virus's massive dissemination, the researcher contend that there are some undiscovered impacts of Malaysia's control order policy on Muslim Small and Medium Enterprises (SMEs). The objectives of this study are to scrutinize the impacts of the Covid-19 Movement Control Order (MCO) on Muslim SMEs' businesses and to identify the survival strategies used, based on the four major business functions, from viewpoints of the entrepreneurs. The study employs a qualitative approach, with in-depth interviews and phone interviews conducted with the entrepreneurs of 13 chosen Muslim SMEs that are from ten different industries. The results of in-depth interviews provide insights on impacts of Covid-19 pandemic on SMEs' entrepreneurs in the service sector, their business continuity strategies used and business recovery strategies planned for post-Covid-19 pandemic period. The paper recommends few suggestions for future research work, business development agencies and entrepreneurs. This study will hopefully contribute towards the creation of effective support mechanisms through associated entrepreneurial development organizations for SMEs to thrive during and after a crisis.

Keywords: *Covid-19 pandemic, impact of crisis, business continuity strategy, business recovery strategy*



ABSTRAK

Bencana global baru-baru ini adalah penyebaran Coronavirus, yang telah banyak memberi kesan terhadap semua aspek ekonomi. Penutupan, pengasingan, perintah pembatasan perjalanan, dan jarak sosial adalah beberapa langkah perlindungan yang diambil oleh pihak kerajaan bagi menjamin kesihatan awam. Walaubagaimanapun, melihat pentingnya negara dalam usaha mencegah penyebaran virus secara besar-besaran ini, penyelidik berpendapat bahawa terdapat beberapa implikasi yang tidak diketahui mengenai implikasi perintah kawalan pergerakan di Malaysia terhadap Muslim Perniagaan Kecil dan Sederhana (PKS). Objektif kajian ini adalah untuk meneliti implikasi Perintah Kawalan Pergerakan (PKP) Covid-19 terhadap perniagaan Muslim PKS dan untuk mengenal pasti strategi kelangsungannya, berdasarkan empat fungsi perniagaan utama, dari sudut pandangan usahawan. Kajian ini menggunakan pendekatan kualitatif, dengan melakukan temu duga mendalam dan wawancara melalui telefon bersama 13 usahawan Muslim PKS terpilih daripada sepuluh industri yang berbeza. Hasil temu duga secara mendalam memberikan gambaran mengenai kesan pandemik Covid-19 terhadap usahawan Muslim PKS di dalam sektor perkhidmatan, strategi kelangsungan perniagaan mereka dan rancangan pemulihan semasa dan selepas krisis. Kajian ini akan mengesyorkan beberapa cadangan untuk penyelidikan masa depan, agensi pembangunan perniagaan dan usahawan. Kajian ini diharap dapat menyumbang kepada penciptaan mekanisme sokongan yang berkesan melalui organisasi pembangunan keusahawanan yang berkaitan agar PKS dapat berkembang maju semasa dan selepas krisis.

Kata kunci: *Pandemik covid-19, kesan krisis, strategi kelangsungan perniagaan, strategi pemulihan perniagaan*

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LIST OF ABBREVIATIONS

MCO	Movement Control Order
SME	Small and Medium Enterprise
TEKUN	Tabung Ekonomi Kumpulan Urus Niaga



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CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter presents the overview of this research contents. It describes the research background, states the problem statements, defines the research questions and objectives, highlights the significance of the study, outlines the scope of the study, and provides the definition of key terms. The chapter ends with the organization of the thesis.

1.1 Background of study

The world has seen a variety of unfortunate events that have disrupted the daily operations of many businesses by causing disruption in the national, regional, and global economies. The first effect of uncertainty of some aspect is on economic conditions (Peng et al., 2020). Natural disasters are one form of external environment disturbance that leads to recessionary patterns in economic indicators (Auzzir et al., 2018). For example, in many countries, an earthquake-like catastrophe damages the national economies, businesses, and other national events (Oliva and Lazzeretti, 2018; Aftab and Naveed, 2020). Pandemics is another form of uncertainty that may contribute to the collapse of businesses and economies.

The most recent and largest catastrophe is a disease outbreak known as the Coronavirus (Covid-19), which began in the end-of-year of 2019 and is still continuously spreading in the year 2021. Started from Wuhan, China, and is now infecting other nations. It has spread worldwide to over 200 countries, which include America, Europe, Asia, and Australia. The World Health Organization (WHO) has classified this disease as a pandemic due to its

rapid and widespread dissemination (World Health Organization, 2020). It shows a rapid increase in number of cases through human-to-human infection (Qiu et al., 2017) resulting in over 200,000 deaths in just three months since the start of the outbreak (World Health Organization, 2020).

As a matter of fact, as compared to other coronavirus outbreaks such as MERS-CoV, SARS-CoV, and Influenza, Covid-19 has the highest infection rates and deaths (Liu et al., 2020; Peeri et al., 2020) which makes it the most deadly compare to these three. Epidemics such as Cholera and Severe Acute Respiratory Syndrome (SARS), as well as pandemics such as Influenza and Coronavirus (Covid-19), have serious consequences for economies and related businesses, especially small and medium-sized enterprises (SMEs) (Hai et al., 2004; Saunders-Hastings and Krewski, 2016; Shafi et al., 2020). Despite the fact that it was an infectious disease, numerous studies have concluded that movement limitation is the most effective way in preventing such infectious diseases from contaminating others (Chinazzi et al., 2020; Sohrabi et al., 2020).

Since that, movement restriction is proven to be the best way to control the Covid-19 pandemic, many countries including Southeast Asia countries, such as Malaysia, Indonesia, Thailand, Philippines and Singapore has took a cautionary action such as impose a travel restriction, practice social distancing, and deferment of events for at least 14 days in their respective countries in order to prevent the virus from spreading even further. Although it is good that many countries have implemented the quarantine orders for preventing the spread of Covid-19, it also has led to some giant consequences. Aside from bad psychological impact on people such as depression, anxiety and stress (Ghani, 2020), it also negatively affects the economic activities of the countries. For instance, the

closure of retail premises and disruption of product delivery chains (Karabag, 2020).

Malaysia is also one of the countries that was heavily infected by the Covid-19. In March 2020, local newspapers reported Malaysia has the highest number of Covid-19 cases in Southeast Asia region (Harian Metro, 2020). This has resulted in a quarantine order known as Movement Control Order (MCO) for the entire Malaysia. The first phase of MCO was announced by the Malaysia Prime Minister, Tan Sri Muhyiddin Yassin, and the duration of it will last for two weeks. The government takes such action in order to prevent the virus from constantly spreading, as suggested by scientists.

One of the main restrictions during the implementation of MCO that Malaysian should follow is the restriction on the movement and prohibition of crowd gathering including any event related with religious, sport, social and cultural activities with no exception (Majlis Keselamatan Negara, 2020). Malaysia has implemented multiple phases of MCO which started from 18 March 2020 and it still going in the year of 2021.

The order also implies that all government and private premises, except those involved with the country's essential services, to stop operating during the MCO period. The Small and Medium Enterprises (SMEs) are among the categories that suffered heavily because of the MCO, where only essential services may operate. MCO has interfered in the operation of various important sectors, especially the food and beverages, agriculture, retails, transport and construction, and tourism sectors (Saari, 2020; Department of Statistics Malaysia, 2020).

The major contributor to Malaysia's economy is the SME. Statistical data showed that the establishments of SME in Malaysia covers 98.5% or 907, 065 establishments. The highest establishments of SMEs are in the service sector that covers 89.2%, while the second largest establishment is in the manufacturing sector, which is 5.3%. The construction sector comprises 4.3%, followed by 1.1% in the agriculture sector and 0.1% in the mining and quarrying sector. (SME Corp. Malaysia, 2020).

Nearly all the retailers and restaurants were closed, however it is allowed for take-away and online-based sales to prevent the risks of complete shutdown. Yet, the SMEs' entrepreneurs are continuously inflicted by the situation where they had to struggle in maintaining the business cash flow to avoid bankruptcy. Majority of business are currently struggling to survive during crisis, especially those in the service sector.

In order for businesses to resume their operation and earn a profit to survive during this crisis, entrepreneurs need to act quickly in analysing the impacts of MCO on their business and come out with surviving plans. Therefore, business owners must actively play their role by adapting changes into the four primary business functions which are marketing, finance, operation and workforce.

Normalization involves a series of processes and procedures that will help business and employees to accept changed circumstances. Some initiatives that business owners should do is to create marketing plans that are suitable, supervise their business financially, change the operation of business and repeat positive messages to maintain morale of their employees.

Ergo, this study intends to explore the impacts of Covid-19 pandemic on entrepreneurs in the service sector during the crisis and their strategies to survive during this crisis. By having the knowledge on the impacts of Covid-19 pandemic on SMEs' entrepreneurs, the government can truly understand what are the exact problems faced by the entrepreneurs and how can they actually help them. The outcome of this study is expected to benefit all the Muslim SMEs entrepreneurs, the government and the academicians to have a deep and better understanding on the impacts of Covid-19 pandemic and their surviving strategies, specifically among the SMEs' entrepreneurs in Malaysia.

1.2 Problem Statement

Derived from the discussion in the previous section, few research problems are discovered. The first one is regarding the impacts of Covid-19 pandemic on SME. Recently, the dissemination of Covid-19 has marked its unpleasant effect on global economies, large businesses and small and medium-sized enterprises. It not only affected people's lives but also disrupted their economic activities (World Bank, 2020). Economists predict that momentum of the economic activity has slowed down starting from March 2020 and will continue with no specific ending date (Segal & Gerstel, 2020). Understanding the negative impacts experienced by the entrepreneurs is one of the crucial steps before assisting them. Without identifying their problems, it is impossible for the government agencies to construct strategies that can tackle their problems.

Second, SMEs' entrepreneurs are struggling to run their business during the MCO period, especially those in the service sector. SMEs' entrepreneurs fail to take a quick preventive action to minimize the risk (Herbane, 2013). According to statistics in a study by Cook (2015), it was discovered that about 75% of companies that do not have a continuity

strategy would collapse within three years after a catastrophe or crisis strikes. As reported by a local newspaper, according to chairperson of the *Sekretariat Gabungan Persatuan-persatuan Penjaja dan Peniaga Kecil Melayu Malaysia (GPPPKMM)*, Zainal Abidin Abd. Majid, it is estimated around 1.5 million SMEs will shut down if the government makes no response action to assist these SMEs (Izzah, 2020). During a crisis, it is speculated that SMEs, especially those in the service sector, exposed greater problems than larger businesses. Businesses can hardly handle threats both during the course of their business and after it has occurred, as suggested by Păunescu & Blid (2018).

Third, a business continuity strategy is often combined with a crisis recovery plan that includes the resumption and reconstruction of operations (Cook, 2015). According to Bartz and Winkler (2016), their analysis of entrepreneurial company competitiveness during the turmoil, micro-enterprises have seen comparatively sluggish growth in periods of crisis, indicating fragility as opposed to larger enterprises that develop faster and more adaptive. Eventually, it will also affect their productivity during the post-crisis period later and require a longer time to recover compared to large firms. Businesses need to critically and constantly evaluate their internal capabilities to increase the efficiency they have achieved. Plus, government agencies have been offering various help for SMEs to recover their business. Financial assistance such as *Skim Pembiayaan PKS PENJANA* by the government (Harian Metro, 2021) and *Skim Cakna* by Maybank Islamic (Berita Harian, 2021) is available for SMEs to grab. Thus, it is important for SMEs to have recovery strategies planned for the post-pandemic period.

Fourth, during the beginning of the Covid-19 pandemic, the Malaysian Statistical Department launched a special online survey to study the effects of Covid-19 outbreak on

Malaysians and the economy (The Star Online, 2020). The survey is available for Malaysians that are aged 15 years old and above. The survey findings are used by the government to assess the impact of the Covid-19 on the Malaysian economy, employment, and expenditure.

The researcher identified a methodological gap in the existing literature. There is a lack of qualitative research designs that study the impacts of Covid-19 pandemic on SMEs in the service sector, the business continuity strategies used and their business recovery strategies planned for the post-pandemic period. Based on the study researcher is trying to implement as a research design, researcher found there is a dearth in the prior research on qualitative research designs. In this study researcher seeks to establish a new inquiry on research designs with in-depth study. Researcher seeks to further enhance the knowledge in this field and to complement the quantitative insights, especially in Malaysia context, through this research by addressing the gaps with qualitative method in the research methodologies with in-depth study.

Lastly, a few similar studies have been done in the west compared to the east. However, findings gained in foreign countries are not necessarily applicable to Malaysia, since Malaysia has a different culture, government and environment than its western counterpart, thus the impact of Covid-19 pandemic may be different and resulting in dissimilar impact on the business itself. Previous studies found that there are significant differences in impacts of Covid-19 pandemic and the survival strategies used across countries and cultures (Shafi et al., 2020; Zaazou & Salman Abdou, 2021). Based on this key statement and the extreme effect of Covid-19 on SMEs in Malaysia, as reported by Berita Harian (2020) and other economic observers, it is critical to recognise the adverse implications for

subsequent policy development and SME restoration strategies. The detrimental consequences of Covid-19 on Malaysian SMEs make it a significant area for research.

Based on the review of the past literatures, there is a population gap. As suggested by Fabeil et al. (2020), a research that target larger group of respondents/audience is required in order to fully understand the survival mechanism adopted by micro-enterprises in response to the crisis. Thus, this makes Muslim SMEs entrepreneurs in the service sector in Malaysia appear to be important and worthy of investigation of the impacts of Covid-19 pandemic on SMEs in the service sector, the business continuity strategies used and their business recovery strategies planned for the post-pandemic period. Some of these sub-populations have been under-researched. An investigation of this group is necessary since they are significant contributors to Malaysia's economy (Zalina et al., 2016) and one of the most affected groups from Covid-19 pandemic (David Tan, 2020).

To conclude, it is equally important and appropriate for the researcher to carry out in-depth study on the impacts of Covid-19 on SMEs' entrepreneurs in the service sector, strategies used to survive during the crisis and the business recovery strategies planned for the post-pandemic period. This study will address the gap and conduct research in order to fill it in with new knowledge or discovery.

1.3 Research Questions

Three research questions has been construct as follow based on the research problems that have been elaborated in the previous section:

1. What are the impacts of Covid-19 pandemic on Muslim entrepreneurs in the service sector?

2. How Muslim entrepreneurs in the service sector operate their business during Covid-19 pandemic?
3. How Muslim entrepreneurs in the service sector plan to recover their business for the post-Covid-19 pandemic period?

1.4 Research Objectives

These research objectives should be interrelated with the research questions as mentioned in the above discussion as follows:

1. To scrutinize the impacts of Covid-19 pandemic on Muslim entrepreneurs in the service sector.
2. To identify the business continuity strategies used by Muslim entrepreneurs in the service sector during Covid-19 pandemic.
3. To investigate the business recovery strategies planned by Muslim entrepreneurs in the service sector for the post-pandemic period.

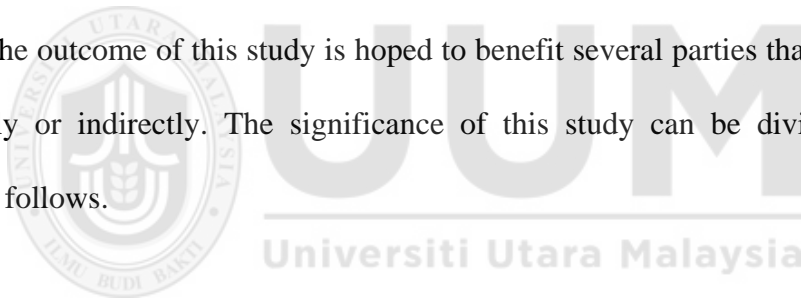
1.5 Significance of the Study

This study aims to identify the impacts of Covid-19 on the SMEs entrepreneur in the service sector of Malaysia. This study was envisioned to propose logical insights and motivation to the academicians in terms of enriching empirical studies regarding this topic. Most of the previous studies were discussing the impacts of Covid-19 in macro perspective and did not focus on SMEs in the service sector. It also seeks to propose policies for better managing the economy's downturn, as well as recovery plans for the affected SMEs in the service sector.

Consequently, this study is timely important to achieve three fundamental goals. First, to provide logical insights on the early and later impacts of Covid-19 outbreak and MCO on SMEs in the service sector. Second, to identify early survival strategies used among SMEs in the service sector during the crisis period. Finally, this study could assist the regulators in regulating policies to tackle the problems faced by SMEs in conjunction with the crisis.

There will be recommendations provided after analysing through relevant information gain from the SMEs entrepreneur in the service sector as the unit of analysis in this study. This will prove that this research is conducted following a very professional standard and not based on pure speculation.

In addition, the outcome of this study is hoped to benefit several parties that are involved either directly or indirectly. The significance of this study can be divided into two categories as follows.



1.5.1 Significance of the Study to Academics

Firstly, this study focuses on contributing to the existing theories and body of knowledge through a detailed literature review and empirical findings related with business continuity strategies and business recovery strategies used by entrepreneurs in the service sector during crisis.

Secondly, this study broadens the existing body of knowledge by enhancing the understanding of the business continuity strategies and business recovery strategies used by entrepreneurs in the service sector during crisis, which may influence the business survivability during crisis.

Thirdly, this study contributes to the current body of knowledge by exploring the impact of Covid-19 pandemic crisis on business, business continuity strategies and business recovery strategies used by entrepreneurs in the service sector during crisis in a single study.

Hence, this study enhances the current knowledge of business management studies. Based on the existing literature, it is discovered that there are limited studies carried out on business continuity and business recovery strategy by entrepreneurs in Malaysia, and in some ways this study contributes to the knowledge repositories for future references. It is hoped that this study will instigate more scholars to carry out advanced studies in this domain of knowledge.

1.5.2 Significance of the Study to Practitioners

On the significance of the research to the practitioners or industry players, this study aims to further establish the importance of business continuity strategy and business recovery strategy as a strategic management tool, which must be employed by organizations to minimize the operational risks and its impacts to critical business functions. This study provides an empirical example on the business continuity strategies used during Covid-19 pandemic and business recovery strategies planned for post-pandemic period by entrepreneurs in the service sectors in Malaysia, which may help to boost the take-up by other sectors. As the country continues focusing on building a knowledge-based economy, a proper planning to ensure continuity of operations in the event of an unplanned disaster becomes more critical than ever, especially when the world is facing the most current disaster known as Covid-19 pandemic.

All organizations that provide services to the public, regardless of size, type, and nature of business, need to be more prepared for any emergency situations and ensure that any disruptions affecting their services are kept at a very minimal stage. Thus, respective agencies must ensure the services are reliable and consistently available. In addition, this study also provides better understanding to the decision makers. It is hoped that the outcomes of this study can assist entrepreneurs and managers to further plan their business administration properly.

1.6 Scope and Limitation of the Study

1.6.1 Scope of the Study

The scope of this research will focus on SMEs' entrepreneurs in the service sector as a unit of analysis to ensure this research can be conducted as it intended, realistic and interrelated with the research objectives. As discussed in the problem statement of research, SMEs' entrepreneurs are one of the categories that are affected badly because of the Covid-19 pandemic in Malaysia. These entrepreneurs are the major contributors to Malaysia economy and their performance can heavily influence the economy.

Since the onset of the sudden crisis, their performance has dropped drastically each day starting from the first phase of MCO period on 18th March 2020. Hence, the researcher will identify the impacts of Covid-19 pandemic on Muslim SMEs entrepreneurs in the service sector urban area. From the result obtained, the researcher can understand the issues that they have to face during the crisis. Researcher also want to scrutinize the severity of the impact on entrepreneurs.

Next, the researcher will explore the survival strategies used by the Muslim entrepreneurs during the crisis, which mainly will be focused on the plan used in ensuring the survivability of their business. Last but not least, the researcher also wants to understand the strategies used by entrepreneurs, which mainly focus on business recovery plans used by Muslim SMEs entrepreneurs during crisis.

Generally, the scope of this research will focus on the implications of the Covid-19 pandemic on SMEs' entrepreneurs and their survival plans used by entrepreneurs in the service sector during the crisis. Therefore, the researcher plans to scrutinize, explore and understand these factors in detail. In order to complete this study, researcher will conduct this research by a qualitative approach. An in-depth interview session with informants (INF) will be carry out on the Muslim entrepreneurs in urban areas. This is because these entrepreneurs can provide information that will satisfy the objectives of the research. The SMEs' entrepreneurs will be interviewed about the issues, challenges, and strategies used during the crisis. This study is expected to provide deeper insight and a clear understanding on the impact of a crisis on the business and the importance of business continuity strategies and business recovery strategies.

1.6.2 Limitation of the Study

Like other research studies, this study suffers from a few limitations. Due to time and situational constraints, the INFs were only limited to the entrepreneurs in the service sector that operate their business in urban areas. Moreover, this research needs to be completed in the duration of five months, which makes it very time-constraint to explore a wider area. Plus, this research is done during the MCO period, which makes it harder for researchers to set up an interview session with INFs because of movement restriction order. As in the

event of Covid-19 and some businesses have to be temporarily closed, this study will adopt the structured phone interview method, online interview and face-to-face interview. Lastly, the INFs are managing either small or medium size of business in the service sector, ergo; the results obtained from this study cannot be generalised to the entire service industry.

1.7 Definition of Key Terms

Small and Medium Enterprises (SMEs): Small and medium enterprises can be defined as business entities that cover all sectors in the country, where the sales turnover for the manufacturing sector is less than 50 million and the number of full-time employees is not over 200. As for service sectors, the sales turnover is less than 20 million and the number of full-time employees not exceeding 75. SMEs can be categorized in three levels, mainly known as micro, small and medium (SME Corp Malaysia, 2020).

Crisis: A crisis is defined as a low probability-high impact phenomenon that threatens the organization's viability. It is viewed as an unavoidable disruption that every organization is bound to face at some point in their lifetime, and it most often occurs with or without adequate warning signals. (Karam, 2008)

Muslim entrepreneur: An entrepreneur who manage their business following the Islamic teaching which are *Shari'ah*. Every business activities must permissible by *Shari'ah* and avoid any activities that is *haram* (Salmah et al., 2015).

1.8 Organization of the Study

This thesis is divided and presented in five chapters. Chapter one provides an overview of the study by constructing an extensive outline of the study, and therefore it sets the

foundation for the later chapters. This chapter includes the background of the study, problem statement, research questions, research objectives, significance of the study, scope of the study, definition of key terms and finally, the organization of the study.

Next, Chapter Two reviews past studies relating to the three primary focus of this study i.e. impacts of crisis on business, business continuity strategies used during crisis and business recovery strategies used for post-crisis period. The review of literature establishes the in-depth understanding of the fields of study. The chapter also explains the previous empirical evidence that is related to the study.

Then, Chapter Three describes the methodological choices, which include the selection of research design and methods of data analysis used in achieving the objectives. It also covers the research sampling, data collection methods, development of the interview instrument and protocol.

Chapter Four discusses the findings, coding, categorization and data analysis. All the research questions constructed will also be answered according to analysis of data. Hence, the result of this study will be presented thoroughly in this chapter.

Finally, in the last chapter of this thesis, Chapter Five will summarize the findings followed by the discussion, recommendation and conclusion. Limitations of the study and suggestions are also will be present in this chapter alongside with a suitable recommendation for the practitioners and for future researches.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter will discuss the reviews of literature provided by previous researchers pertaining to the SMEs entrepreneur surviving a crisis, mainly focusing on the four business functions which are marketing, finance, operation and workforce. The literature will be reviewed to provide an understanding on the impacts of a crisis on SME and their surviving strategies used. While there has been much research on this topic, few researchers have specifically focused on the service sector. This chapter aims at identifying the gaps in the present body of knowledge in existing literature. The result of the study is expected to fill in this gap.

This chapter is classified into five sections; where the first section is on the conceptual framework of this research, definition, concept and related theory of entrepreneur from the Islamic perspective. The second part will discuss the previous study on the impacts of a crisis on business, while the third section is on the previous studies on business continuity strategies used by SMEs' entrepreneurs during a crisis. The next section will focus on the reviews on literature regarding business recovery used by SMEs' entrepreneurs during a crisis and the last part will be the summary of this chapter.

2.1 Literature Review on business operation management during crisis

2.1.1 Conceptual Framework

A conceptual framework is used in research to highlight a viable course of action or to present an approach of idea and thought. It plays a crucial role in setting the stage for the

presentation of a particular research question by identifying the variables required, and the interrelationship between them based on the problem statement (McGaghie, Bordage & Shea, 2001). Driven by the following opinions, this study is guided by the conceptual framework presented in Figure 2.1.1.

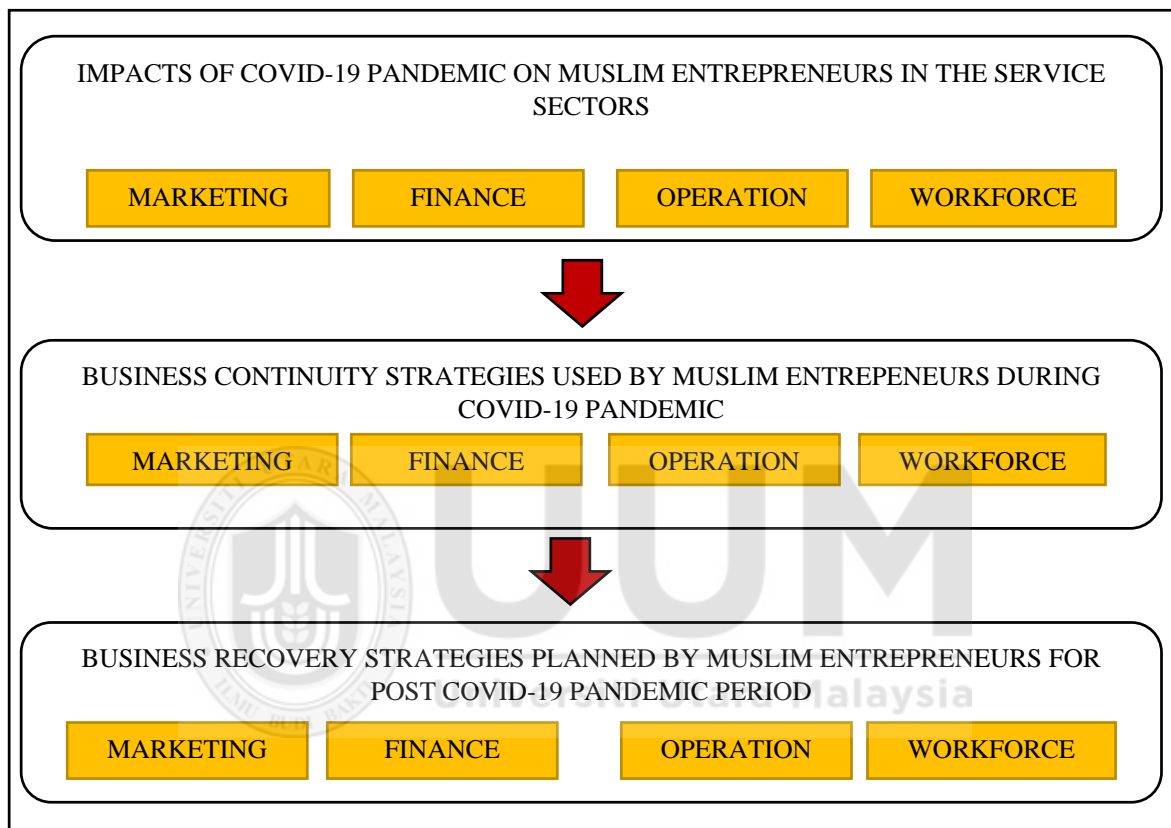


Figure 2.1.1 *Conceptual Framework of the Study*

Figure 2.1.1 above illustrates the flow that will be used in this research in order to answer all the research questions. The first step is to identify the impacts of a crisis on business. The second step is to explore the business continuity strategies used by SMEs' entrepreneurs during a crisis. The last step is to investigate the business recovery strategies planned by SMEs' entrepreneurs during a crisis. These steps will look in the term of four business functions, mainly are marketing, finance, operation and workforce.

The conceptual framework of this study highly focussed on the marketing, finance, operation and workforce because these functions are considered as the operation management of a business. The basic role of operation management in a company is converting inputs such as raw materials into finished goods and services (Domingues & Machado, 2017; Fiorentino, 2018). Because of the transformational role of operations management, these functions are a critical component of any business. As a result, it is solely responsible for certain business decisions and activities that lead to product design and distribution issues (Peinado et al., 2018).

Regardless of type of the business, there are three mentioned functions within which is marketing, finance and operation (Pacana et al., 2014; Skotnicka-Zasadzień et al., 2017). But it needs support and input from other areas of the organization such as the workforce in order to keep functioning (Cappeli, 2009). Table 2.1.1 described the basic function of mentioned areas.

Functional Areas	Description
Marketing	Is to determine customer desires and expectations, as well as marketing and supporting the organization's products or services. The aim of marketing is to sell and/or promote an organization's products or services.
Finance	Is in charge of obtaining desirable financial resources and allocating those resources around the company, as well as budgeting, evaluating investment plans, and supplying funds for operations.
Operation	Is to manufacture the organization's products or deliver the services it provides.
Workforce	To ensure that the best employees, with the right expertise, are in the right position at the right time to meet short- and long-term goals.

Table 2.1.1: *Basic functional areas of the business organization*

Source: (Knod and Schonberger, 2000; Cappeli, 2009)

2.1.2 Islamic business practice during crisis

In this section, any definition, concepts and thoughts related to the study will be discussed from the conventional and Islamic perspective. Firstly, the definition of SME nowadays is different and it can be seen in developed, developing and least developed countries. It

usually is defined based on the number of employees and annual turnover. For instance, as stated by the U.S. International Trade Commission, the European Commission and the Organization for Economic Cooperation and Development (whose membership includes European and Asian countries such as Japan) define SMEs as having below 500 employees. However, the definition of SME in Malaysia is separated for manufacturers and service providers. According to the definition endorsed by SME Corp Malaysia during 2013, for manufacturers, the sales turnover did not exceed RM50 million or full-time employees not exceeding 200 workers. As for service sector providers, the maximum number of full time employees is 75 Sales turnover not exceeding RM20 million or full-time employees not exceeding 75 workers. A business will be deemed as an SME if it meets either of the two specified qualifying criteria, particularly sales turnover or full-time employees, whichever is lower.

Holland (1993), on the other hand, discovers various principles that are closely linked to disasters. A disaster is a natural occurrence that happens in a certain location. The chance of the emergence of a potentially dangerous phenomenon during a particular time period is referred to as a hazard. It is a situation that has the potential to cause an accident with detrimental consequences. The vulnerability of a location applies to its susceptibility. That is the degree to which a hazard's effect is likely to affect or impair a community's structure, facilities, or ecosystem. The likelihood that a loss will occur as a result of an adverse phenomenon happening, or the anticipated losses, such as loss of lives, persons injured, property damaged, and economic activities disrupted, is referred to as risk.

Hence, disasters such as earthquakes, flood, diseases outbreak and other issues negatively affect business activities and their sustainability (Prasad et al., 2015; Samantha, 2018;

Asgary et al., 2020; Eggers, 2020). SMEs are more vulnerable to the environmental crisis than large companies because they are financially weak, smaller, and have fewer resources (Bartik et al., 2020a; Asgary et al., 2020; Eggers, 2020; Samantha, 2018). The external environmental crisis may have an immediate or indirect impact on SMEs. The immediate consequences include casualties, supply chain disruptions, collateral destruction, and inventory losses. Meanwhile, the indirect impact involves disruption to public utilities such as power supplies, communication and transportation networks, and highways, which contributes to higher manufacturing costs and even company discontinuity (Asgary et al., 2020; Eggers, 2020; Hallegatte, 2015; Samantha, 2018; World Trade Organization, 2019).

In term of Islamic practices in business, according to Rafiki and Kalsom (2013), Islamic business practices can be classified into two categories, which are first, religious practices of Muslim entrepreneurs such as prayers, donations, fasting in Ramadhan, and networking, and networking. Second, Shariah compliance, such as Islamic finance, permissible good and service creation, tithe or zakat payment, and the application of Islamic principles in business. Muslims assume that following these two rituals would lead to prosperity in this life or the Hereafter, which is referred to in Islam as *al-falah*. Allah S.W.T mentioned in Al-Quran:

“... This is how He perfects His favour upon you, so perhaps you will ‘fully’ submit to Him.”

(Surah Ah-Nahl, 16:81)

Based on the interpretation by Ibnu Kathir, the highlighted part of the translated verse stated that Allah S.W.T gives people what they need to go about their business, so that this

will help people to worship and obey Him, by submitting to Allah S.W.T or becoming Muslim.

Based on the interpretation above, it can be said that as a Muslim, we should put our full trust and faith in Allah S.W.T. Always ask for guidance and depend on his help, especially for Muslim entrepreneurs that are struggling heavily during this pandemic period. Islamic faith will enable a person to see the cognisance (*ma'rifat*), which means the inner sense of that individual and perceive the guidance (*hidaya*) from Allah S.W.T in any actions (F.Shaker, 2013). Consequently, this belief will toughen the reliance on Allah S.W.T (*tawakkal*), thus addressing any challenges faced during the Covid-19 pandemic period.

There is also a translation of hadith that mentioned the epidemic is a grace for a genuine believer in Allah S.W.T. Below is the translation of hadith:

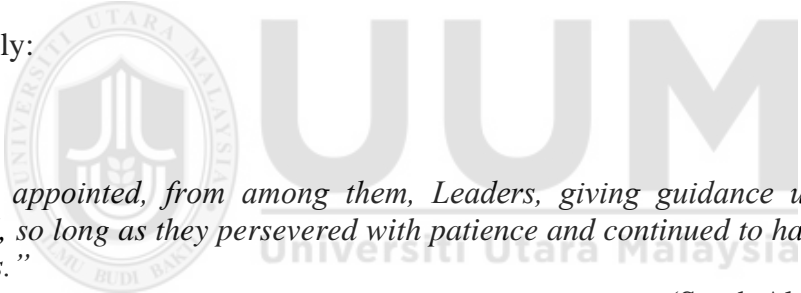
“From Saidatina Aisyah RA, she said: I asked the Prophet SAW about the plague of Ta'un. Then Rasulullah told me that it is a punishment sent by Allah to whomever He wills and Allah makes it a Mercy for the believers. No one is affected by this plague of Ta'un while he sits in his home country with patience and reflection, and he understands that nothing befalls him except everything has been determined by Allah, unless he will be rewarded like the reward of martyrdom.”

(Narrated by al-Bukhari)

Based on this translation of hadith, Ahmad Sanusi (2020) comments in his book that this translation of hadith explains to us that the test of the disease outbreak is a punishment for human beings. But on the Muslim side, it can be considered as a blessing for those who face it with full reflection and patience (Azmi & Sanusi, 2020)

As highlighted by Ramadani et al. (2015) in their study, Allah S.W.T is the creator of all opportunities, Quran and Sunnah of the Prophet are essential inputs and guidance to the entrepreneurial process, knowledge, wisdom and faith are key drivers and success is measured by the achievement of both the current world and the next. Thus, the Muslim entrepreneurs should accept these disasters as a way of Allah S.W.T testing our faith and patience and not be discouraged.

Besides, from the perspective of Islam, successful entrepreneurs must have unique qualities, such as the ideals and charisma of an outstanding manager. The qualities listed are significant because the individuals are continually concentrating on the tasks planned and prioritize strategic management objectives. This understanding was indicated in the Qur'an, namely:



“And we appointed, from among them, Leaders, giving guidance under Our command, so long as they persevered with patience and continued to have faith in Our Signs.”

(Surah Al Sajdah 32:24)

Ibnu Kathir, in commenting on this translated verse, explains that Allah SWT makes leaders who show his people the right way to the *ma`ruf* and prevent acts of dishonor. Because of their patience and execution from the restrictions and fully believe the content of *wahyu* based on faith so Allah will confer a strong leader to his people. Thus, as a leader or manager, the ability to systematically manage the employees is part of the pre-conditions.

According to *al-Sunnah*, many hadith touched about the leadership shown by the Prophet Muhammad SAW, which means:

“From al-Hassan R.A.: Ubaidullah b Ziyad visited Ma'qil b. Yasir al-Muzani in his last illness. Ma'qil said (to him): I am narrating to you a tradition I heard from the Messenger of Allah (may peace be upon him). If I knew that I am to survive this illness. I would, not narrate it to you. I heard the Messenger of Allah (may peace be upon him) say: If God appointed anyone ruler over a people and he died while he was still treacherous to his people, God would forbid his entry into Paradise.”

(Narrated by Muslim)

Based on the translated hadith presented, it clearly shows the benefits for humans as a messenger of Allah SWT on earth given the responsibility as a leader, regulator, and administrator of the universe. To perform these functions, humans act as a driving force with all the resources and equipment available within an organization. The source can be obtained either from humans or from the raw materials. Humans who are placed as leaders, managers, and human resource managers should benefit together from the treatment of natural resources. However, as a manager, the individual should take responsibility for what has been done. This is because, in the event of misconduct and the elements of fraud, the penalty will be imposed from Allah SWT.

In addition, according to Asadullah al-Faruq (2010), a great example shown by Abdullah Rahman bin Auf, a close friend of Prophet Muhammad SAW, as a successful entrepreneur is he practice four key principles that ensure his success in business. First, never turned down a profit even a little. Secondly, never postponed an order even for an animal. Third, do not practice usury when executing sales, and fourth, donate some of the profits gained.

From these previous studies, impacts of crisis on business and the survival strategies used for business, is not a new concept in Islam since the term had been generally discussed and relate earlier in the Al- Quran and Hadith. Besides the definition, concept and thought from

the Islamic perspective, this paper presents the studies on impacts of external environment on business and the survival strategies for business, which will be discussed in the next sub topic.

2.2 Impacts of crisis on business functions

Many disasters have occurred in the past that have adversely impacted SMEs worldwide, including the 1953 Great Floods in Holland, Hurricane Katrina in 2005, the 2011 Great East Japan Earthquake, the 2011 Japan Tsunami, the 2011 floods in Thailand, and Hurricane Harvey in 2017. Further, aside from COVID-19, numerous disease outbreaks have occurred around the world, including SARS, MERS, Swine flu pandemic (2009 H1N1), 2014 Ebola outbreak, Avian influenza, Salmonella Infantis outbreak, and ZIKA outbreak (Auzzir et al., 2018; Eggers, 2020; Kim et al., 2020).

These disasters have a substantial effect on the society, small and medium-sized businesses, and the economy. These devastating events not only resulted in economic losses but also posed a serious danger to business continuity. Prasad et al. (2015) noted that natural disasters have caused substantial disruption, such as the disruption of the global supply chain, and that in the event of large disruptions, SMEs entrepreneurs are negatively impacted even though they are not directly affected by a disaster.

The impact of a health crisis, such as the Covid-19 outbreak, on global SMEs' business activities is enormous. Although strict government policy and response action are required to combat the illness, it exposes most companies to negative consequences in either the short or long-term. Profit loss, cash flow issues, closing of operations, layoffs, retrenchment, and diluted companies' capacity for future expansion are some of the most

major problems (Wahyudi, 2014; Craven et al., 2020; Smith-Bingham & Hariharan, 2020). However, the effects may vary depending on the business activity, size, and resources available (Cassia & Minola, 2012). Therefore, there is a crucial need to explore the impact of such phenomena while there is currently little evidence available for practitioners, policymakers, and academic references.

Based on the literature above, the impacts of external crisis on business will be discussed in the next section. The impacts will be looked from perspectives of four business functions namely, marketing, finance, operation and workforce, as these are the primary products of the study.

2.2.1 Impacts of crisis on business' marketing

Most crises, especially health crisis, cause a major disruption in daily activities of business that can lead to bigger problems such as bankruptcy, unemployment and increase in poverty rate. As reported by Tucker (2020), even well-known brands in many industries are likely going bankrupt as consumers stay at home during the outbreak of Covid-19, thus, economies are shut down. Since most customers are staying at home, most businesses, especially in the service sector, cannot gain enough profit to sustain their business even though these businesses have tried various marketing activities during a crisis. This caused the service sector to suffer the most during Covid-19 pandemic. The travel industry is deeply affected as 80% of hotel rooms are empty (Asmelash & Cooper, 2020), airlines cut their workforce by 90%, and tourism destinations are expected to see no profits in 2020. Consulting and personal services, such as hairdressers, gyms, and taxis, have also come to a standstill because of lockdowns.

Business' marketing is one of the primary functions that keeps the business running. The 4Ps of marketing include the product, place, price, and promotion. A disaster has negatively impacted the 4Ps of marketing and turned it into 4Cs (Confusion, Calamity, Chaos, and Complexity) (Sharma, 2020). The pandemic has caused many businesses to struggle in adjusting their strategies in terms of marketing.

Firstly, one of the most pressing challenges for businesses is making changes on their product or service. According to the study by Donthu & Gustafsson, (2020), the disaster brings a different impact on various types of business, therefore, these changes should balance the short term and long-term planning of a business. Important aspects such as disruption in logistics and economic shutdown need to be considered. The changes in product or service need to be made, but it should not affect the customers and communities negatively.

Secondly, the place where buyers engage in purchasing products or services has also been affected. Business unable to interact directly with customers normally during Covid-19 pandemic because it can cause the spread of the virus (Smith & Freedman, 2020). In order to guarantee the safety of the customers and their employees, businesses have to adjust the method of interacting.

Thirdly, the price of products and services has been affected, and pricing adjustments have to be made. Some businesses pulled back on their paid searches, especially those that supplied goods and services deemed non-essential during the pandemic, but businesses provided goods and services that are considered essential, such as healthcare industry, maximizing their marketing expenditures (LeRoy, 2020).

In the case of promotions, businesses need to assess the tactics, mediums they used to engage, the context of messages transmitting via various channels, and deploy their marketing strategies that are suitable during the disaster period (Hamilton, 2020). According to the study by Donthu & Gustafsson, (2020), consumer behaviour is changing during a crisis because of the lockdown, thus the effectiveness of promotion may be different for each business. This shows that although the pandemic has adversely hurt certain businesses, there are other businesses still thriving amid the crisis.

Based on literature review above, the 4Ps of the marketing will be affected during crisis. Changes in consumer behaviour are one of the major factors that heavily influenced marketing activities of business during crisis. The type of business also a major contributor in ensuring the successfulness of the marketing activities.

2.2.2 Impacts of crisis on business' finance

Although the impact of the health epidemic was felt in the business world, small and medium-sized enterprises (SMEs) were particularly affected due to their smaller financial reserves and relatively narrower profit margins. According to Financial Stability Review Second Half 2020, by BNM, a survey conducted by BNM in 2020 found that SMEs were less confident about their businesses' chances of survival during a prolonged pandemic and were more limited in their ability to re-engineer their operations as opposed to larger firms (because of pre-existing limitations in financial and human capital and slower adoption of new technologies). Following the situations of imminent shocks, the damage to business financial stability is inevitable. Banks and development financial institutions have continued to offer repayment assistance to SMEs in order to help them withstand long-term economic difficulties. This was bolstered by significant government and bank

assistance, including tailored financing facilities and funds to ease cash flow pressures and promote capital improvements in automation and digitalization. (BNM, 2020).

Figure 2.2.2 below represents the difference between individual respondents' responses to their demand for bank financing and the perceived availability of bank financing in the last 6 months of 2020 on a scale of 'Decreased', 'Unchanged' and 'Increased'. An increase in financing gap would be represented by an increase in the demand for bank financing and/or a decrease in the perceived availability of bank financing.

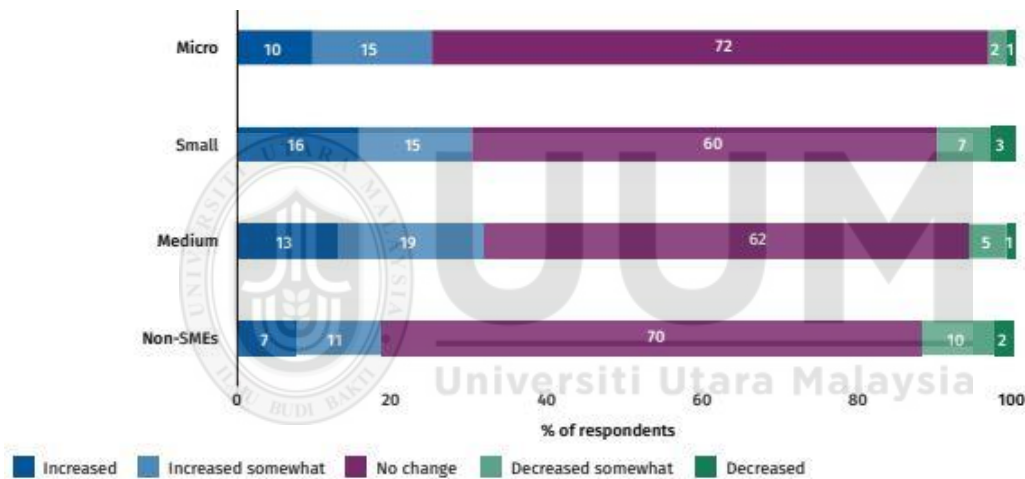


Figure 2.2.2 *Firms' Demand for Bank Financing vs Perceived Availability for Bank Financing, 2H 2020*
 Source: *BNM Survey on Firms' Access to Financing 2020*

Following the gradual resumption of economic activity in May 2020, following the easing of movement limitations, businesses reported an increase in their demand for bank financing, however a decrease in a perceived supply of bank financing. As a result, the financing gap has grown over the last six months. This financing gap disproportionately impacted small businesses. Approximately 32% of SMEs reported that the financing gap has widened. Larger companies did well, with 82% showing an unchanged or reduced

financing gap. This indicate that most SMEs are struggling to financially recover back their business.

A disaster has undoubtedly caused significant disruption in business finance. A study was conducted to assess the effect of the pandemic on Pakistan's innovative startups. Shafi et al. (2020) discussed how coronavirus has impacted the Pakistani economy, noting that SMEs are the most affected. The research attempted to assess the impact of the pandemic on this group and to develop policies to assist them in minimizing their losses and surviving. The approach employed was exploratory research, with data collected from 184 Pakistani SMEs via an online survey. According to the findings of the study, the majority of SMEs in Pakistan have been adversely impacted, and they are dealing with numerous financial distribution and supply chain issues, which have resulted in a decrease in profits and sales.

The similar impact is also experienced by SMEs in Malaysia. A study by Auzzir, High & Aramatunga (2018) has listed that, due to the disaster, one of the major problems that business has been affected by is a loss of sales and production. As a result, they are unable to run their company due to financial constraints, and this situation has far-reaching consequences, such as revenue loss. The author also noted that SMEs in developed countries, such as Malaysia, operate with limited capital and financial resources, and that any unforeseen events would have a significant financial impact on them.

According to the findings of an online poll conducted by Theedgemarkets.com (2020) on the sustainability of 15,627 Malaysian SMEs, most SMEs are cash-strapped and expect to have no cash inflow for at least three months after MCO due to various commitments such

as employee salaries, leasing, and other statutory payments. Approximately 33.3 percent of SMEs can only sustain cash flow through March, and 37.8 percent can only sustain cash flow through April (Theedgemarkets.com, 2020).

A study by Gourinchas et al. (2020) also finds a similar result. It stated that because of Covid-19, most of the businesses were forced to close and this results in having low cash flow. Despite the situation, the business' owners still need to fulfil their obligations such as paying the premises' rental and the workers' salary. This can cause employee layoffs and increase the unemployment rate.

Subsequently, revenue losses are the major problem that occurs during a crisis that SMEs has to face and come out with solutions to overcome it. As discussed previously, Covid-19 can bring a different impact depending on the type of business. Thus, certain industries in the service sector might experience a different impact on their business' finance.

2.2.3 Impacts of crisis on business' operation

Unfortunately, the Covid-19 pandemic has brought a negative impact on the world economy and people's activities. The governments' efforts to ensure unparalleled public health and economic reactions include movement control, lockdown, confinement, and social distancing (Craven et al., 2020). One of the major hurdles is the closure of operation (Wahyudi, 2014; Craven et al., 2020; Smith-Bingham & Hariharan, 2020), especially for businesses that are categorized in non-essential categories.

The existing literature provided some empirical studies on the impact of Covid-19 on SME in Malaysia. A research by Che Omar et al., (2020) stated that operation disruption was the

major concern of most businesses during the Covid-19 pandemic. One of the disruptions is the government order on closure of operation. According to the qualitative study applied, the printing service and travel agency service are two industries that have been severely impacted by the government's order to close all non-essential business premises. Other firms in the essentials industry category for people's domestic needs and necessities are still operating, albeit on a smaller scale. After the total business lockdown during the MCO, some corporations even recorded "zero revenues".

Besides that, the spread of Covid-19 has had a significant impact on supply chain service. Che Omar et al., (2020) also reported that SMEs depend on the supply chain network to function. The closure of suppliers' premises and activities, as well as the suspension of international trade for raw materials and supplies as a result of the lockdown in most major exporter countries such as China, had an immediate impact on the operations of SMEs. During the Covid-19 pandemic, most service sectors, including logistics, hospitality, restaurants, and tourism, suffered a decrease in demand (Kumar et al., 2020).

The occurrence of disruption in the supply chain of business may lead to another problem, which is that some businesses might struggle to redesign the business direction in a short time. Studies by Chatzoglou et al. (2018), Mahani & Suraiya (2019), Azmi et al. (2020) and the Department of Statistics Malaysia (2020) shows that business in service sector are usually struggled more to redesign their business direction in a short time because of the rigidity of its resources.

Based on the literature reviewed above, closure of operation is the major concern of most businesses during a crisis. Disruption in supply chain and re-planning business direction

are also some problems that SME has to overcome during the occurrence of the external environment crisis.

2.2.4 Impacts of crisis on business' workforce

The Covid-19 pandemic has also had a significant impact on the business workforce. Although COVID-19 has caused and will continue to cause significant job losses in the global economy, the pandemic has also resulted in labor shortages in some sectors.

Kumar et al., (2020) has discussed several impacts of Covid-19 on business' workforce in their study. The study by the authors is by reviewing current literature on the area and drawing a conclusion from the existing literature. One impact that has been studied is that the Covid-19 pandemic is having a significant impact on the reorganization of industrial labor. Many countries have experienced labor shortages as a result of quarantine measures and workforce loss as a result of COVID-19 deaths and serious illness. Manufacturing and service organizations should brace themselves for the long-term effect of the Covid-19. The pandemic situation forces businesses to operate with a reduced or limited workforce, which lowers manufacturing process effectiveness.

Moreover, border closures have considerably affected the availability of migrant workers (Trautrim et al., 2020). Agriculture, which heavily depends on seasonal migrant workers, is one of the most affected industries, particularly in developed countries, raising concerns about a potential food system crisis if farmers are unable to hire workers. Despite much political rhetoric about filling vacancies with workers who had lost their jobs in other industries, only 150 workers began harvesting jobs in UK agriculture as part of a scheme to which 50,000 UK workers had originally signed up (Financial Times, 2020). Although

its borders were formally closed, Germany allowed agricultural firms to fly in to harvest workers from Eastern European countries. One major reason for this is that agricultural work requires a combination of endurance and skill-sets that are scarce and difficult to acquire, despite the fact that agricultural labor is frequently labeled as “unskilled”. Other industries may discover that employees who were furloughed or left without pay entirely during lockdowns are no longer available because they have found work in other industries, increasing the pressure to bring in a new employee and recruit new workers without careful checks as pressure mounts to get companies running again and clear a backlog of work.

Companies were forced to dismiss workers or send them on unpaid leave as facilities were shut down temporarily or indefinitely, and even a small reduction in the number of employees resulted in reduced productivity and serious problems in businesses (Nicola et al., 2020). Employees suffered mental stress as a result of work or family pressures during this unprecedented period, which had a cumulative effect on their performance during these months, making it harder for entrepreneurs to compete in the world (Ozili & Arun 2020).

Based on the discussion above, there is a very limited knowledge and research done in this area that is related to the impact of external environment crisis, specifically on business’ workforce of SME in the service sector.

2.3 Business continuity strategies based on business functions during crisis

Covid-19 is a sudden disaster that surprised many businesses, especially SME. It has brought many negative impacts on SMEs all over the world. As entrepreneurs, they should come out with a suitable strategy that can ensure the survival of their business. Every business must have their own business continuity strategy during a disaster. Changes in

strategic plans, operations, and behavior, as well as pressures to seek alternative sources and opportunities for redevelopment, are considered as critical survival issues for most SMEs (Svatošová, 2017; Syed, 2019).

According to Marketing Insight (2020), in their swift poll on public responses in Kuala Lumpur and Penang on the effects of Movement Control Order (MCO), SMEs are currently switching their business operations into online business due to changes in consumer spending behavior during the MCO period. Nonetheless, the impacts of Covid-19 pandemic on SMEs and an understanding of their survival strategies must be explored in order to complement the quantitative insights.

Several businesses do not enter the post-disaster stage due to their small size and resource limitations (Samantha, 2018). SMEs have limited capability and resources to recover from such a crisis, particularly those operating in developing countries such as Malaysia, which have limited government financial assistance and low consumer purchasing power. According to statistics, approximately 75% of companies that do not have a continuity plan will fail within three years of a disaster or crisis (Cook, 2015).

Based on the discussion above, it is important to have a different strategies to ensure the survivability of a business. The business continuity strategies used during the external environment crisis will be discussed in the next section. The business continuity strategies will be looked from perspectives of four business functions namely, marketing, finance, operation and workforce, as these are the primary products of the study.

2.3.1 Business continuity strategies for marketing during crisis

Marketing is one of the crucial business functions that help businesses operate during the crisis. Although there are many impacts that Covid-19 pandemic has brought on marketing activities of most businesses, as entrepreneurs, they should overcome the hurdles. As emphasized by Gustavsson & Larsson (2020), marketing innovation is a critical tool for SMEs to use when coping with disasters. In times of crisis, SMEs are encouraged to implement creative marketing strategies that include changes to the marketing mix (product, price, place and promotion). Marketing innovations have been shown in studies to have a positive effect on the profitability of SMEs.

According to study by Che Omar et al. (2020), they discussed the impact of the pandemic on the business performance of SMEs and the major survival strategies used by SME in marketing in times of the pandemic. The method used in this research was in semi-structured interview on six SMEs, results of the interview showed that most entrepreneurs agreed online platforms are the most ideal channel to marketing their product during Covid-19 pandemic.

Another study also showed a similar result. According to Acee-Eke and Ogonu (2020), the international lockdown imposed by many nations in order to halt the spread of the Covid-19 pandemic sparked a socio-economic shock that affected individuals and SMEs worldwide, as it hampered their activities and trading, which are critical to their survival and sustainability. The current situation requires the adoption of online services and online marketing strategies by SMEs in order to survive the pandemic and confront the post-pandemic challenges.

Another finding by Che Omar et al. (2020), in their study, SMEs entrepreneurs embark on an immediate aggressive marketing strategy which is related to the use of sales sub-agents in every state of Malaysia. This strategy has also shown a positive result to SMEs that are in the manufacturing industry. However, this strategy only applicable for manufacturing sector.

According to a study conducted by these researchers, Zalina et al. (2016) and Mahani & Suraiya (2019), they suggested entrepreneurs must adopt innovative marketing platforms and methods in order to remain resilient in the face of unforeseen circumstances.

Based on the discussion above, entrepreneurs need to make an innovation in their marketing strategies to sustain their business during a crisis. Online marketing is one of the popular choice among businesses to do marketing during crisis period.

2.3.2 Business continuity strategies for finance during crisis

Financial management is important for business in order to guarantee the business keeps operating during disaster periods. The government has offered many types of financial assistance. In Malaysia, the government had announced the additional PRIHATIN SME Economic Stimulus Package (PRIHATIN SME+) mounting RM10 billion to respond to the hardship faced by SMEs due to the implementation of MCO (Muhyiddin, 2020). The additional package is used to support SMEs' cash flow problems. This shows that SMEs rely on the financial assistance to survive during this disaster.

A study conducted by Shafi et al. (2020) has listed various strategies, related to business' finance, used by SMEs in Pakistan during Covid-19 pandemic. One of the objectives of

this study is to identify the strategies adopted by SMEs to tackle the situation during Covid-19 pandemic. The method used was exploratory research with data from 184 Pakistani SMEs through an online survey. The outcome of the research found that most of the enterprises in Pakistan have chosen different varieties of strategies to minimize the impact and survive during Covid-19 pandemic. The strategies used are complete business shut down, partially closed their businesses, applied for a loan and continued to operate their business as usual. Only a few SME stated they are planning to change their business line to address the Covid-19 impact. Most SMEs are struggling to keep operating to gain cash inflow while minimizing the exposure to get infected. Nevertheless, not all SMEs have the required resources to adopt such a strategy.

Based on the discussion above, SMEs have used various strategies to survive during the occurrence of an external environment crisis. Relying on financial assistance, applying for loans, business shutdown and changing business line are some strategies adopted by SMEs entrepreneurs in order to keep the cash flow positive.

2.3.3 Business continuity strategies for operation during crisis

Covid-19 outbreak has widely affected the global production and supply chain network. The operation of manufacturing plants is stopped or working with reduced capacities. In addition, the supply chain of raw and finished goods is also disrupted due to trade and transport restrictions. Many businesses are struggling in finding a solution to keep operating during the lockdown period.

Fabiel et al. (2020) conducted a study that listed various synchronous techniques used by SMEs to ensure business continuity during MCO. The study used an unstructured phone

interview process with open-ended questions, and it was carried out in May 2020, during the fifth phase of MCO in Malaysia. Some operation-related strategies include shortening the supply chain through centralized synchronous distributors, developing new products to meet the needs of current customers, using 'collect on delivery' or 'cash on demand' transactions for the sale of goods, and accepting payment via bank transfer or e-wallet.

Another study conducted by Butu et al. (2020) found that having a multiple channel in distributing products to customers is useful, especially during Covid-19 pandemic. The study adopted a cross-sectional study and carried out based on a survey run between the 10 and 25 April 2020 within the population in the quarantined area of Suceava, Romania. The outcome of the study shows that the use of several channels in distributing goods to the customer, such as through distributors, mobile applications, social media and physical stores, is more beneficial than a single and independent channel approach.

Furthermore, only businesses that are essential may operate during the lockdown period. Because of this order, it unlocked an opportunity window for the sustainable business transition (Cohen, 2020). Businesses transitioned their business to a new line in order to keep operating and generate revenue. For instance, some manufacturing giants such as General Motors and Ford Motors turn their production system to support the needs of society to manufacture ventilators. Table 2.2.3 below presents the snapshot of few other big manufacturing companies that transitioned into a new line during Covid-19 pandemic period.

Companies	Industry	Before COVID-19 manufacturing	During COVID-19 manufacturing
Ford	Automobile manufacturing	Vehicles	Respirator and ventilators
Tesla	Automobile manufacturing	PV Cells and vehicles	Ventilators
Airbus	Aircraft manufacturing	Aircraft	Ventilators
Zara	Fashion	Apparel	Surgical masks
Bacardi	Alcohol	Rum	Hand Sanitizers
Gucci	Apparel	Clothing	Masks

Table 2.2.3: *Manufacturing Industries before and during pandemic*

Source: (NS Medical devices, 2020; Autodesk-Redshift, 2020; World Economic Forum, 2020b)

Subsequently, each business has their own business continuity strategies for their business' operation. SMEs that cannot adopt such strategies discussed above choose to operate as usual. In Malaysia, in the later stage of MCO, SMEs may operate their business during the MCO period by following the Standard of Procedure (SOP) set by the government.

2.3.4 Business continuity strategies for workforce during crisis

Most industrial and supply chain organizations are currently struggling to predict the negative impacts of Covid-19. Most global markets are contracting, and industrial managers are looking for new materials and process methods to keep production going (Cohen, 2020). Notably, the Covid-19 outbreak significantly enhances organizational environmental sustainability, albeit at the expense of a shrinking consumer economy and new problems for industrial workforce management.

The recent Covid-19 pandemic also affects the business' workforce of SMEs. Lu et al. (2020) studied the impact of Covid-19 on over 4,807 SMEs in China. They found SMEs are in worse positions during the pandemic outbreak. Businesses are facing challenges in the form of a shortage of supply from suppliers and the decline in demand from consumers. Eventually, SMEs started reducing their labor force in order to minimize their cost of operation and survive this disease outbreak.

This can be supported by another study by Bartik et al., (2020a) that analyzed over 5,800 businesses linked with the network, the study also found that the outbreak of the Covid-19 has badly harmed the businesses of the sole owners and few partners. The closure of businesses with a shortage of resources is a significant outcome of the pandemic outbreak, thus leading company retrenchment by reducing the number of staff.

Based on the discussion above, most businesses in the manufacturing sector are using the retrenchment process as a solution to manage their workforce during the crisis period since they cannot afford to pay their employee's fees.

2.4 Business recovery strategies based on business functions during a crisis

Globally, the conditions for firm survival have deteriorated significantly. According to a study of 5,800 US companies conducted by Bartik et al. (2020b), 75 percent of these firms only had two months of liquidity on hand. Djankov (2020) measured that the median company in Europe runs out of liquidity in two to five months. Using World Bank data including 15,000 companies in 34 developing countries, Bosio et al. (2020) predicted that the typical developing country business will only live for 1.5 to 4.5 months in the absence of financial assistance.

During the time of writing, the movement control order that amid Covid-19 outbreaks in Malaysia has been ongoing for over more than a year and Malaysia' government has implemented various stages of MCO. Meanwhile, on 21 February 2021, a national online newspaper, Berita Harian (2021) reported that Malaysia has received the first batch of Covid-19 vaccine. The vaccine arrival definitely shines a glimpse of hope on every level of society, especially the SMEs. Malaysia. It was expected that Malaysia will enter the recovery phase soon.

Hence, SMEs should also plan business recovery strategies for their business. According to Cook (2015), entrepreneurs' business recovery approach during crisis develops in at least four stages, namely responding, resuming, recovering and restoring.

Based on the discussion above, the business continuity strategies used during the external environment crisis will be discussed in detail in the next section. The business continuity strategies will be looked from perspectives of four business functions namely, marketing, finance, operation and workforce, as these are the primary products of the study.

2.4.1 Business recovery strategies for marketing

The world has evolved. Covid-19, like other significant events with global ramifications, profoundly altered how we view the world and live our lives. The global economic influence of Covid-19 is expected to be unseen after the Great Depression of the 1930s (Euronews, 2020). As a result, the Covid-19 pandemic is likely to be one of the most dramatic environmental shifts in modern marketing history.

As presented by Butu et al. (2020) in their study, changes in the marketing climate and marketing landscape compelled companies to improve strategic agility prior to, during, and after the pandemic. While strategists have long called for agility in strategic planning, the rapid spread of Covid-19 required organizations to cultivate and develop such entrepreneurial skills as to compensate for flexibility to the point of hypermobility.

Nonetheless, some firms discovered previously hidden or untapped sources of entrepreneurial and innovative spirit, which saw inventiveness and sheer bumptiousness triumph in the face of adversity (Armstrong, 2020). While introducing change has always been difficult, the looming crisis appears to release previously untapped and highly valued resourcefulness. Exploration, description, and promotion of such approaches should be fruitful.

Whichever the best strategic approach is, the post-Covid-19 marketplace is irreversibly altered. The rapidly enhanced shift to online communications and change is a key aspect of this event. The rapidly growing medium is completely dominated or, at the very least, prevailing, at least during lockdown situations. The change was deep and instantaneous in all industries and sectors. Industries that traditionally relied on face-to-face interaction discovered new ways to communicate and thrive online, and it appears that much of this change will be permanent (Butler, 2020).

Based on the discussion above, businesses need to hastily develop a suitable marketing strategy for their business. Entrepreneurs have to try various marketing strategies during this crisis in order to identify which are the best and can be used during the post pandemic period. Momentarily, online marketing is the most reliable way for most types of business.

2.4.2 Business recovery strategies for finance

Covid-19 pandemic has caused many businesses to shut down their operation during lockdown period and dropped their monthly profit. Because of these problems, businesses now are struggling financially. According to Colombo et al. (2019), most big firms rely on external sources of finance such as from investors to grow their business. Venture investors often use their personal networks to elicit deals and then manage their funded companies while sticking “true to their income”. Given the innately emotional essence of entrepreneurs, there are compelling theoretical explanations for companies struck hard by shocks such as pandemics to anticipate sources of equity funding from investors being used as a turnaround mechanism. Clearly, “financial distancing” can result from social distancing policies introduced in response to the Covid-19 crisis (Howell et al., 2020).

Nonetheless, the outcome of study by Brown & Rocha (2020) shows yet an interesting result. The researcher studied entrepreneurial finance investments in China during the Covid-19 crisis using Crunchbase real-time data. The results reveal that these equity assets plummeted sharply in the immediate aftermath of the Covid-19 pandemic, resulting in a 60% year on year drop in the overall amount of investment raised between the first quarters of 2019 and 2020. Importantly, the study discovered that early stage seed investments fell the steepest, implying that nascent start-ups are the most heavily impacted by the crisis. If the global financial crisis is wreaking havoc on debt markets, the relational nature of equity investments could make entrepreneurial finance much more vulnerable to the Covid-19 crisis. This indicates that the confusion generated by the Covid-19 crisis is most definitely the reason many investors are unable to invest. Furthermore, pandemics may have a significant impact on investors.

Furthermore, according to Dolz et al. (2019) in their research on the role of organizational ambidexterity in the survival of SMEs, the interaction between managers and owners in SMEs is close and regular, especially in family-owned companies where the roles of managers and owners are intertwined. Both managerial and ownership attributes, as suggested by the researcher, may provide unique insights into how upper echelons can sense, seize, and reconfigure resources in order to become ambidextrous. Furthermore, in a constrained and financially distressed environment, SMEs must decide about whether to survive, whether to file for bankruptcy, or whether to remain solvent. In this critical scenario, SMEs must make crucial decisions about their financial structure, which may include temporary liquidity shocks or limited access to bank finance, the divestiture of key assets to recover, or the level and scope of workforce reductions (McGuinness et al., 2018). They must reassign critical assets in order to restore or identify the level and scope of workforce reductions, and it is not only supervisors who can affect their direction, but mostly SME owners. Ambidextrous SMEs are more skilled and faster than exploitative companies at detecting changes in a financial and economic crisis and can seize recovery options, making critical and faster decisions about their financial structure for survival and/or deciding about reassigning crucial assets in order to not only retrench but to recover.

Based on the discussion above, entrepreneurs cannot rely on investors to recover back their business' loss. Although external sources of finance might assist SMEs to recover, it cannot be treated as a long-term solution, especially after a sudden crisis such as Covid-19 pandemic. Discussing the business recovery plan, in terms of business' finance, with the employees is one of the viable option to be used for SMEs.

2.4.3 Business recovery strategies for operation

Firm survival is a traditional indicator of a company's long-term success (Steers, 1975). It is widely regarded as the supreme evidence of long-term performance (Josefy et al., 2017), a measure of continuous adaptation to the business environment (Kanter and Brinkerhoff, 1981). According to Josefy et al. (2017), the first definition of survival, operations dimension, captures the continuity or termination of a company's existence in a business environment, which is the dimension that drives the more prevalent concept of firm death or loss in the management literature, especially for undiversified firms. It can be said that recovering business operations in the post-crisis period can also be considered as part of firm survival.

A study by Kumar et al. (2020) that discusses sustainable production and consumption patterns in the post-COVID-19 pandemic era has suggested is to adopt virtual capability building programs for firms to recover their operation during the post-pandemic period. Improving the virtual capability of the workforce could lead to the digital fitness of the work pattern. The organisations whether manufacturing or in service should focus on the training and coaching for the staff to become resilient. Similarly, study by Javaid et al. (2020) also suggests that technologies of Industry 4.0 able to help firms for proper control and management of business operation during and post Covid-19 pandemic period.

To sum up, implementing the usage of technology into business' operation may boost the productivity of a business. Plus, the availability of industry 4.0 technologies could also help in the medical sector such as detection and diagnosis of Covid-19 and other related problems and symptoms.

2.4.4 Business recovery strategies for workforce

Although many workers have shown persistence in the face of hardship, it is crucial to note that transformative change can be challenging and stressful for many workers. Although the end of the Covid-19 pandemic is unpredictable, businesses should begin planning for their business recovery because it will identify their brands with both their employees and customers, strengthen their reputations for years to come, assess their future competitiveness, and eventually define whether they are truly operating as a social enterprise.

According to a study conducted by Kumar et al. (2020) that focuses on addressing the multiple operations and supply chain viewpoints for coping with such disruptions in the future, companies should urgently review human resource strategies for social sustainability. To support the current crisis and reduce the effects of the pandemic on future workforce training and development trends, manufacturing and service organizations should concentrate on reviewing Human Resource (HR) policies for keeping existing workforce, recruiting new workforce, wages and incentives, and learning and development policies.

The same researcher has also recommended that businesses begin holding knowledge-sharing sessions with employees and leaders. As an organization, they should communicate the organizational steps and approaches taken in response to Covid-19 on a continuous basis. In addition, organizations should develop a digital workspace for the future. The knowledge management about the social distancing, personal hygiene, and use of masks at sites may raise awareness and reduces the impact of Covid-19.

Meanwhile, Abhijit et al. (2021) proposed increasing the use of technologies in the food supply chain and agribusiness industry in their report on interruption and recovery strategies for the food supply chain. The researchers explained further that various robot frameworks can be used to ensure food facilities that avoid microorganisms from being transported by humans. The fourth business revolution is currently playing a major role in production by settling on information-driven autonomous choices. Robotization creates a new potential to increase profitability by 25% and complete tasks such as stacking/emptying, setting, and bundling more efficiently than humans.

Based on the discussion above, businesses in the manufacturing sector are highly recommended by many studies to increase the usage of technology in their production. By minimizing the amount of employees working, business also able to reduce spread of Covid-19.

2.5 Resource Based-View Theory (RBV) and SMEs surviving strategies during business turbulence

During a crisis, strategy is seen as a key operational resource for assessing firm behavior, strengths, organizational capacities, and performance (Mahani & Suraiya, 2019; Azmi et al., 2020). The importance of idiosyncratic tactics, firm money, and related internal factors as firm tools in improving firm competitiveness and efficiency has been recognized by Resource Based-View Theory (RBV) (Barney, 1991; Warnier et al., 2013). The firm's strategic priorities are to develop and hire a wide range of important, rare, inimitable, and non-substitutable (VRIN) resources in order to optimize their economic potential (Enders et al., 2009; Warnier et al., 2013). The framework is appropriate for the establishment of

cohesive strategies that conform with both the internal and external views of firm strategic decisions (Cassia & Minola, 2012; Warnier et al., 2013).

A study by Chatzoglou et al. (2018), in particular, identified the coexistence of policy, utility effects, firm specific resource capabilities, and organizational structure on business performance among Greek SMEs' manufacturing firms. Structure, according to the report, is needed for successful strategy execution. The organizational structure relates to the hierarchical system of persons and organizations within a company in terms of allocating tasks, responsibilities, and authority in order to efficiently coordinate the firm's activities. Other researchers believe that SMEs' long-term longevity is dependent on their ability to evolve, as well as their financial resources, networking, and technology (Zalina et al., 2016; Mahani & Suraiya, 2019). Zurinah et al. (2019) concluded that finding opportunities and exerting full effort to elevate the business, influences the growth of SMEs.

Svatošová (2017) emphasizes the importance of crisis, remediation, and survival plans for SMEs during periods of business turbulence. The vital solutions can reduce the risk of bankruptcy and the negative financial implications (profitability, liquidity, leverage, etc.). The survival strategy encompasses the firm conception, its productivity, and the pursuit for new opportunities. Other similar remediation strategies include "debt forgiveness" and renegotiation with financial institutions and debtors as managers are worried about the firm's cash flow deficit (Wahyudi, 2014).

In the Malaysian context, a recent report on 348 SMEs by Azmi et al. (2020) emphasizes the role of workers, managerial skills, and financial power in SMEs' resistance during the economic downturn. Furthermore, in observational research by Nur et al. (2014) on the

predictors of financial difficulty among 278 SMEs, they discovered nearly equal proof that the liquidity, cash flow, firm scale, location, market sector, and legal type of the firms are predictors of firm difficulties. Surprisingly, the study discovered that Malaysian SMEs heavily dependent on both long-term and short-term loans to fund their overall assets and activities. Debts would inevitably place increased strain on companies during the turbulence period.

2.6 Chapter Summary

In this chapter, the researcher gathered all the previous literature to understand the details relating to the impact of external environment crisis on entrepreneurs and their survival strategies, from four perspectives of business functions. The following chapter will continue to explain the method used by the researcher to gather all the information needed regarding the impacts of crisis on SMEs in the service sector and the survival strategies used by entrepreneurs during Covid-19 pandemic. Table 2.6 summarized the past studies that has been discussed in this chapter.

Researcher	Title	Findings
2.2.1 Impacts of crisis on business' marketing		
Sharma (2020)	Impact of Covid-19 on Marketing Strategy and Expenditure	A disaster has negatively impacted the 4Ps of marketing and turned it into 4Cs (Confusion, Calamity, Chaos, and Complexity).
Donthu & Gustafsson (2020)	Effects of COVID-19 on business and research	The disaster brings a different impact on various types of business, therefore, these changes should balance the short term and long-term planning of a business.
Smith & Freedman (2020)	Isolation, quarantine, social distancing and community containment: pivotal role for old-style public health measures in the novel coronavirus (2019-nCoV) outbreak	The place where buyers engage in purchasing products or services has also been affected. Business unable to interact directly with customers normally during Covid-19 pandemic because it can cause the spread of the virus.
Hamilton (2020)	Evolving and enhanced dimensions of digital marketing strategies during the	Businesses need to assess the tactics, mediums they used to engage, the context of messages transmitting via

	contemporary scenario of COVID -19	various channels, and deploy their marketing strategies that are suitable during the disaster period.
2.2.2 Impacts of crisis on business' finance		
Shafi et al. (2020)	Impact of COVID-19 pandemic on micro, small, and medium-sized Enterprises operating in Pakistan	Majority of SMEs in Pakistan have been adversely impacted, and they are dealing with numerous financial distribution and supply chain issues, which have resulted in a decrease in profits and sales.
Auzzir, High & Aramatunga (2018)	Impacts of Disaster to SMEs in Malaysia	Due to the disaster, one of the major problems that business has been affected by is a loss of sales and production and lead to new problem, financial constraints.
Gourinchas et al. (2020)	Covid-19 and SME Failures	Most of the businesses were forced to close and this results in having low cash flow during Covid-19.
2.2.3 Impacts of crisis on business' operation		
Che Omar et al. (2020)	The impact of Covid-19 Movement Control Order on SMEs' businesses and survival strategies	Operation disruption was the major concern of most businesses during the Covid-19 pandemic. One of the disruptions is the government order on closure of operation.
Kumar et al. (2020)	COVID-19 impact on sustainable production and operations management	During the Covid-19 pandemic, most service sectors, including logistics, hospitality, restaurants, and tourism, suffered a decrease in demand
Chatzoglou et al. (2018)	The role of firm-specific factors in the strategy-performance relationship: Revisiting the resource-based view of the firm and the VRIO framework	Business in service sector are usually struggled more to redesign their business direction in a short time because of the rigidity of its resources.
2.2.4 Impacts of crisis on business' workforce		
Kumar et al. (2020)	COVID-19 impact on sustainable production and operations management	Many countries have experienced labor shortages as a result of quarantine measures and workforce loss as a result of COVID-19 deaths and serious illness.
Nicola et al. (2020)	The socio-economic implications of the coronavirus and COVID-19 pandemic: a review	Companies were forced to dismiss workers or send them on unpaid leave as facilities were shut down temporarily or indefinitely, and even a small reduction in the number of employees resulted in reduced productivity and serious problems in businesses.
Ozili & Arun (2020)	Spillover of COVID-19: Impact on the Global Economy	Employees suffered mental stress as a result of work or family pressures during this unprecedented period, which had a cumulative effect on their performance during these months.
2.3.1 Business continuity strategies for marketing during crisis		
Gustavsson & Larsson (2020)	Marketing innovation for SMEs during COVID-19 pandemic: a case study of the hospitality industry in Norrbotten	Marketing innovations have a positive effect on the profitability of SMEs during crisis.

Che Omar et al. (2020)	The impact of Covid-19 Movement Control Order on SMEs' businesses and survival strategies	Online platforms are the most ideal channel to marketing entrepreneur's product during Covid-19 pandemic.
Acee-Eke and Ogonu (2020)	Pandemic marketing strategies and customer patronage of SMEs	Covid-19 pandemic requires the adoption of online services and online marketing strategies by SMEs in order to survive and confront the post-pandemic challenges.
2.3.2 Business continuity strategies for finance during crisis		
Shafi et al. (2020)	Impact of COVID-19 pandemic on micro, small, and medium-sized Enterprises operating in Pakistan	Some SMEs in Pakistan rely heavily on loan from bank to continue operate their business during Covid-19 pandemic.
2.3.3 Business continuity strategies for operation during crisis		
Fabiel et al (2020)	The Impact of Covid-19 Pandemic Crisis on Micro-Enterprises: Entrepreneurs' Perspective on Business Continuity and Recovery Strategy	Shortening the supply chain through centralized synchronous distributors, developing new products to meet the needs of current customers, using 'collect on delivery' transactions for the sale of goods, and accepting payment via bank transfer or e-wallet during crisis.
Butu et al. (2020)	The impact of COVID-19 crisis upon the consumer buying behavior of fresh vegetables directly from local producers. Case study: The quarantined area of Suceava County, Romania	The use of several channels in distributing goods to the customer, such as through distributors, mobile applications, social media and physical stores, is more beneficial than a single and independent channel approach.
Cohen (2020)	Does the COVID-19 outbreak mark the onset of a sustainable consumption transition?	Lockdown period unlocked an opportunity window for the sustainable business transition.
2.3.4 Business continuity strategies for workforce during crisis		
Lu et al. (2020)	The perceived impact of the Covid-19 epidemic: Evidence from a sample of 4807 SMEs in Sichuan Province, China	SMEs started reducing their labor force in order to minimize their cost of operation and survive this disease outbreak.
Bartik et al., (2020)	How are small businesses adjusting to COVID-19? Early evidence from a survey	The closure of businesses with a shortage of resources is a significant outcome of the pandemic outbreak, thus leading company retrenchment by reducing the number of staff.
2.4.1 Business recovery strategies for marketing		
Butu et al. (2020)	The impact of COVID-19 crisis upon the consumer buying behavior of fresh vegetables directly from local producers. Case study: The quarantined area of Suceava County, Romania	Changes in the marketing climate and marketing landscape compelled companies to improve strategic agility prior to, during, and after the pandemic.
2.4.2 Business recovery strategies for finance		
Colombo et al. (2019)	The geography of venture capital and entrepreneurial ventures' demand for external equity	Most big firms rely on external sources of finance such as from investors to grow their business
Brown & Rocha (2020)	Entrepreneurial uncertainty during the Covid-19 crisis:	60% year on year drop in the overall amount of investment raised between

	Mapping the temporal dynamics of entrepreneurial finance	the first quarters of 2019 and 2020. Early stage seed investments fell the steepest, implying that nascent start-ups are the most heavily impacted by the crisis
2.4.3 Business recovery strategies for operation		
Josefy et al. (2017)	Living and dying: synthesizing the literature on firm survival and failure across stages of development	Define survival, operations dimension, captures the continuity or termination of a company's existence in a business environment, which is the dimension that drives the more prevalent concept of firm death or loss in the management literature, especially for undiversified firms
Javaid et al. (2020)	Industry 4.0 technologies and their applications in fighting COVID-19 pandemic	Technologies of Industry 4.0 able to help firms for proper control and management of business operation during and post Covid-19 pandemic period
2.4.4 Business recovery strategies for workforce		
Abhijit et al. (2021)	Impact of COVID-19 in food supply chain: Disruptions and recovery strategy	The fourth business revolution is currently playing a major role in production by settling on information-driven autonomous choices.

Table 2.6 Summarized reviewed past studies



CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The aim of this chapter is to discuss the method adopted in this study as a procedure for data collection process and data analysis process in a way to achieve research objectives. This chapter comprises nine sections. First section will discuss on research design applied, second section examines population and sampling technique, third section is about developing the interview protocol, fourth section discuss on expert review, fifth explore the implementation of the pilot test study, sixth section elaborates further about the fieldwork, seventh section is about analysing data and interpretation process, eighth section discuss trustworthiness and final section will be the summary of this chapter. The elaboration of these aspects clarifies on the appropriateness of the selected method and its ability to provide sufficient answers to the research questions. This study adopted qualitative research methodology. Personal in-depth interview has been done with 13 INFs who are entrepreneurs in the service sector.

3.1 Methodology

Sileyew (2019) mentioned that research methodology is an extensive path where the research identifies the problem and plans the objectives to present the result of the data collected during that period of research. Similarly, Rajasekar, Philominatan and Chinnathambi (2013) mentioned that a research methodology is depending on the research question.

Research methodology can be categorised into two, qualitative and quantitative. Both research methods have different processes and procedures. Quantitative methodology is based on numerical data and qualitative methodology is based on exploration of certain phenomena where it cannot be measured. Thus, this study adopts the qualitative methodology in order to satisfy the research objective in this study.

3.1.1 Research Design

Research design is also known as a "comprehensive blueprint" under the research approach, which elaborates on what should be done and how it should be done in order to answer research questions (Sekaran & Bougie, 2010). It is a plan used by the researcher to validate and rationalise the logic, structure and principles of the research. Under the research design, the researcher will discuss the adapted research approach, which is a qualitative research method. It also covers four (4) related sub-topics, namely qualitative research design, in-depth interview, exploratory study and inductive approach.

3.1.2 Qualitative Research Design

This study has signed a qualitative research design to explore how people create meanings in their contextual settings. 'Reality' is made up by individuals, and the pressures of life are what people have considered being. This approach exposes individual beliefs, interpretive schemes, belief systems and rules of living such that the truth of the INF can be grasped. Rather than relying solely on a representative group, qualitative research relies on a deliberate and thorough explanation of social practises in an effort to learn how people view and describe their own world. Various methods of qualitative data can be applied to gather data, such as observations, interviews and questionnaires, records and much more (Creswell, 2014).

Based on the study above, there are areas of the impact of Covid-19 SME and the survival strategies used by them, specifically in the service sector, are under-explored. In conjunction with the concepts and definitions of the above-mentioned authors, the researcher uses a qualitative approach to further explore and scrutinize the impacts of Covid-19 on entrepreneurs in the service sector, the business continuity strategies used and business recovery strategies planned by entrepreneurs in the service sector during crisis. The researcher has collected data following the inductive process where the concepts and theories of this study are derived from the themes and categories built from the data analysis.

3.1.3 In-Depth Interview

In this study, an in-depth interview is the most fitting method in the qualitative research methodology for the achievement of relevant data generated by entrepreneurs in the service sector. The in-depth interview approach includes vis-à-vis between researchers and INFs, discussing their viewpoints and experiences on certain topics, scenarios and conditions that are concerned and conveyed by using their own term (Boyce & Neale, 2006; Taylor and Bogdan, 2015). According to Reiter (2017), the purpose of in-depth interview is to provide insights and new explanations to ideas that were already overlooked through conceptual tools in order to allow a researcher ask specific questions to study the chosen sample through active involvement that gives a researcher the chance to jump in someone else's shoes and see things from their perspective.

The researcher designs the structure and content of the questions pertaining to the research questions and research objectives with a purpose to questioning the INFs. In addition, the

researcher used own wording questions, determined how to ask them, and selected the order of the questions to be asked to the INFs. This study employed a structured interview in which INFs are guided with the prepared questions and able to say or discuss whatever they want on a broad topic. The questions are meant to explore on the areas that are under-explored in the existing literature. The Interview schedule is a research tool for gathering data when performing an in-depth interview, which is a method for collecting data. Open-ended questions are applied, which allow INFs to provide information without being influenced by the researcher and reduce the bias arising from advocating the reply to INFs (Reja et al., 2003). In-depth interview data can be generated through audio and video recordings, notes and transcripts (Mack et al., 2005). In qualitative research, the data will then be transcribed in order to extract themes and categories so that the research questions can be answered.

3.1.4 Exploratory Study

Since researcher has little understanding on the impacts of Covid-19 on entrepreneurs in the service sector, the business continuity strategies used by entrepreneurs in the service sector during crisis and the business recovery strategies planned by entrepreneurs in the service sector during crisis, thus exploratory research design is applied with aim to explore, to attain thorough understanding and enrich the knowledge regarding to the study and develop the most appropriate research design to achieve the research objectives (Azhar & Nawi, 2004). According to Sekaran & Bougie (2010), an exploratory study is engage when little is known about the situation at hand or incomplete information is available on how homogenous problems or research issues have been resolved in the past or very few studies have been undertaken in that area.

Hence, by using exploratory study design, this paper explored the impacts of Covid-19 on entrepreneurs in the service sector and how it affected the business continuity strategies and business recovery strategies planned by entrepreneurs during the crisis. There are few numbers concerning previous studies discovering the impacts of Covid-19 on entrepreneurs in the service sector, however there are no research papers that explore the business continuity strategies used by entrepreneurs in the service sector and business recovery strategies planned by entrepreneurs in the service sector that mainly focus on small and medium enterprise. Basically, this paper intends to fill that gap. The exploration study is conducted in a way to show researchers determination to contribute knowledge in the world of entrepreneurial and to diminish the knowledge as practical gaps.

3.1.5 Inductive Approach

Qualitative research approaches are better known for their relationship to the inductive approach, which includes the process of observation of particular phenomena at the preliminary level, the analysis and interpretation of evidence based on themes and categories after an in-depth interview, and eventually the conclusion to answer research questions (Sekaran & Bougie, 2010).

3.2 Research Strategy

The preliminary step is the identification of the problem statement which addresses the recent issues that have arisen in Malaysia with the entrepreneur. Researcher described existing scenarios from authenticated sources, such as local newspapers and previous study prior to entrepreneurs. Researcher will then plan research questions and research objectives based on the issue statement addressed in chapter one, with the goal of navigating through all research processes before a consensus is reached in order to address the established

research questions. Referring to research questions and research objectives, predetermined themes and categories may be derived from relevant literature reviews and previous studies.

Various information from various perspectives relating to the impact of external environment crisis on entrepreneurs, business survival plans and business recovery strategies have been compiled and addressed in Chapter 2 to create a conceptual framework. Information provided by researcher supported by primary sources, the Holy *Al-Quran* and *al-sunnah*, and other reliable sources like journals and articles.

However, in research analysis, primary data refers to information gathered first-hand by the researcher, such as in-depth interviews and secondary data, which refers to information retrieved from databases that already exist, such as scholarly publications and articles that can be obtained from the internet or from registered or released information. Researcher constructed an in-depth interview method as regarded as qualitative research and exploratory study. The INFs were selected based on criterion based on a purposive sampling method which researcher select the INFs that can satisfy the research objectives. The interview session was mostly conducted between 40 minutes to 1 hour. Only six out of 13 interview sessions were recorded using a voice recorder, which is beneficial during the transcribing process. Another remaining interview session is recorded by notebook. Lastly, data gathered from in-depth interview is then reviewed and put it into one conclusion with aim to answer the research questions.

3.3 Population and Sampling Techniques

The targeted population in this study were entrepreneurs in the service sector which selected based on two criteria which is the size of the business and the location of the premise. Although different sampling techniques may be used in qualitative research, the researcher selected the most appropriate sampling techniques for the purpose of sampling in this study. This sampling is categorised under a non-probability sampling design where there are no probabilities in the population to be selected as sample subjects.

Purposive sampling incorporates selecting individuals from a population because they can supply the needed information and they have certain attributes set by researcher which bring purpose that the sample is purposely utilised rather than randomly (Tuckett, 2004). According to Mack et al (2005), sample sizes may not be determined prior to data collection to emphasize on the high level experts, who know about the topic. Further, criterion sampling is adopted. Criterion based sampling involves selecting cases that meet some predetermined criterion of importance and can be useful for identifying and understanding cases that are information rich.

By referring to the research objectives, 13 INFs were determined by the researcher. Generally, these INFs were from different industries which are restaurant, tuition service, canopy rental service, travel and tour service, hotel service, pharmacy service, gym service, doobby service, grocery store and children day care service. Three INFs are from the restaurant industry, two INFs are from the tuition service industry, and other industries have only one INF.

These businesses are identified as they are some businesses that are heavily affected during MCO and each of them has their own business continuity and recovery strategies. It is noted that different groups of businesses have to experience different effects because of the MCO, thus these ten industries might have different strategies applied during the crisis in order to continue to operate and recover. Since all these groups have different ways of operating their business, the survival of business might also highly depend on the credibility of the entrepreneur themselves. These entrepreneurs are Muslim and apply Islamic teachings into their business indirectly.

In this study, all INFs were the owner or the manager of micro, small or medium enterprise urban areas. This is important in order to ensure that the researcher able to answer all the research questions and achieve the objectives of this research. Table 3.3 below are the summary profile of respondents and company's background.

Respondent	Age	Business Experience	Type of business	Business Location	Average Yearly Profit ('000)	Number of permanent staffs
INF- A1	40	20 years	Restaurant	Alor Setar, Kedah	RM 125	10
INF- A2	52	27 years	Restaurant	Bangi, Selangor	RM 60	3
INF- A3	31	4 years	Bakery	Alor Setar, Kedah	RM 30	2
INF- B1	30	5 years	Tuition Centre	Alor Setar, Kedah	RM 120	12
INF- B2	28	5 years	Tuition Centre	Alor Setar, Kedah	RM 80	3
INF- C	25	3 years	Canopy Rental Service	Subang Jaya, Selangor	RM 90	2
INF- D	30	8 years	Travel and Tour Service	Damansara, Kuala Lumpur	RM 900	25
INF- E	33	5 years	Hotel	Alor Setar, Kedah	RM 300	30
INF- F	30	4 years	Pharmacy	Bangi, Selangor	RM 200	5

INF- G	31	5 years	Gym	Kajang, Selangor	RM 85	2
INF- H	33	3 years	Dobby	Subang Jaya, Sealngor	RM 140	-
INF- I	37	11 years	Grocery Store	Alor Setar, Kedah	RM 130	3
INF- J	34	12 years	Children Daycare	Alor Setar, Kedah	RM 95	5

Table 3.3 *Summary profile of respondents and company's background*

3.4 Development of Interview Protocol

The interview protocol is a guideline and directions to the interviewer during the interview session to ensure the accuracy and reliability of the information received. It has been extracted from research questions and research objectives in such a manner as to draw the desired conclusion, which is to answer research questions. Interview questions in interview protocol were prepared in bilingual, which is in English and Malay languages, but during the interview session, the researcher applied Malay language as an intermediate language to preserve precise feedback from INFs. Plus, INFs prefer to use Malay language compared to English. Below is Table 3.4 that depicts the process of developing interview protocol used by researcher.

Research Questions	Research Objectives	Predetermined Theme	Predetermined Category
What are the impacts of Covid-19 pandemic on entrepreneurs in the service sector?	To scrutinize the impacts of Covid-19 pandemic on Muslim entrepreneurs in the service sector.	Impacts of Covid-19 on Muslim entrepreneurs in the service sector.	Marketing
			Financial
			Operation
			Workforce
How entrepreneurs in the service sector operate their business during crisis?	To identify the business continuity strategies used by Muslim entrepreneurs in the service sector during a crisis.	Business continuity strategies used by Muslim entrepreneurs in the service sector during crisis	Marketing
			Financial
			Operation
			Workforce
How entrepreneurs planning to recover their business?	To investigate the business recovery strategies planned by Muslim entrepreneurs in the service sector for post-pandemic period.	Business recovery strategies used by Muslim entrepreneurs in the service sector during crisis	Marketing
			Financial
			Operation
			Workforce

Table 3.4 *Process of Developing Interview Protocol*

As has been mentioned in the previous section, research enrol in-depth interviews using unstructured questions which the order of questions were asked according to the interview protocol. Each question represents each predetermined category as depicted in Table 3.4. Below depicts the interview questions of this research. The questions are divided into three (3) parts. Part A is to explore the impacts of Covid-19 pandemic on entrepreneurs in the service sector, Part B is to explore the business continuity strategies used by entrepreneurs in the service sector during crisis and Part C is to investigate the business recovery plans used by entrepreneurs in the service sector during crisis. Detailed questions and development of interview protocol can be found in appendix 7.1

3.5 Expert Review

The interview protocol was checked and reviewed by an expert in entrepreneurship's field, Norashidah Binti Hashim. She has reviewed whether the interview questions are suitable for the study or not.

On other hand, the question has been validated by Azizi Abu Bakar. He has reviewed whether the construction of the question was done correctly by the researcher. This is important to ensure that the data analysis process can be done smoothly. The whole content of the whole research paper was checked by researcher supervisor, Azizah Othman, senior lecturer of Islamic Business School.

The corrections were done as advised by construct expert, Norashidah Binti Hashim where the number of research questions and research objectives has been specified and scale down from four to three to ensure the objectives of the study can be achieved.

3.6 Pilot Study

A pilot study is a trial run conducted in advance of the full study. It might also refer to a special pre-testing of research instruments, such as interview questions (Teijlingen & Hundley, 2001). This study investigates INFs' perceptions and interpretations of questions and their meaning, as well as whether various INFs interpret questions differently or vary from what the researcher is attempting to convey. After the questions have been validated by experts, this pilot study is executed under actual fieldwork of a similar group of INFs. Therefore, researcher selected three INFs from the food and beverage category as pilot test study that was conducted on 12th of October 2020 and 15th of October 2020. The interviews were conducted individually, and the total time required for all three INFs to answer all the questions was approximately one hour. Based on the pilot test results, the researcher discovered that the interview questions were simple to understand and that the INFs could interpret and respond to the questions as the researcher envisioned. Ergo, no changes have been made in the questions and researcher use the same set of question in the rest of interviews with other INFs.

3.7 Actual Framework

The actual fieldwork was done to collect data from entrepreneurs. There are various types of data collection methods that have been used by previous researchers in doing qualitative research. As mentioned by Merriam (2009), the data collection method in qualitative research can be categorized into three types. There are interviews, document reading and

observations. Therefore, to answer the research questions and to reach the objectives of this study, two types of data collection methods are used in order to get the data, which is interview and observation. This is because an interview session allows the INFs to express their view and the observation helps the researcher to have a clear insight. This has helped the researcher to gather data which is rich in information that assisted to provide the answer to the research question of this study.

The actual fieldwork started after the researcher received the consent from INFs to meet and agree to be interviewed by the researcher, either face-to-face, through phone or via an online platform. Multiple channels of communication have been utilized in getting access to the INFs including phone calls, text messages and emails. After setting up the date and time of interview sessions with INFs, the researcher started collecting and gathering data with all the INFs.

The interview session was divided into three stages, which are opening stage, during interview stage and closing stage. Opening stage began by greeting the INFs by Islamic way of greet which is giving *salam* and expressing gratitude for their willingness to take part in the interview session. Before proceeding to the interview session, the researcher introduces himself to INFs and asks INFs to introduce themselves in return. Then, the researcher asked a relevant question and an ice-breaking session was done to create a comfortable environment with the INF. After describing the aim of the interview, a short briefing of the rules and preview of the session including the confidentiality of the INF, duration of the session and how it will be conducted was done. The researcher also asked for permission to record the entire interview session. During the interviewing stage, the researcher had used various soft skills in handling the session. Once the INFs were ready

to be interviewed, the factual questions were asked and probing was used to follow up and ask the INFs to further explain and elaborate their ideas. Researcher also had taken a note of the responses and stated clearly the summary of the responses before moving onto the next question. The entire process required the researcher to listen, question, probe, and record. Later, the researcher inform the INFs when the interview session has reach to final question and conclusion of their response is made.

Lastly, the exit stage would be the session for INFs to add any extra information that they find important and able to assist this study. Then, the researcher expressed his gratitude to the INFs and acknowledged the time that was spent in participating in the interview session. The entire interview session ended with the researcher gave final greetings, *salam* before ending the session and leave.

The most challenging part to carry out the interview sessions was the skill needed to convince INFs to take part. Because of the Covid-19 pandemic, most of the entrepreneurs have limited free time to take part in the interview session. With the movement restriction order being implemented, most of the potential INFs cannot attend the interview session. Fortunately, all the INFs that agreed to contribute to the study are friendly and cooperative. The researcher and INFs keep exchanging thought and knowledge with each other during the interview session. Many life lessons and advice given by INFs to the researcher. All INFs can take part actively and provide sufficient information, which is very informative and useful to the researcher in completing this study. It is hoped the research can act as a guidance and references to other academicians, policy makers, Islamic and non-Islamic businesses in Malaysia and all over the world.

3.7.1 Probing

King and Horrocks (2010) mentioned that probing is used to add depth to the data gained from interviews. They also suggested three main types of probe, which are elaboration, classification and completion. Elaboration probing is used to encourage INFs to keep talking in order to gather more details and data about the topic. Classification is used to seek an explanation from the INFs about something that the interviewer or the researcher has not fully understood, which might be because of the language and phrase used by the INFs during the interview. Completion probing is used to make sure that the INFs end their story in a more 'natural' manner rather than breaking it off at the midpoint of the story.

In this research, the researcher applied all the three main types of probing in this study. The researcher uses elaboration to engage with INFs in each question. This is because most of the INFs are from the industry and have very limited knowledge on how to engage in an academic interview. The researcher uses clarification since most of the INFs speak in their own dialect and informally. Some phrases might have different meanings from the original meaning of the words. The researcher implements completion in order to help the INFs, answering the question as a whole rather than jumping over to another topic in the middle of the answer without ending it.

3.8 Data Analysis and Interpretation

The data from the interviews were analysed directly after each interview in order to distinguish constant themes. In qualitative research, the researcher prefers to use thematic analysis methods as shown by Alhoijan & Ibrahim (2012). This analysis comprises three chain steps: data reduction, data display, drawing conclusion, and clarification (Miles &

Huberman, 1994). According to Boyatzis (1998), thematic analysis is a tool for recognising, evaluating, finding ad reporting patterns and categories within data.

In order to reduce the data, Cresswell (2013) proposed that the data should be given a detailed analysis of the transcript in order to obtain a full interpretation of the data reported before progressing to the next steps, which would display the data and eventually draw conclusions.

3.8.1 Data Condensation

Data condensation was preferred rather than data reduction in order to prevent the destruction of critical data during the process (Miles & Huberman, 1994). Data condensation involves the selection, encoding and categorization of written transcript data. Creswell (2013) describes coding as the method of grouping data into a division of text, which is then to be placed in a column of categories. Its purpose is to help the study obtain a meaningful conclusion from the data. The code refers to a theme that originated from the long text, and the data was then simplified into a smaller text to represent the key point of all the data classified. Table 3.8.1 illustrates samples of the data condensation process. Then, the researcher read and repeated the data transcription several times to complete the first phase of data reduction. The result from the first phase of data reduction will produce the data display.

INFS	INTERVIEW TRANSCRIPTS	CATEGORY	THEME
A	Answered	Marketing	Impact

Table 3.8.1 *Data Condensation Process*

3.8.2 Data Display

Data display is a method for presenting reduced data in an ordered and simplified way, such as diagrams, tables, graphs, matrixes and other methods to support the exploration of themes and categories (Miles & Huberman, 1994). The researcher displayed the data in the form of a table as seen in Table 3.8.1 to show how the themes and categories were collected. It is possible to draw a conclusion from the built table (Sekaran & Bougie, 2010).

3.8.3 Drawing Conclusion

The conclusion of this study is the last procedure in which the researcher uses the output from the data display and elaborates on each data obtained by identifying and detailing the topics, describing the categories and their correlation, and making comparisons (Sekaran & Bougie, 2010). The drawn and verified conclusion will provide the findings from all the INFs that will help the researcher answer the research questions of this study.

3.9 Trustworthiness

The trustworthiness of qualitative research mainly is often questioned due to the concepts of validity and reliability cannot be addressed in the same way in naturalistic work (Shenton, 2004). There are a few criteria that are needed by the trustworthiness. These criteria comprise of:

- a) Credibility (in preference to internal validity);
- b) Transferability (in preference to external validity / generalisability);
- c) Dependability (in reference to reliability);
- d) Conformability (in preference to objectivity)

3.9.1 Credibility

One of the key criteria addressed in the trustworthiness is credibility. Credibility is defined as the confidence that can be placed in the truth of the research findings. A qualitative researcher establishes consistency of the analysis by adopting the following strategies: prolonged and varied field experience, peer debriefing, triangulation, member checking, negative case analysis and persistent observation (Anney, 2014). Based on the credibility strategies that are listed, one of the strategies that has been implemented by researcher in doing this study is triangulation.

Triangulation has been generally considered as a process of using multiple perceptions to clarify meaning, verifying the repeatability of an observation on interpretation. Also by acknowledging that no observations or interpretations are perfectly repeatable, triangulation serves to clarify meaning by identifying different ways the phenomenon is being seen (Smith, 2000). In this study, the researcher has employed two types of triangulations;

Triangulation by data: Data is collected from various sources to enhance the accuracy of a study. Evidence was collected from different individuals which comprise public institutions, different data, which refer to primary and secondary data, and distinguished in methods (documents and interviews).

Triangulation by theory: Researcher has referred one theory namely entrepreneurial theory to answer the research questions.

3.9.2 Transferability

According to Trochim and Donnelly (2007), the level of transferability refers to the ability of this research to obtain the same result if replicated but applied in different settings or contexts. Significantly, with a detailed description of the enquiry provided by the researcher and participants were selected purposively, it eases transferability of the study.

Thick description requires the researcher to describe in detail about the research processes, starting from data collection, context of the study until the production of the final report.

Thick description assists other researchers to replicate the study with similar conditions but in different settings. Additionally, purposive sampling is the technique mainly used in naturalistic inquiry studies. It aids researchers to focus on the essential INFs, who are knowledgeable of the issues under investigation. Plus, it allows the researchers to determine the reasons to use a specific category of INFs in the study (Anney, 2014).

For this study, the researcher has done a final report of the study and discussed all the research processes done as needed by the thick description. This report will be a thick description of the transferability of this study. This study was also applied purposive sampling technique as it has been explained in section 3.3.

3.9.3 Dependability

According to Bitsch (2005, p.86), dependability refers to the “stability of findings over time”. In order to address the dependability issue more directly, the process within the study should be reported to enable a future researcher to repeat the work. If the future researcher did not gain the same results, the research design may be viewed as a “prototype model”. This will also allow the reader to assess the extent to which proper research

practices have been followed (Shenton, 2004). Thus, to enable readers to the research report to develop a thorough understanding of the methods and their effectiveness, the report should consist of three sections as follows:

- a) The research design and its implementation, describing what was planned and executed on a strategic level;
- b) The operational detail of data gathering, addressing the details of what was done in the field;
- c) Reflective assessment of the project, evaluating the effectiveness of the process of inquiry undertaken.

In order to ensure dependability of this research, the researcher has a section of research design and its implementation under chapter 3, which mainly focuses on research methodology. The research design has been elaborated under section 3.1.1. The operational detail of data gathering and the details of what was done in the field can be found in section 3. Which explained about the actual fieldwork. The reflective assessment of the project is explained are in this section, section 3.9, which explained about the trustworthiness of this research.

3.9.4 Conformability

Conformability is the degree in which the research findings were retrieved from the INFs and not by self-interpretation of the researcher (Tobin & Begley, 2004). To ensure the conformability in this research are achieved, researcher disclose the attachment of respondent's information to prove that findings of this research are based on the perception, ideas and experience of INFs.

3.10 Chapter Summary

This chapter has discussed the research methodology used to analyse and interpret the collected data. The researcher has implemented the qualitative research methodology and followed all the processes required in order to collect all the data required for this study by using the in-depth interview with the INFs. The findings will be reviewed in the next chapter.



CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

4.0 Introduction

This chapter reports the findings of this research. The findings were reviewed and analysed after the researcher has conducted a structured and in-depth interview with entrepreneurs in the service sector. This chapter contains two parts. First part focuses on present and categorizes the findings according to predetermined themes, categories and sub themes together with a summary. The second part will be the summary of the chapter.

4.1 Findings

Prior to the thematically approach that has been implemented, the predetermined themes are identified. There are three themes constructed in this study, (1) the impacts of Covid-19 pandemic on entrepreneurs in the service sector, (2) the business continuity strategies used by entrepreneurs in the service sector during crisis and (3) the business recovery strategies used by entrepreneurs in the service sector during crisis. Each of these three themes comprises four categories which refers to the primary business functions namely, marketing, finance, operation and workforce.

Researcher has conducted an in-depth interview with 13 entrepreneurs where each entrepreneur is in the service sector but in a different industry. There are 10 industries, namely food and beverage industry, tuition service industry, canopy rental service industry, travel and tour service industry, hotel service industry, pharmacy service industry, gymnasium service industry, doobby service industry, grocery store service industry and kid nursery and day care service industry.

The title given to the INFs are “A”, “B”, “C”, “D”, “E”, “F”, “G”, “H”, “I”, and “J” where each letter represent different industry respectively; (A) food and beverage industry, (B) tuition service industry, (C) canopy rental service industry, (D) travel and tour service industry, (E) hotel service industry, (F) pharmacy service industry, (G) gymnasium service industry, (H) doobby service industry, (I) grocery store service industry and (J) kid nursery and day care service industry.

4.1.1 Theme 1: The impacts of Covid-19 pandemic on entrepreneurs in the service sector

The findings presented in this section will answer the first research question of this study, which is “*what are the impacts of Covid-19 pandemic on entrepreneurs in the service sector?*”. This section will review and elaborate the findings based on the impacts of Covid-19 on entrepreneurs in the service sector. This section can be divided into four major segments, which are in the term of four main business functions.

4.1.1.1 *Impacts of Covid-19 pandemic on business’s marketing*

Based on the thematic analysis, it is found that all the INFs agreed that marketing is the least important thing for their business during the MCO period. Table 4.1.1.1 presents the summary of the findings based on the impacts of Covid-19 pandemic on Muslim entrepreneurs in the service sector regarding business’s marketing activities.

Table 4.1.1.1

The Impacts of Covid-19 Pandemic on Muslim Entrepreneurs in the Service Sector-Marketing

Question 1: What are the impacts of Covid-19 pandemic on business' marketing activities?		
INF	Summary	4 Ps of Marketing
A1	- All promotion become less effective - Cannot introduce new product	• Promotion and Product are less effective
A2	- Additional risk (Health Risk) - Totally stop marketing	• Promotion are less effective
A3	- Highly depend on visibility of physical store	• Place are effective
B1	- New service for students from poor family	• Product, Price and Promotion are effective
B2	- Low capital - No workforce	• Promotion and Product are less effective
C	- Marketing are not the main concern	• All 4Ps are less effective
D	- Only do in small scale	• All 4Ps are less effective
E	- Only do in small scale	• All 4Ps are less effective
F	- Don't have to do aggressive marketing activity	• All 4Ps are effective
G	- Done marketing activity in minimum level to maintain relationship with customer	• All 4Ps are less effective
H	- There is no aggressive marketing activity were done	• Place are effective
I	- Marketing only done through social media	• All 4Ps are less effective
J	- Marketing only done through social media	• All 4Ps are less effective

Based on the table above, nine out of 13 INFs said that their marketing activities by promotion are less effective during the MCO period. INF "C" said that demand from customer for his service are high but he unable to deliver the service to customer, thus, making any marketing activities that he done become pointless;

"Marketing is not really the problem. Most people around this neighbourhood already know us. Many customers have requested my service for their wedding ceremony during the MCO period but I unable to deliver it because of restrictions by government"

(Part A, Q1, C)

In terms of product, eight out of 13 INFs said that their service is unable to attract more customers and cannot introduce a new one. INF "D" said that their business unable to provide various services because of certain restriction during MCO period.

“We cannot predict when the Covid-19 will disappear, so right now our company only does marketing activity for travel and tour services limited in Malaysia. Due to the travel restriction”

(Part A, Q1, D)

However, two out of 13 INFs did not experience a negative impact on their marketing activities. INF “F” explained that her business able to operate as usual since the demand from customers is increasing during MCO period.

“My business is one of the business that gain benefit during this time of pandemic. My sales have increased quite drastically I would say. I was so grateful.”

(Part A, Q1, F)

INF “B1” also stated the same. Her marketing activities for her business are astonishingly effective, especially by promotion and introduction of new service. She added that the demand for her service is also increasing during this crisis due to marketing that she has done.

“It just maybe I should create new package that more suitable in this current state or for the student come from poor family since the demand from parent are increasing.”

(Part A, Q1, B1)

In a nutshell, most entrepreneurs stated that Covid-19 had a negative impact on their marketing activities. As for industry that considered essential by consumer, encountered positive impacts for their marketing activities.

4.1.1.2 Impacts of Covid-19 pandemic on business's finance

Table 4.1.1.2 illustrates the summary of the findings based on the impacts of Covid-19 pandemic on entrepreneurs in the service sector regarding business' finance.

Table 4.1.1.2

The Impacts of Covid-19 Pandemic on Entrepreneurs in the Service Sector-Finance

Question 2: What are the impacts of Covid-19 pandemic on business' finance?		
INF	Summary	Financial Problems
A1	<ul style="list-style-type: none"> Low profit Able to manage debt by paying it as soon as possible Don't want to apply financial assistance Don't need moratorium Less profit has affected the finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are managed • Don't need financial assistance from government • Don't need other help from government • Main impact: High cost of operation
A2	<ul style="list-style-type: none"> - Low profit - No debt - Don't want to apply financial assistance - Don't need moratorium - Less profit has affected the finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are managed • Don't need financial assistance from government • Don't need other help from government • Main impact: Decline in profit
A3	<ul style="list-style-type: none"> - Did not making any profit during MCO unless do marketing - No debt - Depend on <i>zakah</i> - Don't need moratorium - Less profit has affected the finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are managed • Need financial assistance from <i>zakah</i> • Don't need other help from government • Main impact: High cost of operation
B1	<ul style="list-style-type: none"> - Profit increase slightly - No debt - Cannot apply - Don't need moratorium - Profit increasing has affected the business' finance 	<ul style="list-style-type: none"> • Increase in sales • Debt are managed • Don't need financial assistance from government • Don't need other help from government • Main impact: High cost of operation
B2	<ul style="list-style-type: none"> - Low profit - Already spent money on new premise - Has trouble in managing debt - Cost is more compare to income - Want to apply but don't know how - Don't need moratorium - Less profit and increasing cost has affected the finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are not managed • Need financial assistance from government • Don't need other help from government • Main impact: High cost of operation
C	<ul style="list-style-type: none"> - No profit during lockdown - Depend on saving and financial assistance to pay debt - Highly depend on financial assistance - Don't need moratorium - No profit at all during lockdown affected the business' finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are managed • Need financial assistance from government • Don't need other help from government

		<ul style="list-style-type: none"> • Main impact: High cost of operation
D	<ul style="list-style-type: none"> - Low profit during pandemic - Reduce cost and eliminate unnecessary cost - Applied for financial assistance but did not enough - Applied for moratorium - Less profit has affected the business' finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are managed • Need financial assistance from government • Need moratorium • Main impact: High cost of operation
E	<ul style="list-style-type: none"> - Low profit during pandemic - Minimize the cost of operation - Applied for financial assistance but did not enough - Applied for moratorium - Low profit level and high cost has affected the business' finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are managed • Need financial assistance from government • Need moratorium • Main impact: High cost of operation
F	<ul style="list-style-type: none"> - High level of profit during pandemic - Able to manage debt - Did not apply for any financial assistance - Did not need any help from government - High level of profit and price from supplier has affected the business' finance 	<ul style="list-style-type: none"> • Increase in sales • Debt are managed • Don't need financial assistance from government • Don't need other help from government • Main impact: High cost of operation
G	<ul style="list-style-type: none"> - Low profit during pandemic - Unable to pay debt on time. - Applied for financial assistance but did not enough - Applied for moratorium - Low profit level and high cost of operation has affected the business' finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are not managed • Need financial assistance from government • Need other moratorium • Main impact: High cost of operation
H	<ul style="list-style-type: none"> - Moderate profit during pandemic - Pay the important debt first - Applied for financial assistance - Applied for moratorium - High cost of operation and unstable profit has affected the business' finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are managed • Need financial assistance from government • Need moratorium • Main impact: High cost of operation
I	<ul style="list-style-type: none"> - Low profit during pandemic - Able to manage debt - Did not apply for financial assistance - Did not need help from government - High cost of operation and low profit level has affected the business' finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are managed • Don't need financial assistance from government • Don't need other help from government • Main impact: High cost of operation
J	<ul style="list-style-type: none"> - Low profit during pandemic - Able to manage debt - Applied for financial assistance - Did not need help from government - High cost of operation has affected the business' finance 	<ul style="list-style-type: none"> • Decline in sales • Debt are managed • Need financial assistance from government • Don't need other help from government • Main impact: High cost of operation

Based on the table above, ten out of the 13 INFs experienced a negative impact on their business' finance during the MCO period. 11 out of 13 INFs experienced a decline in sales. INF "I" predicted that most customers have low purchasing power during MCO period.

"My sales during this pandemic have been decreasing up to 40% every month. Maybe customers have low purchasing power"

(Part A, Q2, I)

Only two INFs stated the opposite. INF "B1" mentioned that the demand from customers toward her service is increasing slowly during this crisis.

"In the first month of MCO, I experienced a big loss. Majority of students stopped joining my class, but alhamdulillah after a month, many parents want to sign their children for my tuition class. Maybe because the school is closed, but the SPM exam is approaching. Students around here (in Jitra) still prefer face-to-face classes."

(Part A, Q2, B1)

In terms of debt management, only two out of 13 INFs cannot manage it properly. Only INF "B2" and INF "G" are having troubles in managing debt during the crisis. INF "B2" explained that she already used up most of her money to rent a bigger premise to run her business before the crisis. Thus, she does not have much saving left. Meanwhile, INF "G" stated the decline in sales is the factor that he fails to manage his debt.

"With low profit, I am unable to pay rent of my premise on time."

(Part A, Q2, G)

In the need's matter to apply financial assistance and other forms of help, such as moratorium, from the government, seven out of 13 INFs require financial assistance and

only four out of 13 INFs apply for a moratorium. INF “A3” applied for financial assistance from zakah institution and INF “C” applied for Gerakan Khas Prihatin (GKP). Majority of the INFs agreed that the financial assistance received is used to pay off their debt.

“I did apply for financial assistance from the government that was created specifically for kids nursery service such as mine. The financial assistance that I received are from help known as Pelan Pemulihan Ekonomi Jangka Pendek (PENJANA). This money mostly are used to pay my premise’ rent.”

(Part A, Q2, J)

Further, INF “G” also said that he applied for a moratorium even though he received financial assistance from the government, but he still had trouble in managing debt. INF “G” explained further regarding this situation:

“Although it is a small amount of loan, I am still struggling to pay it off since my business is not allowed to operate during lockdown. Plus, each month, I still have to pay the fixed cost of my premise such as rent.”

(Part A, Q2, G)

Lastly, all INFs agreed that the major factor that affects their business financially is the increase in cost of operation during the crisis. Although most INFs can manage their debt, they still suffer a profit loss every month. It can be said that this crisis has brought a negative impact on their business’ finance.

4.1.1.3 Impacts of Covid-19 pandemic on business’s operation

Table 4.1.1.3 shows the summary of the findings based on the impacts of Covid-19 pandemic on Muslim entrepreneurs in the service sector regarding business’ operation.

Table 4.1.1.3

The Impacts of Covid-19 pandemic on Muslim Entrepreneurs in the Service Sector-Operation

Question 3: What are the impacts of Covid-19 pandemic on business's operation?		
INF	Summary	Disruption in operation
A1	<ul style="list-style-type: none"> - Through phone and face-to-face when interacting with customer - Deliver product by face-to-face and by delivery - Has a disruption in supply chain - Most customers tend to purchase food that are cheap - Ready and learning to adapt technology usage 	<ul style="list-style-type: none"> • Customer interaction by phone and face-to-face • Service delivery by face-to-face and Cash on Delivery (COD) • Supply chain disrupted • Customers has low purchasing power • Interested to adapt the usage of technology
A2	<ul style="list-style-type: none"> - Through phone and face-to-face when interacting with customer - Deliver product by face-to-face and by delivery - Has no disruption in supply chain - Most customers tend to purchase food that are cheap - Ready and learning to adapt technology usage 	<ul style="list-style-type: none"> • Customer interaction by phone and face-to-face • Service delivery by face-to-face and Cash on delivery (COD) • Supply chain not disrupted • Customers has low purchasing power • Interested to adapt the usage of technology
A3	<ul style="list-style-type: none"> - Through phone and face-to-face when interacting with customer - Deliver product by face-to-face and by delivery - Has no disruption in supply chain - Able to handle customer well - Customer purchase because of trend - Ready and learning to adapt technology usage 	<ul style="list-style-type: none"> • Customer interaction by phone and face-to-face • Service delivery by face-to-face and Cash on delivery (COD) • Supply chain not disrupted • Customers follow trend • Interested to adapt the usage of technology
B1	<ul style="list-style-type: none"> - Through phone and face-to-face when interacting with customer - Deliver service by face-to-face or online class - Has no disruption in supply chain - Customers demand for cheaper classes - Able to handle customer well - Ready and learning to adapt technology usage 	<ul style="list-style-type: none"> • Customer interaction by phone and face-to-face • Service delivery by face-to-face and online platform • Supply chain not disrupted • Customers has low purchasing power • Interested to adapt the usage of technology
B2	<ul style="list-style-type: none"> - Through phone and face-to-face when interacting with customer - Deliver service by face-to-face or online class - Has no disruption in supply chain - The purchasing power of customer are decreasing - Ready and learning to adapt technology usage 	<ul style="list-style-type: none"> • Customer interaction by phone and face-to-face • Service delivery by face-to-face and online platform • Supply chain not disrupted • Customers has low purchasing power • Interested to adapt the usage of technology
C	<ul style="list-style-type: none"> - Through phone when interacting with customer - Deliver product by face-to-face but unable to deliver service during lockdown - Has no disruption in supply chain - The purchasing power of customer are decreasing 	<ul style="list-style-type: none"> • Customer interaction by phone only • Unable to deliver service • Supply chain not disrupted • Customers has low purchasing power • Interested to adapt the usage of technology

	- Ready and learning to adapt technology usage	
D	<ul style="list-style-type: none"> - Interact with customers through online platform - Minor changes has been made in way of delivering service - No disruption in supply chain - Consumer are afraid to go travel - Already implement the usage of technology 	<ul style="list-style-type: none"> • Customer interaction by online platform • Service delivery by face-to-face and online platform • Supply chain not disrupted • Customers care for their safety • Already adapted the usage of technology
E	<ul style="list-style-type: none"> - Interact with customers through online platform - Made several changes in delivering service. Certain service cannot be deliver due to MCO. - No disruption in supply chain - Consumer are afraid to go travel - Already implement the usage of technology 	<ul style="list-style-type: none"> • Customer interaction by online platform • Service delivery by face-to-face • Supply chain not disrupted • Customers care for their safety • Already adapted the usage of technology
F	<ul style="list-style-type: none"> - Interact with customer through physical interaction - Made minor changes in delivering service. Forbid customers from entering premise - Supplier increases their price and often unable to deliver - Consumer are more alert regarding their hygiene during this MCO period - Already implement the usage of technology 	<ul style="list-style-type: none"> • Customer interaction by face-to-face • Service delivery by face-to-face and online platform • Supply chain disrupted, price increase • Customers care for their safety • Already adapted the usage of technology
G	<ul style="list-style-type: none"> - Interact with customer through physical interaction and through phone - Customer need to make a reservation first before coming to premise - Postage duration of supplement from supplier take longer time - Consumer has low purchasing power - Already implement the usage of technology 	<ul style="list-style-type: none"> • Customer interaction by face-to-face and phone • Service delivery by face-to-face • Supply chain disrupted, longer postage duration • Customers has low purchasing power • Already adapted the usage of technology
H	<ul style="list-style-type: none"> - Interact with customer through physical interaction and through phone - Deliver service as usual - No disruption in supply chain - Consumer has low purchasing power - Already implement the usage of technology 	<ul style="list-style-type: none"> • Customer interaction by face-to-face and phone • Service delivery by face-to-face • Supply chain not disrupted • Customers has low purchasing power • Already adapted the usage of technology
I	<ul style="list-style-type: none"> - Interact with customer through physical interaction and through phone - Offer a new service- drive thru - Supplier increases their price - Consumer has low purchasing power - Already implement the usage of technology 	<ul style="list-style-type: none"> • Customer interaction by face-to-face and phone • Service delivery by normal face-to-face and drive thru • Supply chain disrupted, price increase • Customers has low purchasing power • Already adapted the usage of technology
J	<ul style="list-style-type: none"> - Interact with customer through physical interaction and through phone - Deliver service as usual but need to follow SOP. 	<ul style="list-style-type: none"> • Customer interaction by face-to-face and phone • Service delivery by face-to-face • Supply chain not disrupted

	<ul style="list-style-type: none"> - No disruption in supply chain - Consumer has low purchasing power - Already implement the usage of technology 	<ul style="list-style-type: none"> • Customers has low purchasing power • Already adapted the usage of technology
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Table 4.1.1.3 displays the factors that interrupt the operation of businesses during the Covid-19 pandemic. Firstly, changes in ways of interacting with customers also bring an impact to business' operation. All the INFs agreed customers preferred to interact via phone or online platform. Fortunately, all INFs can adapt with these changes. As mentioned by INF "E", it easier to interact with a customer through online platform.

"We encourage our customers to book first any available room before coming to our premise by giving them a discount when doing so. This is to ensure we can prepare our room first like sanitizing and cleaning first before allowing any customers to check-in."

(Part A, Q3, E)

Secondly, the unavailability to deliver service is also one of the major concerns that affect the business' operation of 11 out of 13 INFs. All the INFs have to change their way of delivering service during the MCO period, whether minor changes or major changes. Plus, four out of the 13 INFs are completely unable to deliver their services to customers if strict lockdown is implemented. INF "C" stated:

"If it is during the lockdown, I cannot run my business at all because the government forbids any big events. I have stopped completely. All the orders and booking made by customers have to postpone or cancel."

(Part A, Q3, C)

Thirdly, only four out of 13 INFs faced a disruption in the supply chain. INF "I" and INF "F" stated that the price of items from suppliers has been increased and sometimes the suppliers fail to deliver the items since they have to close their premises temporarily. INF

“G” also faced a disruption in the supply chain, he listed the longer time period to deliver the items as the main issues. INF “G” explained the situation further:

“Supplier that supplies protein supplement to me does not have any interruption. There is only a slight delay during the postage period and it may be because of the movement restriction.”

(Part A, Q3, G)

According to all INFs, one of the obvious factors that affect their business’ operation is the changes of consumer behaviour. 12 out of 13 INFs mentioned that consumers have lower purchasing power during the MCO period compared than before. Only the INF “F” said otherwise. INF “I” explained that most consumer only interested in buying item that are essential and in small quantity from his grocery store.

“Customer’s purchase in small quantities and essential items only. Any unnecessary items are not in their list.”

(Part A, Q3, I)

Lastly, all INFs agreed that their business should start implementing the usage of technology during this crisis. They are also did not face any difficulty in implementing to usage of technology in their business, ready to learn to use any available technology and eager to adapt with the changes.

“I do offer online classes to students, but other problems arise. They cannot adapt and adjust themselves in this alternative way of learning. I try using an online platform to teach, but many parents complain their children do not understand what I have been teaching. Inshaallah, they will eventually be able to adapt with these new changes.”

(Part A, Q4, B1)

4.1.1.4 Impacts of Covid-19 pandemic on business's workforce

Table 4.1.1.4 display the summary of the findings based on the impacts of Covid-19 pandemic on Muslim entrepreneurs in the service sector regarding business' workforce.

Table 4.1.1.4

The Impacts of Covid-19 Pandemic on Muslim Entrepreneurs in the Service Sector-Workforce

Question 4: What are the impacts of Covid-19 pandemic on your business's workforce?		
INF	Summary	Impacts on business's workforce
A1	- Don't have to do downsizing - There is changes in employee salary - Share profit equally - Don't have to train employee	<ul style="list-style-type: none"> • Did not downsize • Employee's salary based on monthly profit earned • Did not train employee
A2	- Don't have to do downsizing - No changes in salary were made. - Have to train, as backup	<ul style="list-style-type: none"> • Did not downsize • No changes in employees' salary • Training employee
A3	- Don't have to do downsizing - There is changes in salary - Share profit equally - Already have experience and skill needed	<ul style="list-style-type: none"> • Did not downsize • Employee's salary based on monthly profit earned • Did not train employee
B1	- Don't have to do downsizing - No changes in salary been made - Need to train some specific skill such as teaching	<ul style="list-style-type: none"> • Did not downsize • No changes in employees' salary • Training employee
B2	- Did downsizing	<ul style="list-style-type: none"> • Downsize
C	- Don't have to do downsizing (one-off) - Change in payment method-by task - On the job learning	<ul style="list-style-type: none"> • Did not downsize • Different payment method used • Training employee
D	- Don't have to do downsizing - Pay according to number of profit - Don't have to train employee	<ul style="list-style-type: none"> • Did not downsize • Reduce employee' salary • Did not train employee
E	- Did downsizing - Employee' salary reduced - Don't have to train employee	<ul style="list-style-type: none"> • Did downsizing • Reduce employee' salary • Did not train employee
F	- Don't have to do downsizing - No changes in employee' salary - Don't have to train employee	<ul style="list-style-type: none"> • Did not downsize • No changes in employees' salary • Did not train employee
G	- Did downsizing	<ul style="list-style-type: none"> • Downsize
H	- None	<ul style="list-style-type: none"> •
I	- Don't have to do downsizing - Employee' salary is reduced - Don't have to train employee	<ul style="list-style-type: none"> • Did not downsize • Reduce employee' salary • Did not train employee
J	- Don't have to do downsizing - No changes in employee' salary - Don't have to train employee	<ul style="list-style-type: none"> • Did not downsize • No changes in employees' salary • Did not train employee

Based on the table above, 12 out of the 13 INFs experienced a negative impact on their business' workforce during the MCO period. Although only three out of 13 INFs

downsized, the other INFs that did not downsize struggled financially to keep their employees.

“We are a small group of friends that run this business, and we did not make any downsizing. However, after the Covid-19 pandemic has continued over 6 months and still ongoing, we have to discuss with some employee to take unpaid leave until we are financially stable again and they understand and agree.”

(Part A, Q4, D)

On the other hand, six out of 13 INFs reduced their employees’ salary as a different approach in managing their workforce. INF “A1” said that all of her employee will share the same amount of salary during the MCO period.

“I have discussed with my employee that there is going to be a change in salary. Of course, I didn’t force them if they wanted to quit. Any profit earned on that day will be shared equally among me and my employee. I also have to do the same work my employees do. So, together facing this hardship”

(Part A, Q4, A1)

Lastly, three out of 13 INFs have to train their employees during the MCO period. INF “B1” explained that she has hired new teachers and has to train them the best ways to teach students.

“I have to explain the syllabus of the students to the new teacher, how to approach a students and how to handle students.”

(Part A, Q4, B1)

4.1.2 Theme 2: The business continuity strategies used by entrepreneurs in the service sector during Covid-19 pandemic

The findings presented in this section will answer the second research question of this study, which is “*how entrepreneurs in the service sector operate their business during Covid-19 pandemic?*”. This section will review and elaborate the findings based on the business continuity strategies used by entrepreneurs in the service sector during the crisis. This section can be divided into four main segments, which are in the term of business’ marketing, business’ finance, business’ operation and business’ workforce.

4.1.2.1 Business continuity strategies used for business’ marketing during Covid-19 pandemic

Table 4.1.2.1 presents the summary of the findings based on the business continuity strategies used by Muslim entrepreneurs during Covid-19 pandemic regarding business’ marketing.

Table 4.1.2.1
The Business Continuity Strategies Used by Muslim Entrepreneurs in the Service Sector During Covid-19 Pandemic -Marketing

Question 1: How did you overcome the impact of Covid-19 pandemic on business’ marketing activities during Covid-19 pandemic?		
INF	Summary	Marketing Strategy
A1	<ul style="list-style-type: none"> - Have a good relationship with customer - Currently using digital marketing - Campaign - Customer relationship marketing 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Customer relation marketing are the most effective
A2	<ul style="list-style-type: none"> - Have a good relationship with customer - Did not use digital marketing - Customer relationship marketing 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Did not try digital marketing • Customer relation marketing are the most effective
A3	<ul style="list-style-type: none"> - Have a good relationship with customer - Just started using digital marketing - Customer relationship marketing 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Customer relation marketing are the most effective
B1	<ul style="list-style-type: none"> - Have a good relationship with customer - Currently using digital marketing - Prefer digital marketing 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing

		<ul style="list-style-type: none"> • Digital marketing are the most effective
B2	<ul style="list-style-type: none"> - Have a good relationship with customer - Used digital marketing but ineffective - Prefer digital marketing 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Digital marketing are the most effective
C	<ul style="list-style-type: none"> - Have a good relationship with customer - Use digital marketing - Customer relationship marketing 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Customer relation marketing are the most effective
D	<ul style="list-style-type: none"> - Have a good relationship with customer - Use digital marketing - Using well known online platform to do marketing activity (Facebook) 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Digital marketing are the most effective
E	<ul style="list-style-type: none"> - Have a good relationship with customer - Use digital marketing - Using well known online platform to do marketing activity (Agoda) 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Digital marketing are the most effective
F	<ul style="list-style-type: none"> - Have a good relationship with customer - Use digital marketing - Using well known online platform to do marketing activity (Shopee) 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Digital marketing are the most effective
G	<ul style="list-style-type: none"> - Have a good relationship with customer - Use digital marketing - Customer relationship marketing are effective 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Customer relation marketing are the most effective
H	<ul style="list-style-type: none"> - Did not establish relationship with customers - Did not use digital marketing - Freebie marketing strategy are effective and cheap 	<ul style="list-style-type: none"> • Did not maintain a good relationship with customers • Did not try digital marketing • Freebie marketing are the most effective
I	<ul style="list-style-type: none"> - Have a good relationship with customer - Use digital marketing - Using well known online platform to do marketing activity (Facebook) 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Digital marketing are the most effective
J	<ul style="list-style-type: none"> - Have a good relationship with customer - Use digital marketing - Prefer customer relationship marketing 	<ul style="list-style-type: none"> • Maintain a good relationship with customers • Tried digital marketing • Customer relationship marketing are most effective

Based on the table above, all the INFs agreed that establishing a strong relationship with customers is one of the best ways to promote their business during a crisis. INF “A1” also emphasised that:

“Giving the best service to customer is our top priority. Customer loyalty is important for business like mine.”

(Part B, Q1, A1)

Only INF “H” did not establish a relationship with the customer since her business is a self-service type of business. She also added that she provided a comfortable environment in her premise to ensure her customers’ satisfaction.

Next, INFs were asked whether they have tried using online and digital marketing or not. 11 out of 13 INFs have been using online and digital marketing to promote their business to others. INF “G” added that online marketing is the fastest way to promote his business during a crisis.

“It is really quick to promote my gym and my supplement, especially during the MCO period. Majority of my clients knew my gym and the supplements that I sell from Facebook”

(Part B, Q1, G)

Only INFs “A2” and “H” did not try online and digital marketing. Both of them rely heavily on the strategic placement of their premise.

Furthermore, researcher and INFs discussed the best marketing activities that are effective for their business during a crisis. It can be concluded that 12 out of 13 INFs find that online marketing and customer relationship marketing are the best way to ensure customers choose their service during a crisis. Only INF “H” finds that freebie marketing strategy is the most effective way.

“As for my gym, online marketing is good for attracting new customers, but to attract the same customers to come again, establishing a relationship with them is one way to do it. During MCO, I prefer to use online marketing.”

(Part B, Q1, G)

Generally, to ensure their business survives this crisis, most of the INFs choose to do online marketing to attract customers.

4.1.2.2 Business continuity strategies used for business’ finance during Covid-19 pandemic

Table 4.1.2.2 illustrate the summary of the findings based on the business continuity strategies used by Muslim entrepreneurs during Covid-19 pandemic regarding business’ finance.

Table 4.1.2.2
The Business Continuity Strategies Used by Muslim Entrepreneurs in the Service Sector During Covid-19 pandemic-Finance

Question 2: How did you overcome the impacts of Covid-19 pandemic on business’s finance during crisis		
INF	Summary	Financial Strategy
A1	<ul style="list-style-type: none"> - Have an emergency saving specifically for emergency purpose only - Have a proper planning- List down the essential cost and non-essential costs - <i>Syura</i> with employee - Evaluate all the cost - Gain capital from savings - Did monitor the cash flow - Keep track by record any transactions - Has no alternative way to earn side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow daily • Evaluate monthly cost • Depend on savings • Don’t have side income
A2	<ul style="list-style-type: none"> - Have a saving - Make a financial analysis - List and eliminate essential cost - Gain capital from savings - Did monitor the cash flow - Has no alternative way to earn side income 	<ul style="list-style-type: none"> • Have a financial reserve • Do a financial analysis • Monitor cash flow daily • Evaluate monthly cost • Depend on savings • Don’t have side income
A3	<ul style="list-style-type: none"> - Have a saving but spent it on renovating premise - Have a proper planning - Remove all the non-essential cost - Gain capital from savings - Did monitor the cash flow - Has multiple alternative ways to earn side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow daily • Evaluate monthly cost • Depend on savings • Have side income

B1	<ul style="list-style-type: none"> - Have a saving - Have a proper planning - <i>Syura</i> with employee - Has removed non-essential costs - Gain capital from savings - Did monitor the cash flow - Has multiple ways to earn side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow daily • Evaluate monthly cost • Depend on savings • Have side income
B2	<ul style="list-style-type: none"> - Have spent most of her saving in renting a new premise - Evaluate financial planning - Has removed non-essential costs - Gain capital from savings - Did monitor the cash flow - Has multiple ways to earn side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow daily • Evaluate monthly cost • Depend on savings • Have side income
C	<ul style="list-style-type: none"> - Always ensure there is specific amount of money in saving account - Have a proper planning - <i>Syura</i> with employee - Has removed non-essential costs - Gain capital from savings - Did monitor the cash flow - Has multiple ways to earn side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow daily • Evaluate monthly cost • Depend on savings • Have side income
D	<ul style="list-style-type: none"> - Have a saving account - Eliminate unnecessary expenses - Evaluate and eliminate non-essential costs - Capital from savings and reduce monthly capital - Did monitor the cash flow - Has a part time job to gain side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow monthly • Evaluate monthly cost • Depend on savings for capital • Have side income
E	<ul style="list-style-type: none"> - Have a saving account - Reduce cost of operating - Reduce and eliminate the non-essential cost - Capital from financial assistance by government and business savings - Did monitor the cash flow - Trading and investing to gain side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow daily • Evaluate monthly cost • Depend on savings and financial assistance for capital • Have side income
F	<ul style="list-style-type: none"> - Have a saving account - Always make a savings as backup - Did not face any big problem in financial management - Capital from previous month profit and business savings - Did monitor the cash flow - Has an investment to gain side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow daily • Evaluate monthly cost • Depend monthly revenue for capital • Have side income
G	<ul style="list-style-type: none"> - Have a saving account - Selling asset to pay cost of operation - Eliminate the non-essential cost - Capital from personal savings and financial assistance from government - Did monitor the cash flow - Has a part time job to gain side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow monthly • Evaluate monthly cost • Depend on savings and financial assistance for capital • Have side income
H	<ul style="list-style-type: none"> - Have a saving account - Have a proper financial planning 	<ul style="list-style-type: none"> • Have a financial reserve

	<ul style="list-style-type: none"> - Eliminate the non-essential cost - Capital from personal saving and business saving and financial assistance - Did monitor the cash flow - Has another small business to gain side income 	<ul style="list-style-type: none"> • Have a proper financial planning • Monitor cash flow monthly • Evaluate monthly cost • Depend on savings and financial assistance for capital • Have side income
I	<ul style="list-style-type: none"> - Have a saving account - Borrow money from family member - Reduce the non-essential cost - Capital from personal saving and money from family member - Did monitor the cash flow - Have another job to gain side income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow daily • Evaluate monthly cost • Depend on savings and financial assistance for capital • Have side income
J	<ul style="list-style-type: none"> - Have a saving account - Use personal saving and financial assistance from government - Did not have any non-essential cost - Capital from personal savings and financial assistance - Did monitor the cash flow - Does not has any other way to gain income 	<ul style="list-style-type: none"> • Have a financial reserve • Have a proper financial planning • Monitor cash flow daily • Evaluate monthly cost • Depend on savings and financial assistance for capital • Don't have side income

Based on the table above, 11 out of 13 INFs have a financial reserve for their business that is ready to be used in case of emergency such as this Covid-19 pandemic. Unfortunately, two out of 13 INFs have used their savings before the crisis. INF "A3" has spent his saving before the Covid-19 pandemic to renovate his premise, and INF "B2" has also spent her saving to rent a new premise for her business.

"I have emergency savings for my business. At the very beginning of my business, I always train myself to make emergency savings for my business so that if any unexpected accident happens, I have spare money to recover my business"

(Part B, Q2, A1)

Second, INFs were asked about their financial management during the MCO period. The findings show all INFs said that having proper financial planning is crucial during the MCO period. INFs "A1", "B1" and "C" preferred to discuss their financial plan with their

employees to exchange opinions and ideas among their employees. Only INF “G” has to sell his assets in order to ensure his business survive during this crisis.

“During this pandemic, the amount of profit that I earned is insufficient to pay the cost of operation. I have to use other alternative such as sell some of my gym equipment to sustain my business.”

(Part B, Q2, G)

Thirdly, all INFs monitored their business’ cash flow. INF “I” said that he has been monitoring his business’ cash flow daily in order to understand the spending behaviour of his customer during this crisis.

“During this pandemic, I will monitor my cash flow daily. Most customers have changed their spending behaviour prior to the Covid-19 pandemic.”

(Part B, Q2, I)

Fourthly, 12 out of the 13 INFs have also re-evaluated back their business’ cost of operation and eliminated any non-essential cost in order to reduce their overall cost of operation during this crisis. INF “D” said that since her business has implemented the “work from home” concept as suggested by the government, her business is no longer renting a premise.

“We evaluate all the costs that my business has to pay and decide if it is essential during this time. Since we have been working from home as encouraged by government, we no longer renting a premise to make it as our office.”

(Part B, Q2, D)

Fifthly, INFs were asked about the ways of gaining business’ capital during this crisis.

Based on the findings, all INFs gain business’ capital from their business’ savings. Five

out of the 13 INFs had to use their personal savings for their business survivability during this crisis. INF “I” also added that he has to borrow money from his family members.

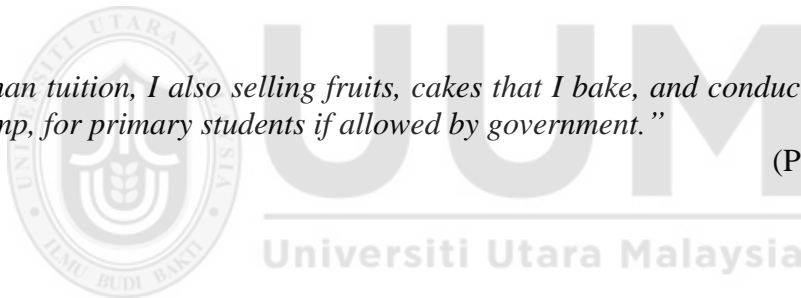
“Usually I will be taking some money from my personal savings as capital for my store. Plus, my family members are willing to assist me if I don’t have enough money.”

(Part B, Q2, I)

Lastly, in terms of having a different source of side income during this crisis, only INFs “A1”, “A2” and “J” did not have any side income. Eight out of 13 INFs have either started a small business or have a part-time job during this crisis since their main business unable to generate much revenue as usual.

“Other than tuition, I also selling fruits, cakes that I bake, and conduct an event, Solah camp, for primary students if allowed by government.”

(Part B, Q2, B2)



4.1.2.3 Business continuity strategies used for business’ operation during Covid-19 pandemic

Table 4.1.2.3 shows the summary of the findings based on the business continuity strategies used by Muslim entrepreneurs during Covid-19 pandemic regarding business’ operation.

Table 4.1.2.3

The Business Continuity Strategies Used by Muslim Entrepreneurs in the Service Sector During Covid-19 Pandemic -Operation

Question 3: How did you overcome the impacts of Covid-19 pandemic on business’s operation during crisis?		
INF	Summary	Strategy for operation management
A1	- Take away and delivery service - Budget has been decrease	<ul style="list-style-type: none"> • Enhance existing service • Monthly budget are reduced
A2	- Add new dish that are cheap - Budget has been decrease	<ul style="list-style-type: none"> • Enhance existing service • Monthly budget are reduced

A3	- Offer a new service (delivery service) - Budget has been decrease	<ul style="list-style-type: none"> • Enhance existing service • Monthly budget are reduced
B1	- Add more class and new target market - Budget has been increase	<ul style="list-style-type: none"> • Widened target market • Monthly budget are increased
B2	- Switch target market from secondary school students to primary school students - Add more class - Budget has been increase	<ul style="list-style-type: none"> • Change target market • Monthly budget are increased
C	- Change the price of service due to SOP - Budget has been decrease	<ul style="list-style-type: none"> • Reduce price • Monthly budget are reduced
D	- Change from working at office to working from home - Offer service limited in Malaysia only - Budget has been decrease	<ul style="list-style-type: none"> • Change working location • Monthly budget are reduced
E	- Employee has to multitask - Budget has been decrease	<ul style="list-style-type: none"> • Expand the job scope of employee • Monthly budget are reduced
F	- Employee has to multitask - Selling on online platform - Budget has been increase	<ul style="list-style-type: none"> • Expand the job scope of employee • Monthly budget are increased
G	- Changes in working hour and set a limit in number of customer allowed to enter in at the same time - Budget has been decrease	<ul style="list-style-type: none"> • Change in working hour • Monthly budget are reduced
H	- Budget still remain the same and will change based on the profit level earned	<ul style="list-style-type: none"> • Monthly budget depend on monthly revenue
I	- Offer a new service (delivery) and customer can pay online - Budget has been slightly decrease	<ul style="list-style-type: none"> • Enhance existing service • Monthly budget are reduced
J	- Additional working hours and tasks - Open during weekend - Budget has been slightly decrease	<ul style="list-style-type: none"> • Increase working hour • Monthly budget are reduced

Based on the table above, it can be concluded that 12 out of 13 INFs have changed their business' operation in order to adapt their business in the current situation. INF "D" has allowed her employees to work from home. Another INF, INFs "E", "F" and "J" stated that they gave their employee multiple tasks to do. INFs "A1", "A2", "A3" and "I" are enhancing their existing service by providing delivery service for customers. INF "B1" and "B2" mentioned that they widened their target market to students that are from families that have low income.

Further, all the INFs have either improved their current service or offered a new service that is convenient to customers during this crisis. Four out of 13 INFs have offered a pickup

and delivery service to customers. INF “B1” has offered an online class for her students.

INF “J” explained that she has added a new operation hour which is during weekend.

“We have also been working during the weekend. Clients that have to work on weekends can send their children here. I am just so happy I can ease the burden of our front liners”

(Part B, Q3, J)

In terms of the monthly budget of business, 12 out of 13 INFs have changed their monthly budget. Eight out of 13 INFs have reduced their monthly budget, and five out of 13 INFs have increased their monthly budget. Only INF “H” did not change her budget.

“Monthly budget has slightly decreased. I only focus on buying essential items more since most customers are only interested in purchasing the essential items. Even though I have reduced the quantity of non-essential items, the supplier of essential items has increased the price of their goods”

(Part B, Q3, I)

In general, all INF able to adapt their business’ operation with the current situation in order to ensure their business to keep operating during this crisis, even on reduced scale.

4.1.2.4 Business continuity strategies used for business’ workforce during Covid-19 pandemic

Table 4.1.2.4 display the summary of the findings based on the business continuity strategies used by Muslim entrepreneurs during Covid-19 pandemic regarding business’ workforce.

Table 4.1.2.4

The Business Continuity Strategies Used by Muslim Entrepreneurs in the Service Sector During Covid-19 Pandemic-Workforce

Question 4: How did you overcome the impacts of Covid-19 pandemic on business' workforce during Covid-19 pandemic?		
INF	Summary	Strategy for workforce management
A1	<ul style="list-style-type: none"> - Owner did have a discussion with employee - Changes in salary - Depend on the profit earned - Manage workforce as usual 	<ul style="list-style-type: none"> • Discussed with employee (Syura) • Salary depend on the profit earned
A2	<ul style="list-style-type: none"> - Owner did have a discussion with employee - No changes - Manage workforce as usual 	<ul style="list-style-type: none"> • Discussed with employee (Syura)
A3	<ul style="list-style-type: none"> - Owner did have a discussion with employee - Changes in salary - Depend on the profit earned - Manage workforce as usual 	<ul style="list-style-type: none"> • Discussed with employee (Syura) • Salary depend on the profit earned
B1	<ul style="list-style-type: none"> - Owner did have a discussion with employee - No changes is made - Manage workforce as usual 	<ul style="list-style-type: none"> • Discussed with employee (Syura)
B2	<ul style="list-style-type: none"> - Owner did have a discussion with employee - Employee has been laid-off 	<ul style="list-style-type: none"> • Discussed with employee (Syura)
C	<ul style="list-style-type: none"> - Owner did have a discussion with employee - Changes in salary and working hour - Employee taking turn each time 	<ul style="list-style-type: none"> • Discussed with employee (Syura) • Salary depend on the profit earned • Due to low budget, employees will have to turn to work.
D	<ul style="list-style-type: none"> - Owner did a discussing with employee about the response plan for crisis - Reduce employee' salary 	<ul style="list-style-type: none"> • Discussed with employee (Syura) • Employees' salary is reduced
E	<ul style="list-style-type: none"> - Owner did a discussing with employee about the response plan for crisis - Reduce allowance and salary of employee - Employee on job rotation each month. 	<ul style="list-style-type: none"> • Discussed with employee (Syura) • Employees' salary is reduced • Job rotation
F	<ul style="list-style-type: none"> - Owner did a discussing with employee about the response plan for crisis 	<ul style="list-style-type: none"> • Discussed with employee (Syura)
G	<ul style="list-style-type: none"> - Owner did a discussing with employee about the response plan for crisis 	<ul style="list-style-type: none"> • Discussed with employee (Syura)
H	<ul style="list-style-type: none"> - None 	<ul style="list-style-type: none"> •
I	<ul style="list-style-type: none"> - Owner did a discussing with employee about the response plan for crisis 	<ul style="list-style-type: none"> • Discussed with employee (Syura)
J	<ul style="list-style-type: none"> - Owner did a discussing with employee about the response plan for crisis - Encourage employee to working as a team 	<ul style="list-style-type: none"> • Discussed with employee (Syura)

Based on the thematic analysis, it is found that 11 out of 13 INFs discussed with their employee and explained their response plan of the crisis to them. INF "A1" explained the situation further:

“I did discuss and explain first to my employee on what my business is experiencing during this crisis. We all agree that in this hardship, there is no boss. Everyone is equal, which means everyone has to do the job together and the payment of salary is all the same depending on the profit earned.”

(Part B, Q4, A1)

One of the response plans is the changes in employee’ salary during this crisis. Five out of 13 INFs have reduced their employee’ salary during this crisis in order to reduce cost of operation. Meanwhile, only INF “F” has increased the employee’ allowance during this crisis. Four out of 13 INFs did not change their employee’ salary. INF “J” explained the situation further:

“I did not make any changes in their salary. They still get the same amount of payment. They have helped me multiple times so I would not reduce their salary. They also have to work extra hours as an exchange. As long as I am able to pay their salary, I will do so.”

(Part B, Q4, C)

Next, only three out of 13 INFs used a different strategy in managing their workforce during this crisis, while other INFs keep managing as usual. INF “E” mentioned that his employee will do job rotation every month. INF “E” added that:

“We have been doing job rotation for our employees during this pandemic. Meaning everyone has to experience and learn mostly everything such as cleaning the room, becoming a receptionist, working in the cooking department and many others. This is to ensure each employee has a basic skill in managing each department.”

(Part B, Q4, E)

To conclude, most INFs have changed their business’ workforce in order to keep operating during this crisis.

4.1.3 Theme 3: The business recovery strategies planned by entrepreneurs in the service sector for post-Covid-19 pandemic period

The findings presented in this section will answer the third research question of this study, which is “*how entrepreneurs in the service sector plan to recover their business for the post-pandemic period?*”. This section will review and elaborate the findings based on the business recovery strategies planned by entrepreneurs in the service sector for the post-Covid-19 pandemic period. This section can be divided into four major segments, which are in the term of business’ marketing, business’ financial, business’ operation and business’ workforce.

4.1.3.1 Business recovery strategies planned for business’ marketing for post-Covid-19 pandemic period

Table 4.1.3.1 present the summary of the findings based on the business recovery strategies planned by Muslim entrepreneurs for post-Covid-19 pandemic regarding business’ marketing.

Table 4.1.3.1

Business Recovery Strategies Planned by Muslim Entrepreneurs in the Service Sector for post-Covid-19 pandemic period-Marketing

Question 1: How did you plan to recover the business’ marketing?		
INF	Summary	Marketing strategy for recovery
A1	- Operate as usual. Hoping that business can operate normally in the post-pandemic period.	• Run as usual
A2	- Intend to introduce new product with cheap price	• Introduce new product
A3	- Focus more on online marketing - Discounted price will be given if purchase more than 3 jars	• Utilize online marketing
B1	- Advertise on social media - Promotion for parent that has low income	• Utilize online marketing
B2	- Promoting to customers through online platform	• Utilize online marketing
C	- Casually promote on social media	• Utilize online marketing
D	- Utilize the established relationships with customers	• Utilize customer relationship marketing

E	- Prioritize the usage of online marketing	• Utilize online marketing
F	- Prioritize the usage of online marketing	• Utilize online marketing
G	- Prioritize trusted relationships with customers	• Utilize online marketing
H	- None	•
I	- Discount on non-essential item	• Discount pricing
J	- Prioritize trusted relationships with customers	• Utilize customer relationship marketing

Table 4.1.3.1 shows mixed findings regarding the business recovery strategies planned for their business. Only one out of 13 INFs stated she will focus her business on a different target market. INF “A2” said that her new target market will be those who have low purchasing power during this crisis.

“I did however planned to introduce a new dish for customer that has low income.”

(Part C, Q1, A2)

Six out of 13 INFs stated they will utilize an online platform to do marketing activity for their business. Only INFs “D” and “G” will utilize their relationship with customers. Only one INF which INF “I” planning to give discounted price on his service to customers.

4.1.3.2 Business recovery strategies planned for business’ finance for post-Covid-19 pandemic period

Table 4.1.3.2 illustrates the summary of the findings based on the business recovery strategies planned by Muslim entrepreneurs for post-Covid-19 pandemic period regarding business’ finance.

Table 4.1.3.2

Business Recovery Strategies Planned by Muslim Entrepreneurs in the Service Sector for post- Covid-19 Pandemic period -Finance

Question 2: How did you plan to recover the business' finance?		
INF	Summary	Financial strategies for recovery
A1	- Did not apply any initiative from <i>Tabung Ekonomi Kumpulan Usaha Niaga</i> (TEKUN)	• Did not apply for financial assistance
A2	- Did not apply any initiative from <i>Tabung Ekonomi Kumpulan Usaha Niaga</i> (TEKUN)	• Did not apply for financial assistance
A3	- Did applied for initiative from <i>Tabung Ekonomi Kumpulan Usaha Niaga</i> (TEKUN)	• Applied for financial assistance
B1	- Cannot apply initiative from <i>Tabung Ekonomi Kumpulan Usaha Niaga</i> (TEKUN)	• Did not apply for financial assistance
B2	- Don't know how to apply initiative from <i>Tabung Ekonomi Kumpulan Usaha Niaga</i> (TEKUN)	• Do not know how to financial assistance
C	- Did applied for initiative from <i>Tabung Ekonomi Kumpulan Usaha Niaga</i> (TEKUN) to pay premise rent	• Applied for financial assistance
D	- Not eligible to apply for TEKUN	• Did not apply for financial assistance
E	- Not eligible to apply for TEKUN	• Did not apply for financial assistance
F	- Not eligible to apply for TEKUN	• Did not apply for financial assistance
G	- Did apply for TEKUN	• Applied for financial assistance
H	- Not eligible to apply for TEKUN	• Did not apply for financial assistance
I	- Did apply it for TEKUN	• Applied for financial assistance
J	- Did apply it for TEKUN	• Applied for financial assistance

Based on the table above, 11 out of 13 INFs are interested to apply for *Tabung Ekonomi Kumpulan Usaha Niaga* (TEKUN) initiative in order to recover their business' financial during and after the crisis. However, only five out of 13 INFs have successfully applied and received the financial assistance for their business.

"It definitely helps me to pay some of my overdue debt such as rent of my premise"

(Part C, Q2, J)

INFs that did not apply for any financial assistance are either not eligible or did not suffers any big loss.

“I knew about the initiative, but I did not apply it. Alhamdulillah, my business right now is stabilizing slowly. Although I did not earn an enormous amount of profit like before, I also did not suffer any major loss that can cause my restaurant to go bankrupt.”

(Part C, Q2, A1)

Therefore, it can be said that majority of the entrepreneurs in service sector preferred to enhance their service in order to recover back their business’ finance rather than keep relying on financial assistance from government.

4.1.3.3 Business recovery strategies planned for business’ operation for post-Covid-19 pandemic period

Table 4.1.3.3 illustrates the summary of the findings based on the business recovery strategies planned by Muslim entrepreneurs for psot-Covid-19 pandemic period regarding business’ operation.

Table 4.1.3.3
Business Recovery Strategies Planned by Muslim Entrepreneurs in the Service Sector for Post-Covid-19 Pandemic period –Operation

Question 3: How did you plan to recover the business’ operation?		
INF	Summary	Recovery strategies for business’ operation
A1	- Able to adapt to new normal by providing take away service and interact with customers through online platform.	• Enhance current service
A2	- Able to adapt to new normal and ready to use any online platforms that are available to attract more customers	• Enhance current service
A3	- Already used digital marketing - Able to adapt to new normal	• Enhance current service
B1	- Able to adapt to new normal by providing online classes	• Utilize the technology available
B2	- Take time to adapt to new normal, primary school students has start adapting with new way of learning which is by online classes	• Utilize the technology available
C	- Able to adapt to new normal, focus more on online marketing	• Utilize the technology available
D	- Able to adapt to new normal, work from home.	• Change working location
E	- Able to adapt to new normal, expose employees to various job scope	• Train employee to do new job
F	- Able to adapt to new normal by focusing on using online marketing	• Utilize the technology available

G	- Able to adapt to new normal by utilizing online platform, such as social media, to attract more customers	• Utilize the technology available
H	- Able to adapt to new normal, regularly clean and sanitize the premise	• Keep premise clean for customers' safety
I	- Able to adapt to new normal, utilize online marketing and using online platform to interact with customers	• Utilize the technology available
J	- Able to adapt to new normal, adding new working hour on weekend.	• Adding extra working hour

Based on the table above, all the INFs agreed that changes in business' operation need to be made. Only one INF added extra working hours. Six out of 13 INFs have implemented a usage of technology into their business' operation and planning to keep on exploring and try any available technology that can be implemented into their business in the future.

“With online are becoming a normal way of teaching and learning, it easier for me to reach out many more students from all over the state in the future”

(Part C, Q3, B1)

Overall, it can be said that all INFs agreed that they must adapt with the changes of new normal in order to survive during the crisis and recover their business in post-pandemic period.

4.1.3.4 Business recovery strategies planned for business' workforce for post-Covid-19 pandemic period

Table 4.1.3.4 displays the summary of the findings based on the business recovery strategies used by Muslim entrepreneurs for post-Covid-19 pandemic period regarding business' workforce.

Table 4.1.3.4

Business Recovery Strategies Planned by Muslim Entrepreneurs in the Service Sector for post- Covid-19 Pandemic period -Workforce

Question 4: How did you plan to recover the business' workforce?		
INF	Summary	Recovery strategy for business' workforce
A1	- Did not reshape her business workforce - Did not have any problem in managing workforce	• Manage as usual, did not face any issue in managing workforce
A2	- Did not reshape her business workforce - Did not have any problem in managing workforce	• Manage as usual, did not face any issue in managing workforce
A3	- Did not reshape his business workforce - Did not have any problem in managing workforce	• Manage as usual, did not face any issue in managing workforce
B1	- Did not reshape her business workforce - Did not have any problem in managing workforce	• Manage as usual, did not face any issue in managing workforce
B2	- Did not reshape her business workforce - Already laid-off all of her employee	• Manage as usual, has no intention to reshape her workforce.
C	- Did reshape his business workforce - Will try different approach with new employee - Be more strict	• Eliminate all the unproductive employees • Only hire new employees are serious to work.
D	- Did not reshape her business workforce - Did not have any problem in managing workforce	• Manage as usual, did not face any issue in managing workforce
E	- Did reshape his business workforce - Give opportunity to employee	• Train employee to be a leader
F	- Did not reshape her business workforce - Friendly to employee in order to build teamwork and great understanding	• Give attention to employees
G	- Establish a good relationship with employee	• Encourage teamwork among employee and leader.
H	- None	•
I	- Did not reshape her business workforce - Treat employee professionally and friendly	• Encourage teamwork among employee and leader
J	- Did not reshape her business workforce - To enhance the relationship with employer and employee	• Encourage teamwork among employee and leader

Based on the table above, only two out of 13 INFs see this crisis as an opportunity to reshape their business' workforce and seize it. INF "C" added that:

“Even before the crisis started, all of my part-time employees were working really facetiously. This is suitable time for me reshape back my workforce by selecting those who really serious to work.”

(Part C, C, Q4)

Next, INFs were asked if they will use a different engagement in managing their workforce. Seven out of 13 INFs stated they will use a different engagement in managing their workforce. INF “E” said that they will give more opportunity to their employees in the future.

“During this pandemic, sometimes I let some of them be a leader and make decisions for the team. It to train the be a good leader and to build self-confidence and leadership”

(Part C, Q4, E)

The other INFs listed building a good relationship with employees, treating employees professionally and give more attention to employees as their new way of engagement in managing their business’ workforce.

Thus, in terms of recovery strategies plans for business workforce for post-pandemic period, it can be said that most of the entrepreneurs in the service sector do not have any problems with their employees to begin with.

4.2 Chapter summary

This chapter presented the findings of the research and categorized it according to themes that have been set. Below are tables that summarized the findings of these studies that have been presented in this chapter. Table 4.2.1 summarized the impacts of Covid-19 pandemic on Muslim SMEs as presented above. Based on the interview data, the themes of impacts can be categorized and identified as, Marketing: (1) effective marketing activities; (2)

ineffective marketing activities; Finance: (3) profit level raises; (4) cash flow problems; (5) debt management problems; (6) access to stimulus package; Operation: (7) changes in customer's behaviour; (8) supply chain disruption; (9) changes in customer's purchasing power; (10) adaptability of the usage of technology in business; Workforce: (11) downsize employee; (12) changes in employee's salary; (13) employees training.

No.	Themes of impacts	INFs	Percentage of respondents that experienced the same impact
1	Effective business' marketing activities (4Ps).	A3, B1, F, H	31 %
2	Ineffective business' marketing activities (4Ps).	A1, A2, B2, C, D, E, G, I, J	69%
3	Profit level raises	B1, F	15%
4	Cash flow problems	A1, A2, A3, B2, C, D, E, G, H, I, J	85%
5	Debt management problems	B2, C, D, G	30%
6	Access to stimulus package	A3, B2, D, E, G, H, J	54%
7	Changes in customer's behaviour	E,G,H	92%
8	Supply chain disruption	A1, F, G, I	31%
9	Changes in customer's purchasing power	A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J	100%
10	Adaptability of the usage of technology in business	A1, A2, A3, B1, B2, C	46%
11	Downsize employee	B2, E, G	23%
12	Changes in employee's salary	A1, A3, C, D, E, I	46%
13	Employees training	A2, B1, C	23%

Table 4.2.1: *Impacts of Covid-19 pandemic on Muslim SMEs*

Next, Table 4.2.2 summarized the business continuity strategies used by Muslim SMEs during the Covid-19 pandemic period that have been presented in the previous section. Based on the interview data, the themes of impacts can be categorized and identified as, Marketing: (1) establish a good relationship with customers; (2) utilize digital marketing; Finance: (3) have a financial reserve; (4) have a proper financial planning; (5) monitor cash flow; (6) evaluate monthly cost; (7) use savings as monthly capital; (8) have a side income;

Operation: (9) changed the way of operating; (10) increase monthly budget; (11) increase monthly budget; Workforce: (12) discussed response plans with employees.

No.	Themes of business continuity strategies used by Muslim SMEs	INFs	Percentage of respondents that used the same strategies
1	Establish a good relationship with customers	A1, A2, A3, B1, B2, C, D, E, F, G, I	85%
2	Utilize digital marketing	A1, A3, B1, B2, C, D, E, F, G, I	77%
3	Have a financial reserve	A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J	100%
4	Have a proper financial planning	A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J	100%
5	Monitor cash flow	A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J	100%
6	Evaluate monthly cost	A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J	100%
7	Use savings as monthly capital	A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J	100%
8	Have a side income	A3, B1, B2, C, D, E, F, G, H, I	77%
9	Changed the way of operating	B1, B2, C, D, E, F, I, J	62%
10	Decrease monthly budget	A1, A2, A3, C, D, E, G, I, J	69%
11	Increase monthly budget	B1, B2, F	23%
12	Discussed response plans with employees	A1, A2, A3, B1, B2, C, D, E, F, G, I, J	92%

Table 4.2.2: *The business continuity strategies used by Muslim SMEs during the Covid-19 pandemic*

Lastly, Table 4.2.3 summarized the business recovery strategies planned by Muslim SMEs for the post-Covid-19 pandemic period that have been presented in the previous section. Based on the interview data, the themes of impacts can be categorized and identified as, Marketing: (1) prepared different strategies for marketing; Finance: (2) relied on stimulus package; Operation:(3) prepared different strategies for operation management; Workforce: (4) prepared different strategies for workforce management; (5) reshaped business' workforce.

No.	Business recovery strategies planned by Muslim SMEs for the post-Covid-19 pandemic period	INFs	Percentage of respondents that planned the same strategies
1	Prepared different strategies for marketing	A2,I	15%
2	Relied on stimulus package	A3,C,G,I,J	38%
3	Prepared different strategies for operation management	D,E,H,J	31%
4	Prepared different strategies for workforce management	C,E,F,I	31%
5	Reshaped business' workforce	C,E,G	23%

Table 4.2.3: *Business Recovery Strategies Planned by Muslim SMEs for the post-Covid-19 pandemic period*

The next chapter will thoroughly discuss the findings in order to answers the research questions, fulfil the research objectives of this study, describe and review the recommendations and draw a conclusion for this study.



CHAPTER 5

DISCUSSION, RECOMMENDATIONS AND CONCLUSION

5.1 Introduction

This chapter comprises three sections, starting with the discussion of the findings. Next, the second part will discuss a recommendation related to the business continuity strategies and business recovery strategies for entrepreneurs. Lastly, a conclusion of the research will be drawn.

5.2 Discussion

Based on the findings in the previous chapter, this section will discuss exhaustively on the findings of this research and the correlation between findings and the literature that has been reviewed in chapter two. This section comprised three parts. The first part discusses the impacts of Covid-19 on entrepreneurs in the service sector. The second part is discussed business continuity strategies used by entrepreneurs in the service sector during a crisis. The third part is discusses the business recovery strategies planned by entrepreneurs in service sector post-Covid-19 pandemic period.

5.2.1 The impacts of Covid-19 on SMEs' entrepreneurs in the service sector

This section will answer the first research question of the study. The impacts of Covid-19 on entrepreneurs in the service sector in this study are categorised into four parts and will be discussed in detail in this section. It relates with marketing, finance, operation and workforce.

5.2.1.1 Impacts of Covid-19 pandemic on business' marketing

Based on the findings shown in the previous section, most of the INFs highlight their main concerns, which is the disruption of their marketing activities because of the Covid-19 pandemic. Most INFs agreed that most marketing activities that have been done during the MCO period have become less effective compared than before, especially marketing activities by entrepreneurs in the tourism sector. This is because the movement restriction order by the government has limited the movement and activity of people, ergo, as consumers stay at home and it shuts economies down as reported by Tucker (2020). Even though customers are aware of any promotions made by the entrepreneurs, customers cannot seize the promotions. As a result, marketing activities become successful in terms of advertisement but inefficient in terms of profit generation.

In addition, INFs in the tourism and travel industry stated that they only do marketing activities on a small scale since the Covid-19 pandemic is still ongoing; thus, this crisis of Covid-19 pandemic has scarred the tourism industry. This has confirmed the result of Asmelash & Cooper (2020).

However, not all industries suffered the same fate. Entrepreneurs in the pharmacy and tuition provider sectors, on the other hand, have claimed the contrary. Throughout the Covid-19 pandemic period, all marketing practices, such as promotion, advertisement, and online marketing, have had a positive impact on their business. This occurred because consumers deemed their service is essential during this crisis.

These results corroborated findings by Donthu & Gustafsson (2020) that Internet-based companies, such as those linked to food distribution, online entertainment, online

schooling, online shopping, and remote job solutions, are able to survive during this crisis. Some sectors going well include those relating to medicine and healthcare, as well as herbs and vitamins.

As a Muslim entrepreneur, they should analyze the impacts and try to come out with a proper solution in order to survive this Covid-19 pandemic. As for industries that are thriving during this crisis, it is reminded that they should utilize this opportunity to earn profit as long as it does not lead to tyranny and oppression on consumers. One of the many translation of hadiths that explained about this matter can be found below:

“O traders! Indeed, the devil and sin are present in trading activities. So purify your trading by giving alms.”

(Narrated by al-Tirmidhi)

In conclusion, answering the first research question, it can be said that not all industries in the service sector suffered a negative impact from Covid-19 pandemic. Businesses that are heavily affected are the one in the tourism industry. Meanwhile, businesses in medication, healthcare and internet-based are flourishing during Covid-19 pandemic. Thus, making their marketing activities producing a different result during this crisis.

5.2.1.2 Impacts of Covid-19 pandemic on business' financial

Based on findings, it can be said that most entrepreneurs in the service sector are suffering a profit loss during Covid-19 pandemic. Only three out of 13 INFs stated the opposite. All INFs that suffered a loss in their monthly profit agreed that most customers had low purchasing power during Covid-19 pandemic to begin with. Thus, most customers prioritize purchasing items and services that they find essential during this crisis.

Additionally, debt management also became one of the primary concerns of the entrepreneurs in business' finances during Covid-19 pandemic. An INF from the gym and service industry currently are struggling financially to pay his business related debt, during this crisis.

The majority of entrepreneurs who are suffering revenue loss are depending on government financial support and assistance to keep their businesses afloat through this crisis. Even so, the financial aid will only keep their business running for a month or two. The financial assistance and moratorium provided are just a short-term remedy because they cannot sustain the company in the long run. These entrepreneurs must figure out how to handle their financial problems that arise due to the Covid-19 pandemic.

Comparing findings with the literature, the government's order to close all non-essential physical stores forced SMEs in the service sector to temporarily halt their operations. Other essential industry businesses that cater to people's domestic needs and necessities may continue to exist, albeit on a smaller and more limited scale. As a result, cash flow issues arose, as reported by Wahyudi (2014), Craven et al. (2020) and the Department of Statistics Malaysia (2020).

Some businesses have recorded "zero revenue" after the total business shutdown during the MCO. The cash flow deficit exists when the owners are also required to make mandatory expenditures such as employee salaries, business loans, rental fees, utilities, and other fixed costs. According to INF "G", despite the commercial banks' offer of a six-month moratorium term on all business loans, he is still struggling financially because of

his low profit amount. These issues will cause financial distress and put SMEs at risk of bankruptcy. Owing to the extended confinement time, it would likely force the companies to close entirely due to bankruptcy.

Fortunately, most of the interviewed entrepreneurs mentioned their available financial reserve to sustain the business is up to the maximum period of two to seven months without sales or with sharp drops in cash inflows during the MCO period.

In conclusion, answering the first research question, most of the entrepreneurs stated that the main impacts of the Covid-19 pandemic that affected their business' finances the most is the profit loss. Thus, leaving a negative impact on their business' finances.

5.2.1.3 Impacts of Covid-19 pandemic on business' operation

According to the findings, most entrepreneurs claimed that the key factor impacting the operation of their businesses during the Covid-19 pandemic is changes in customer spending behaviour. They also stated that the changes occurred because most customers had low purchasing power. Majority of the entrepreneurs agreed consumers tend to purchase items and services that they find essential, beneficial and cheap during this crisis.

Comparing the findings with the literature, this findings in line with the result by Donthu & Gustafsson (2020) that reported changes in consumers' consumption patterns during Covid-19 pandemic. People will spend more time at home, particularly during the lockout, which will raise demand for takeout, food, and alcohol, as well as cleaning items. However, this is contradicted with the response given by INF "I", in which he stated that consumers

buy fewer non-essential items such as junk food. This shows that the findings of studies conducted outside of Malaysia are not fully applicable in the Malaysian context.

In addition, since the spending behaviour of consumers has changed, their preference way of interacting is also changed. All entrepreneurs interviewed agreed that all customers prefer to interact via hand phone or any online platform to do any business activities during this crisis. It pressured entrepreneurs who did not yet adopt the use of technologies to do so in order to survive during Covid-19 pandemic. Luckily, most INFs are willing to incorporate the use of technologies into their business.

Prior to Covid-19 pandemic period, most of the entrepreneurs were ready to implement the usage of technologies in their business. This is linked to the massive growth in Internet and social media usage. This finding reinforced a result by Nowland, Necka, & Cacioppo (2018), who reported that humans who are lonely use social media more and, sometimes, prefer social media than physical interaction. In today's world, social media has been the primary medium of communicating and socializing with others. In certain scenarios, the Internet is now helping people to obtain vital supplies and services, such as visiting a doctor. As a result, any company that does not communicate with a consumer through the internet suffered a significant loss during the Covid-19 pandemic period.

Certain INFs also added that their business highly relies on the supply chain network to function properly. INF "G" explained that the closure of suppliers' premises and operations was immediately affecting his business' operation. This shows that their ability to re-design their business direction within a brief period is quite limited. Other businesses, such as the travel agency services, are relatively more difficult to adopt changes because of the

rigidness of its resources. Therefore, confirmed the findings of Chatzoglou et al. (2018), Mahani & Suraiya (2019), Azmi et al. (2020) and the Department of Statistics Malaysia (2020).

In conclusion, answering the first research question, it can be said that all entrepreneurs in the service sector cannot operate their business as usual during Covid-19 pandemic because of changes in consumer behaviour and disruption in the supply chain. Thus, it can be said that Covid-19 pandemic brings negative impacts on business' operation of entrepreneurs in the service sector.

5.2.1.4 Impacts of Covid-19 pandemic on business' workforce

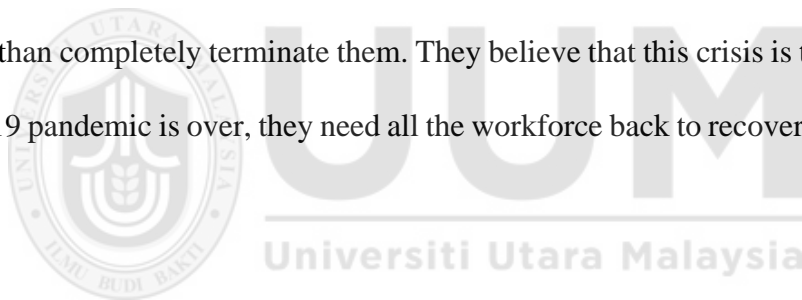
Based on the findings, despite being adversely impacted, most of the INFs did not downsize. Only three INFs downsized [INF- B2, E, G]. The three INFs who downsized have incurred losses of more than 50 percent of their usual monthly earnings. On the other hand, some INFs that did not do any retrenchment explained that they feel empathy for their employees and understand the current situation. INF "I" further added that his employees will probably end up being unemployed during this Covid-19 pandemic period. This finding has confirmed the result by Nicola et al. (2020) that reported companies were compelled to terminate their employees or send them on unpaid leave when facilities are shut down temporarily during a crisis.

Next, more than half of the INFs had to reduce their employee wages during Covid-19 pandemic period because of the meagre amount of profit earned by INFs. Plus, the entrepreneurs still have to pay their monthly fixed costs such as the premise' rent and utility

bills. Even suppliers have increased their item's price [INF- I]. These impacts have forced entrepreneurs to reduce their employee's salary in order to reduce their monthly cost.

Apart from that, employee's training is not a major issue for entrepreneurs during Covid-19 pandemic. All the employees that have been working for them already have experience and can perform the given task. Thus, this problem is not the major concern for most of the INFs.

In conclusion, it can be said that most entrepreneurs did not do any downsizing. However, they reduce their employee's wages to reduce the operation costs. Most SMEs' entrepreneurs have taken a different solution, such as sending their employees to unpaid leave, rather than completely terminate them. They believe that this crisis is temporary and once Covid-19 pandemic is over, they need all the workforce back to recover their business later.



5.2.2 Business continuity strategies used by SMEs' entrepreneurs in the service sector during Covid-19 pandemic

This section will be answering the second research question of the study. The business continuity strategies used by entrepreneurs in the service sector in this study are categorised into four parts and will be discussed in this section. They are related to marketing, finance, operation and workforce.

5.2.2.1 Business continuity strategies used for business' marketing

Based on the findings, all the INFs agreed that online marketing is the best marketing tool to be used during Covid-19 pandemic period. It is easier to interact with customers through

the internet platform and reduce the risk of getting infected by Covid-19. According to INF “G”, it is easier to reach customers from outside of the premise area. Plus, by using the most popular online platforms such as Shopee, Facebook and Agoda, entrepreneurs can reach out to many more potential customers. This finding reinforced the suggestion by Acee-Eke and Ogonu (2020) to utilize the internet in doing business since the physical store are forced to close during crisis periods.

Apart from that, businesses that have a good relationship with customers are also able to survive during Covid-19 pandemic period. Majority of the INFs also mentioned that relationship marketing can ensure their survivability of business during crisis periods. When it comes to customers, it is always better to retain the current customers than trying to acquire a new one, especially during a crisis. Thus, entrepreneurs have to constantly establish a good relationship with as many customers as possible. One way to do it is by giving excellent customer service to ensure a customers’ satisfaction.

As for businesses that do not interact with customers, INF “H” mentioned that she adopts freebie marketing strategy. By offering a free low-cost product to customers, it can add value to the business that can drive sales to the top. This can help business to stand out among the competitor, especially during a crisis.

From the interviews, it can be said that although marketing is not the main priority for entrepreneurs, it still needs to be done to ensure the survivability of their business, Online marketing are found to be the best channel to do any marketing strategies during a crisis followed by establishing a good relationship with customers.

5.2.2.2 Business continuity strategies used for business' finance

Based on the findings, most of the INFs have their own savings as backup and are ready to be used during unexpected emergencies such as external environment crisis. This is one of the major keys used by most INFs for their business to survive and sustain during Covid-19 pandemic. Those who have emergency savings can reduce the impacts of Covid-19 pandemic on their business. Further, all INFs gain their monthly capital from their business savings.

Besides, having proper financial planning is equally important as having emergency savings. Some INFs discuss their financial planning with their employees. This practice is known as *syura*, which is highly encouraged by Islamic teaching. By having a discussion or meeting with employees, entrepreneurs can get different ideas and suggestions that might be suitable. Plus, it also helps employees to feel included and assists them to understand the current situation faced by business.

Monitoring cash flow is also one of the crucial activities that need to be done daily, especially during Covid-19 pandemic. Majority of the INFs have started to monitor their business cash flow in order to gain a clear insight of it. This way, entrepreneurs are alert on the amount that is coming in and coming out from their business. It also assists entrepreneurs to identify the unnecessary costs. Almost all INFs have reevaluated their monthly costs and try to cut off which are considered unnecessary during Covid-19 pandemic.

Moreover, most entrepreneurs have different ways of earning side income during Covid-19 pandemic. Some of the ways used by them are by doing a part time job and starting a

new small business. According to INF “G”, he will be doing a part time job if his business is unable to operate. By having another source of gaining income, it is definitely able to help entrepreneurs to sustain their main business during Covid-19 pandemic.

In addition, INF “G” also has to sell his business’ assets to sustain his business. As an entrepreneur in the gym industry, he has to sell some of his training equipment to the public. Shortage of money problems faced by the entrepreneurs have forced them to adopt business flexibility strategies to maintain and enhance their financial position. Quick action, flexible resources and ability to grab new opportunities have quickly helped to sustain the cash flow and avoid the bankruptcy risks. These findings contradicted with the result by Shafi (2020) that reported most SME in Pakistan choose to close their business and apply for a loan to sustain their business. Most of the INFs did not rely on loans but searched for an alternative way to gain money to sustain their business cash flow.

It can be concluded that having savings specifically for business definitely helps entrepreneurs during an unexpected crisis. However, this solution is just for the short term. Although businesses have savings, most of them can only sustain the business for three to six months. Then, these entrepreneurs will find an alternative way to generate revenue such as, selling their assets, starting new business and eliminate unnecessary cost in order to reduce cost of operation. Entrepreneurs need to manage their finance carefully by reducing the cost of operation and eliminating any unnecessary costs.

5.2.2.3 Business continuity strategies used for business’ operation

Based on the findings, it shows that most of the entrepreneurs have taken an initiative to change their daily operation in order to adapt with the current situation. INF “D” explained

that her business allowed employees to work from home. With the presence of the internet, it has enabled certain types of business, such as travel and tour industry, to work from home. Any meeting and communication among employees will be done using an online platform. INFs from the tuition service industry explained that they widened their target market. As explained by INF “B1”, she focuses on attracting students from families that have low income intending to assist those in need. This in line with the Islamic teaching, as translation of hadith explained that:

“From Abdullah bin Umar RA said, Rasulullah SAW said: Whoever (who meet) the needs of his brother, then Allah will be with them (help) their needs, whoever relaxes the affairs of a Muslim, then Allah will relieve the hardships of his troubles in the hereafter. Whoever covers the shame of his brother, then Allah will cover his shame in the hereafter.”

(Narrated by al-Bukhari).

Besides, other INFs also mentioned that they have improved their current service and offered a new service that is convenient to customers. From the interviews, INFs from the restaurant industry have offered a delivery or pickup service, and INFs from children's daycare service have extended her operation hours into the weekend, specifically for parents that work as front liners. It can be said that most of the Muslim entrepreneurs follow and applied Islamic teaching to continue their business' operation.

With various changes that entrepreneurs have made to continue their business operation, it is undeniable that their monthly budget also has been changed. According to the interview, 12 out of 13 INFs have made drastic changes for their monthly budget. Eight INFs have reduced their monthly budget. This is because of the low level of profit earned during Covid-19 pandemic. Meanwhile, five INFs that can generate steady income from their business have increased their monthly budget because of the increase in the number of

demands from customers. SMEs that have increased their monthly budget during Covid-19 pandemic are from the pharmacy and tuition service.

In the nutshell, SMEs' entrepreneurs change their business' operation in order to adapt with the current situation. Plus, all the changes are aligned and based on the Islamic teaching. It can be said that most entrepreneurs can still sustain their business during Covid-19 pandemic but are struggling to do so.

5.2.2.4 Business continuity strategies used for business' workforce

Based on the findings, it can be seen that most entrepreneurs discussed and explained their crisis response plans with their employees. This was done to ensure that employees have a clear understanding on how severe the impacts are and how business is going to survive during this crisis. The finding is parallel with suggestion by Kumar et al. (2020) which is to provide information by sharing sessions among employees and leaders.

The most noticeable response plans that most of the entrepreneurs have done are changes in employees' salary. This happened due to the inability of SME to sustain their operations during the crisis with the current workforce. However, according to the interview, INFs from the grocery store industry and children's daycare industry did not reduce their employees' salaries. Both explained further that they are giving extra tasks and will work an extra hour as an exchange.

Apart from that, only one INF from the hotel service industry used a different way of managing the remaining workforce. As explained by the INF, employees will be on job rotation each month. Since the number of employees that are still working has been reduced

and on the minimal level, every employee has to learn different tasks from different departments. At the same time, employees also have opportunities to experience various works from other departments.

To conclude, most entrepreneurs can manage their workforce during Covid-19 pandemic. Only some entrepreneurs that have to lay off all of their employees. However, most businesses cannot keep their workforce if the MCO period keeps extended and eventually will have to let go of their employees and lead to permanent business shutdowns.

5.2.3 Business recovery strategies planned by SMEs' entrepreneurs in the service sector for post-pandemic period

This section will answer the third research question of the study. The business recovery strategies planned by entrepreneurs in the service sector in this study are categorised into four parts and will be discussed in this section. They are related to business' marketing, business' financial, business' operation and business' workforce.

5.2.3.1 Business recovery strategies planned by entrepreneurs for business' marketing

Based on the findings, various recovery strategies planned for their business marketing have been mentioned by the INFs. They all have their own marketing strategies that are suitable for them. While the majority of them plan to utilize online marketing, others still prefer the usual marketing strategy such as customer relation strategy, discount pricing and focusing on a new target market. Online marketing has been the most popular choice due to the existing online platforms such as Facebook, Shopee and few others. Online platforms are changing the way of marketing activities of businesses, which may be the best channel

to do so (Appel et al., 2019), especially after the occurrence of Covid-19 pandemic. With low cost needed, it is not surprising SME choose this as one of their ways to do marketing.

In conclusion, online marketing is the most beneficial way to be used by entrepreneurs. With all the benefits that online marketing can offer to almost every type of business, developing a professional online marketing advertisement can attract more customers and help business to grow.

5.2.3.2 Business recovery strategies planned by entrepreneurs for business' finance

Based on the finding, most of the INFs show an interest toward *Tabung Ekonomi Kumpulan Usaha Niaga* (TEKUN) initiative as a tool to recover their business' finance. Only five INFs have successfully applied and received financial assistance. The SME desperately needed a financial assistance by the government in order to reduce bankruptcy risks.

Comparing findings with the literature, this finding complemented the outcome of the study by Colombo et al. (2019) which found that most big firms that are struggling financially during crises rely on external sources of finance. Looking at the INF response, it can be said that SMEs are also relying on external sources of finance, such as financial assistance from the government, to recover their business financially.

In conclusion, most of the entrepreneurs are planning to utilize external sources for generating income to recover their business' finance. These alternative ways of generating income can help to build back their business financially during post pandemic period.

5.2.3.3 Business recovery strategies planned by entrepreneurs for business' operation

Based on the results, most entrepreneurs want to introduce and expand their use of technology in their businesses. However, INFs from the tuition service industry reported a minor issue with incorporating technology into the operation of their business. According to the INFs, the vast majority of students do not prefer to learn via online platforms. As a result, entrepreneurs in the tuition service industry could not completely implement technologies.

In summary, most of the entrepreneurs are eager to implement the usage of technology in their business. It can be said that entrepreneurs are able to slowly adapt to rapid changes that are happening.

5.2.3.4 Business recovery strategies planned by entrepreneurs for business' workforce

Based on the findings, only two out of 13 INFs that utilized the Covid-19 pandemic situation to reshape back their workforce. An INF mentioned: *“Even before the crisis started, all of my part time employees were working really facetiously. This is a suitable time for me to reshape back my workforce by selecting those who are really serious to work.”* [Inf – “I”]. With many employees with various skills are in the market, it the best opportunity for entrepreneurs to reshape back their workforce.

Furthermore, it is also the best time for entrepreneurs to change their engagement in managing the workforce to a new way of management. From the interview, seven out of 13 INFs mentioned they will change into a fresh way of managing their workforce. Some alternative ways of workforce management that have been mentioned is by giving more opportunity to employees in order to develop their self-esteem and leadership. Another

INF mentioned that to try a different way of management, which is by being strict during engaging employees.

To summarize, most of the entrepreneurs that had trouble in their workforce before the Covid-19 pandemic utilized the chaotic situation to change their way of managing the workforce. This can ensure businesses have the best workforce during and post Covid-19 pandemic.

5.2.4 Summary of discussion

This study explains the impacts of Covid-19 pandemic on Muslim SMEs' entrepreneurs, business continuity strategies used during crisis and business recovery strategies planned by interviewed Muslim entrepreneurs throughout the crisis period in Malaysia. Table 5.2.4 depicts how interviewed entrepreneurs respond to the crisis.

Crisis Phases	During Crisis			Post Crisis
MCO Period	First Month	Second Month	Third month and more	
Condition of Business	Full Closure	Half day open	Half day open	Full day open
Marketing				
Impacts	4Ps of business marketing activities are still effective [A3, B1, F, H] - 4Ps of business marketing activities are ineffective [A1, A2, B2, C, D, E, G, I J]	4Ps of business marketing activities are still effective [A3, B1, F, H] - 4Ps of business marketing activities are ineffective [A1, A2, B2, C, D, E, G, I J]	4Ps of business marketing activities are still effective [A3, B1, F, H] - 4Ps of business marketing activities are ineffective [A1, A2, B2, C, D, E, G, I J]	
Business continuity strategies	Establish a good relationship with customers	Establish a good relationship with customers	Establish a good relationship with customers	

	[A1, A2, A3, B1, B2, C, D, E, F, G, I]	[A1, A2, A3, B1, B2, C, D, E, F, G, I] Utilize digital marketing [A1, A3, B1, B2, C, D, E, F, G, I]	[A1, A2, A3, B1, B2, C, D, E, F, G, I] Utilize digital marketing [A1, A3, B1, B2, C, D, E, F, G, I]	
Business recovery strategies planned				Prepared different strategies for marketing; different promotions [A2,I]
Finance				
Impacts		Profit level raises [B1, F] Cash flow problems [A1, A2, A3, B2, C, D, E, G, H, I, J]	Profit level raises [B1, F] Cash flow problems [A1, A2, A3, B2, C, D, E, G, H, I, J] Debt management problems [B2, C, D, G] Access to stimulus package [A3, B2, D, E, G, H, J]	
Business Continuity Strategies	Have a financial reserve [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J] Have a proper financial planning [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J]	Have a financial reserve [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J] Have a proper financial planning [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J] Monitor cash flow [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J]	Have a financial reserve [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J] Have a proper financial planning [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J] Monitor cash flow [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J]	

		D, E, F, G, H, I, J] Evaluate monthly cost [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J]	E, F, G, H, I, J] Evaluate monthly cost [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J] Use savings as monthly capital [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J] Have a side income [A3, B1, B2, C, D, E, F, G, H, I]	
Business recovery strategies planned				Relied on stimulus package [A2,I]
Operation				
Impacts	Supply chain disruption [A1, F, G, I]	Changes in customer's behaviour [E,G,H] Supply chain disruption [A1, F, G, I] Customer's purchasing power are low [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J] Adaptability of the usage of technology in business [A1, A2, A3, B1, B2, C]	Changes in customer's behaviour [E,G,H] Supply chain disruption [A1, F, G, I] Customer's purchasing power are low [A1, A2, A3, B1, B2, C, D, E, F, G, H, I, J] Adaptability of the usage of technology in business [A1, A2, A3, B1, B2, C]	
Business Continuity Strategies		Changed the way of operating (Use online platform) [B1, B2, C, D, E, F, I, J]	Changed the way of operating (Use online platform) [B1, B2, C, D, E, F, I, J]	

		Decrease monthly budget [A1, A2, A3, C, D, E, G, I, J]	Decrease monthly budget [A1, A2, A3, C, D, E, G, I, J]	
		Increase monthly budget [B1, B2, F]	Increase monthly budget [B1, B2, F]	
Business recovery strategies planned				Prepared different strategies for operation management [D,E,H,J]
Workforce				
Impacts	Downsize employee [B2, E, G] Changes in employee's salary [A1, A3, C, D, E, I]	Train employees new skill [A2, B1, C]		
Business Continuity Strategies	Discussed response plans with employees [A1, A2, A3, B1, B2, C, D, E, F, G, I, J]	Discussed response plans with employees [A1, A2, A3, B1, B2, C, D, E, F, G, I, J]	Discussed response plans with employees [A1, A2, A3, B1, B2, C, D, E, F, G, I, J]	
Business recovery strategies planned				Prepared different strategies for workforce management [C,E,F,I] Reshaped business' workforce [C,E,G]

Table 5.2.4 Respondents respond to crisis

Some of these findings reinforced evidence of few past studies. INF- A1 situation where she adapted the digital marketing platform in her business reinforced evidence of Zalina et al. (2016) that business operators must embrace innovative marketing platforms. Plus, INF-B1 situation where she uses an online platform to run her tuition class for her students

reinforced evidence of Mahani & Suraiya (2019) where SMEs must embrace technologies in order to remain resilient during unexpected situations.

Hence, the ability to transform and optimize internal resources is recognized as a valuable competency's strategies supported by the RBV theory (Barney, 1991; Warnier et al., 2013). In terms of RBV, the internal strategic resources and capacities of various SMEs are different. As a result, although some entrepreneurs can switch to alternative financial and marketing strategies, others cannot. Furthermore, the uniqueness of the resources deployed in business operations can restrict the firm's capacity to respond quickly to any difficult situations or to optimize the generic aids.

5.3 Recommendations

Based on the findings and discussion in the previous chapter, there are few recommendations. The first recommendation is for entrepreneurs and the second recommendation is for academics to study and explore further regarding this matter.

Firstly, it is recommended for entrepreneurs to try using an online platform for marketing activities. The world is slowly engaged in the digital era since Covid-19 outbreak has forced many businesses to run their business through the internet. Digital marketing is cheapest and most efficient tool that are always available nowadays.

Thus, the government and non-government bodies such as SME Corporation Malaysia, are highly recommended to work together in providing training to the SMEs' entrepreneurs, regarding the benefit of utilizing online platforms, such as Shopee, to market their products all over Malaysia. These entrepreneurs need to be exposed to this opportunity, so

that their business can keep operating even during a crisis period such as Covid-19 pandemic.

Secondly, it is encouraged that businesses get prepared with strong financial reserves and emergency funds to cover at least a year overhead and other fixed costs and six months for micro size business. SMEs must have a certain degree of strategic resources and are flexible enough to mobilize during crisis periods since modern businesses are exposed to various unpredictable global crisis.

As for the government, an immediate action to improve and quickly establish the distribution mechanisms, systems and channels for all business-related stimulus packages and publicize the details precisely are desperately needed. Cooperation from numerous business development agencies by offering free and confidential business advice services to SMEs in need are also encouraged. It will assist them in smoothly navigating their business through this tough situation.

Lastly, a recommendation for academics to do further surveys and contacts with SME to get a clear grasp and come up with their real priorities, needs and wants, especially during the crisis. This will help to produce more literature regarding the impact of external environment crisis on entrepreneurs, business continuity strategy used during the crisis and business recovery strategy planned for the post-pandemic period. This is because few of the previous researchers focus on big firms and popular industries such as manufacturing. There were limited research done on small business in service sector in the urban area.

Therefore, future research should focus on in-depth analysis and proceed with appropriate quantitative study that focus on a different sample to further enhance and complement the research in the existing literature.

5.4 Conclusion

The primary goal of this study is to scrutinize the impact of Covid-19 on SME in the service sector and their survival strategies for the four major business functions. The four business functions are marketing, operation, financial, and workforce. A qualitative research method has been used in completing the study. The in-depth interview has been done with 13 INFs who are entrepreneurs in the service sector that stay in urban areas. The findings were reviewed and discussed by comparing the literature and the practices by the other entrepreneurs in the service sector.

The discussion in this research follows the three research questions as listed in Chapter One. There are few gaps in theoretical and practices of the business management by the entrepreneurs during Covid-19 pandemic. Firstly, not all industries in the service sector are experiencing a negative impact. Secondly, it can be concluded that most of the SME in the service sector cannot come up with a response plan in a short time to survive during Covid-19 pandemic. Thirdly, most of the entrepreneurs that are negatively affected by the Covid-19 pandemic required a long time to recover in the post-pandemic period.

The result shows that some entrepreneurs have knowledge in managing business and are able to practice it very well on their business. The knowledge comes from the experience of the entrepreneurs themselves. Although the crisis of Covid-19 pandemic is something

new, most of the entrepreneurs can adapt with changes and reduce the risk of bankruptcy. Each of them has the specific plan that they used during this crisis.

Most common struggles of SMEs in the service sector during the immediate quarantine measures are operation disruption, supply chain disruption, problems in planning the future business direction in the short term, cash flow problems and risk of bankruptcy. There is a consensus pattern among the INFs that the most focus themes of current survival strategies relate to the marketing, financial and operation strategy that utilize all valuable and strategic resources under their control.

Besides that, as a Muslim entrepreneurs, they also need to constantly apply Islamic business practice as mentioned in Al-Quran and as shown by Prophet Muhammad SAW in their business. This is because business, from Islamic perspective, is not just about pursuing profit in the world only but more importantly for safety in the hereafter. In addition to following the *sunnah* of Prophet Muhammad SAW doing business, the way of doing business shown by him has also been proven to make Prophet Muhammad SAW a succeeded trader and entrepreneur, even his success was followed by the companions until equally successful because they applied business practice according to Islamic teaching.

Based on the discussion above, it can be concluded that further research needs to be done in order to have a deeper and better understanding of the impacts of the crisis on other industries in the service sector and the survival strategy used during the occurrence of the external environment crisis. Last but not least, as a Muslim, we must remember that profit maximization cannot be the ultimate goal of doing business but also try to achieve success in hereafter by helping other in need during disaster.

6.0 References

Al - Quran

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7.0 Appendix

7.1 Interview Protocol and Questions

Research Questions	Research Objectives	Predetermined Themes	Predetermined Categories
What are the impacts of Covid-19 pandemic on entrepreneurs in the service sector?	To scrutinize the impacts of Covid-19 pandemic on entrepreneurs in the service sector.	Impact of Covid-19 on entrepreneurs in the service sector	Marketing
			Financial
			Operation
			Workforce
How entrepreneurs in the service sector operate their business during crisis?	To explore the business continuity strategies used by entrepreneurs in the service sector during crisis.	Business continuity strategies used during crisis	Marketing
			Financial
			Operation
			Workforce
How entrepreneurs planning to recover their business?	To investigate the business recovery plans used by entrepreneurs in the service sector during crisis.	Business recovery strategies used during crisis	Marketing
			Financial
			Operation
			Workforce

Interview protocol for the entrepreneurs in the service sector

Protokol temuramah untuk usahawan muslim di dalam sektor perkhidmatan

Interview protocol / <i>Protokol Temuramah</i>	: Statement and views on the impacts of Covid-19 pandemic, business continuity strategies and business recovery strategies during crisis/ : <i>Pernyataan dan pandangan mengenai kesan pandemik Covid-19, strategi kelangsungan perniagaan dan strategi pemulihan perniagaan ketika krisis</i>
Time / <i>Waktu</i>	:
Date / <i>Tarikh</i>	:
Place / <i>Tempat</i>	:
Interviewer/ <i>Penemuramah</i>	:
INF / <i>Pemberi Maklumat</i>	:
Position / <i>Jawatan</i>	:

(This study planned to explore and scrutinize the impacts of Covid-19 pandemic on the entrepreneurs in the service sector, the business continuity strategies and business recovery strategies used during the crisis).

(Kajian ini merancang untuk meneroka dan memahami kesan pandemik Covid-19 ke atas usahawan di dalam sektor perkhidmatan, strategi kelangsungan perniagaan dan strategi pemulihan perniagaan yang digunakan semasa krisis).

Questions/*Soalan-soalan*:

A. Business background / *Latar belakang perniagaan*:

1. Name of business / *Nama perniagaan*
2. Type of business / *Jenis perniagaan*
3. Location / *Lokasi*
4. Period of business / *Tempoh perniagaan*
5. Number of employee/ *Bilangan pekerja*
6. Annual sales from previous year / *Jualan tahunan pada tahun lepas*
7. Sales monthly during Covid-19 pandemic / *Jualan bulanan ketika pandemik Covid-19*

Opening question

1. When did you start this business? / *Bila anda memulakan perniagaan?*
2. How many employees are currently working with you? / *Berapakah bilangan pekerja yang sedang bekerja dengan anda?*
3. How's your business performance currently? / *Bagaimana prestasi perniagaan anda pada masa ini?*

RQ.1.What are the impacts of Covid-19 pandemic on entrepreneurs in the service sector?

1. What are the impacts of Covid-19 pandemic on business' marketing activities? / *Apakah kesan pandemik Covid-19 terhadap aktiviti pemasaran perniagaan?:*
 - I. Product/ *Produk*
 - II. Place/ *Lokasi*
 - III. Price/ *Harga*
 - IV. Promotion / *Promosi*
2. What are the impacts of Covid-19 pandemic on business' financial? / *Apakah kesan pandemik Covid-19 terhadap kewangan perniagaan?:*
 - I. How was your sales during the crisis? Did you earn any profit?/ *Bagaimana penjualan anda semasa krisis? Adakah anda memperoleh keuntungan?*
 - II. Did you able to manage your business' debt in this crisis state?/ *Adakah anda dapat menguruskan hutang perniagaan anda dalam keadaan krisis ini?*

- III. Did you apply for any financial assistance such as *Skim Pembiayaan Pemulihan Perniagaan Sektor Mikro - COVID (CBRM)*, zakat, etc? / *Adakah anda memohon bantuan kewangan seperti Skim Pembiayaan Pemulihan Perniagaan Sektor Mikro - COVID (CBRM), zakat, dan lain-lain?*
 - IV. Did you apply for any other help from government such as tax exemption, moratorium, etc? / *Adakah anda memohon pertolongan lain dari kerajaan seperti pengecualian cukai, moratorium, dan lain-lain?*
 - V. What are the main factor affect your business' financial during this crisis? / *Apakah faktor utama yang mempengaruhi kewangan perniagaan anda semasa krisis ini?*
3. What are the impacts of Covid-19 pandemic on business' operation? / *Apakah kesan pandemik Covid-19 terhadap operasi perniagaan?:*
- I. How did you interact with customer during crisis? / *Bagaimana anda berinteraksi dengan pelanggan semasa krisis?*
 - II. How did you deliver your service to customer during crisis? / *Bagaimana anda menyampaikan produk anda kepada pelanggan semasa krisis?*
 - III. Is there any disruptions on the supply chain of your business? / *Adakah terdapat gangguan pada rangkaian bekalan perniagaan anda?*
 - IV. Is there any changes in consumer behavior? / *Adakah terdapat perubahan tingkah laku pengguna?*
 - V. Do you have trouble to adapt the usage of technology such as using digital marketing, into your business? / *Adakah anda menghadapi masalah untuk menyesuaikan penggunaan teknologi seperti menggunakan pemasaran digital, ke dalam perniagaan anda?*
4. What are the impacts of Covid-19 pandemic on your business' workforce? / *Apakah kesan pandemik Covid-19 terhadap tenaga kerja perniagaan?:*
- I. Did you have to do downsizing? / *Adakah anda perlu melakukan pengecilan?*
 - II. Is there any changes on employee's salary? / *Adakah terdapat perubahan pada gaji pekerja?*
 - III. Did you have to train your employee or not during the crisis? / *Adakah anda perlu melatih pekerja anda atau tidak semasa krisis?*

RQ.2. How entrepreneurs in the service sector operate their business during crisis?

1. How did you overcome the impact of Covid-19 pandemic on business' marketing activities during crisis? / *Bagaimanakah anda mengatasi kesan pandemik Covid-19 terhadap pengurusan aktiviti pemasaran perniagaan semasa krisis?:*
 - I. Did you establish the relationship with customer? / *Adakah anda menjalin hubungan dengan pelanggan?*
 - II. Have you try using online and digital marketing? / *Sudahkah anda cuba menggunakan pemasaran dalam talian dan digital?*

- III. Is there any other marketing activities that you find effective during the crisis? / *Adakah terdapat aktiviti pemasaran lain yang anda anggap berkesan semasa krisis?*
2. How did you overcome the impacts of Covid-19 pandemic on business' financial during crisis? / *Bagaimanakah anda mengatasi kesan pandemik Covid-19 terhadap kewangan perniagaan semasa krisis?:*
- I. Do you have any savings for your business to encounter such unforeseen crisis? / *Adakah anda mempunyai simpanan untuk perniagaan anda untuk menghadapi krisis yang tidak dijangka?*
 - II. How did you manage the business financial during crisis? / *Bagaimana anda menguruskan kewangan perniagaan semasa krisis?*
 - III. Did you remove any non-essential costs? / *Adakah anda membuang sebarang kos yang tidak penting?*
 - IV. How did you earn your business' capital? / *Bagaimana anda memperoleh modal perniagaan anda?*
 - V. Did you monitor your cash flows during the crisis? / *Adakah anda memantau aliran tunai anda semasa krisis?*
 - VI. Is there any alternative ways that you use to earn side income? / *Adakah kaedah alternatif yang anda gunakan untuk menjana pendapatan sampingan?*
3. How did you overcome the impacts of Covid-19 pandemic on business' operation during crisis? / *Bagaimanakah anda mengatasi kesan pandemik Covid-19 terhadap operasi perniagaan semasa krisis?:*
- I. Did you make any changes on your business' operation? / *Adakah anda membuat perubahan pada operasi perniagaan anda?*
 - II. Did you make any changes on the budget of your business? / *Adakah anda membuat perubahan pada anggaran perniagaan anda?*
4. How did you overcome the impacts of Covid-19 pandemic on business' workforce during crisis? / *Bagaimanakah anda mengatasi kesan pandemik Covid-19 terhadap tenaga kerja perniagaan semasa krisis?:*
- I. Did you discuss with your employees on the business response plans during crisis? / *Adakah anda berbincang dengan pekerja mengenai rancangan tindak balas perniagaan semasa krisis?*
 - II. Did you make any changes on the employee's policies for leave, compensation and salary? / *Adakah anda membuat perubahan pada polisi pekerja untuk cuti, pampasan dan gaji?*
 - III. Did you implement any strategies in managing the workforce, such as job rotation, into the business? / *Adakah anda menerapkan strategi dalam menguruskan tenaga kerja, seperti penggiliran pekerjaan, ke dalam perniagaan?*

RQ.3. How entrepreneurs in the service sector planning to recover their business?

1. How did you plan to recover the business' marketing? / *Bagaimanakah anda merancang untuk memulihkan pengurusan aktiviti pemasaran perniagaan?:*
 - I. What is your marketing activities to recover your business? Marketing activities such as promotion, campaign, through social media, etc?/ *Apakah aktiviti pemasaran anda untuk memulihkan perniagaan anda? Aktiviti pemasaran seperti promosi, kempen, melalui media sosial, dll?*
2. How did you plan to recover the business' financial? / *Bagaimanakah anda merancang untuk memulihkan kewangan perniagaan?:*
 - I. Did you apply any initiatives offered by TEKUN? / *Adakah anda menerapkan inisiatif yang ditawarkan oleh TEKUN?*
3. How did you plan to recover the business' operation? / *Bagaimanakah anda merancang untuk memulihkan operasi perniagaan?:*
 - I. How will your business adapt to the changes in operation in the new normal? / *Bagaimana perniagaan anda akan menyesuaikan diri dengan perubahan operasi yang baru?*
4. How did you plan to recover the business' workforce? / *Bagaimanakah anda merancang untuk memulihkan tenaga kerja perniagaan?:*
 - I. Do you see this crisis as an opportunities to reshape your business workforce? / *Adakah anda melihat krisis ini sebagai peluang untuk membentuk semula tenaga kerja perniagaan anda?*
 - II. Maybe using a different engagement to manage your workforce? / *Mungkin menggunakan pendekatan yang berbeza untuk menguruskan tenaga kerja anda?*

Closing question

1. Is there any issues, that I did not ask or discuss, you would like to add? / *Adakah terdapat sebarang masalah, yang tidak saya tanya atau bincangkan, yang anda ingin tambah?*

(Thanked those who were interviewed and assure the parties the confidentiality of the information as well as the interview session / *Mengucapkan terima kasih kepada pihak yang telah ditemuramah dan yakinkan pihak tersebut mengenai kerahsiaan maklumat dan juga sesi temuramah.*)