



Assessing the Impacts of Covid-19 on Socioeconomic Status and Medium Enterprises (SME's) Business Owners

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ABSTRACT:

COVID-19 virus, which in Malawi it was detected in early 2020 and 87,842 confirmed cases and 2,676 fatalities from the COVID-19 pandemic have been reported in Malawi as of the time of writing this article which has affected human health negatively. Many people's life-threatening illnesses which are virus-related, have disrupted everyday life in Malawi. This situation, which also adversely affected the working life, caused catastrophic economic losses. The purpose of this study is to assess and evaluate the socioeconomic status of small scale enterprises, medium enterprises and business owners including employees during the pandemic process and expectations of individuals dwelling in Ndirande after the pandemic. In this study, quantitative method was used. The data were collected through a questionnaire. 60 participants were reached. The findings were evaluated using IBM SPSS version 29. Even though half of the businesses continued to operate during and remained stable, many of them faced closure for a variety of reasons influenced by the pandemic. Many enterprises invested in research and development of old products or innovating new products. To maintain profits some respondents reduced the number of employees, lowered the wages and delaying hiring until the pandemic's impacts are leveled. Many businesses are moving to online business since then the internet usage has increased and people's social lives have changed. Low or no production, postponed orders, delayed payments, increase in transportation cost, increase in labor cost and increase in food prices have resulted to economic losses of small and medium enterprise's business owners.

Keywords: COVID-19 virus, pandemic, IBM SPSS version 29, adversely, catastrophic, quantitative method, Profits,

INTRODUCTION

COVID-19 has impacted our lives in Malawi and other countries all over the world is very huge. The purpose of this study is to know how COVID 19 has affected the socioeconomic status of vulnerable families in Ndirande area located in Blantyre city of Malawi. About over 70 percent of the urban population in Malawi live in unplanned areas, which are occupying 23 percent of the land in Blantyre city. Ndirande an unplanned area has the highest population among the areas in Blantyre of about 200 thousand (which is increasing) and is located three kilometers from the center of Blantyre, the second city in Malawi (Malawi Population and Housing Census: Population Projections Report 1993-2023). The notion of socioeconomic status mostly focuses on status achievement, using income and education as the main cause and effect of occupational status (Wagner 2012). The main argument was that education qualifies individuals for occupying a job or acquiring a business in modern societies and that income is the consequence of occupational status. To understand the socioeconomic status of families in Ndirande, the research will focus on the occupations of individuals of Ndirande and their source of income and labor and capital in production systems.

RESULT

The information from a study that was carried out in Blantyre, Ndirande, served as the basis for the presentations and data findings in this research. The SME's operating a variety of companies in the area were the respondents. Tables and bar graphs were used to display the results of the data collection. IBM SPSS version 29.0 was used for the data analysis, which helped turn the acquired data into informative material.

SUGGESTIONS AND RECOMMENDATIONS

Based on the findings of this research the recommendations are;

- In order to track the pandemic's ongoing effects and the efficacy of public policies and businesses' responses, more follow-up tracing investigations at various stages are required. First of all, this study can only be considered a preliminary study.
- In order to further understand how COVID-19 has affected other cultural, social, and governmental institutions, more surveys need be conducted in other places and throughout all districts, as this study primarily focuses on Ndirande. To generate more specific recommendations for various industries in various countries, a cross-sector study is also required.

Areas for Further Research

The present study focused on assessing the impacts of COVID – 19 on socioeconomic status and medium enterprises (SME's) business owners in Ndirande township families. Further research / future research will regard to undertake the deeper analysis of the impacts of COVID – 19 on socioeconomic status and medium enterprises in urban and rural areas to find out its effects and strategies to prevent it and also outside the Blantyre District or internationally.

CONCLUSION

While many SME's in Ndirande have managed to remain generally stable, some have seen a stop in their operations or have been forced to close. Nearly all of the businesses in our poll are ready to transition to digital operations, remote work, and online marketing. A relatively high percentage of businesses predicted that the city's GDP growth would be on the decline this year, and half of the businesses thought that there will undoubtedly be a loss this year.

Every element of Malawian life and every industry has been affected by the global COVID-19 issue. The fact that it is not clear what it will cost and what it will gain to stop the spread of the disease is one of the primary problems in handling the crisis. In order to help policy makers make wise judgments, I have gathered and presented data from a wide range of respondents who represent nodes across the SME spectrum in my research.

Policies must be put in place to significantly reduce production costs for businesses, aid in their survival through this trying time, and assist them gradually resume their regular operations.

The information about food prices seems to be particularly significant. These are the proverbial "canary in the mine"; if food prices start to rise, it will be crucial to investigate the reasons behind the change in order to determine how to lessen the detrimental effects on welfare. As we have seen, there may be a number of factors associated to COVID-19 that are driving up food prices. A worsening of the illness or a prolonged or enlarged government attempt to contain the virus, for instance, could result in a diminished supply even if business owners have reported little impact on their production activities thus far (and higher prices). Price increases would also result from traffic jams or a lack of food supply in wholesale markets. Since every SME needs to earn money to survive, this will consequently raise the cost of living. People's incomes will decrease as a result of lost jobs and production stops, and their socioeconomic level won't be determined by wealth.

PRESENTATIONS OF RESEARCH FINDINGS

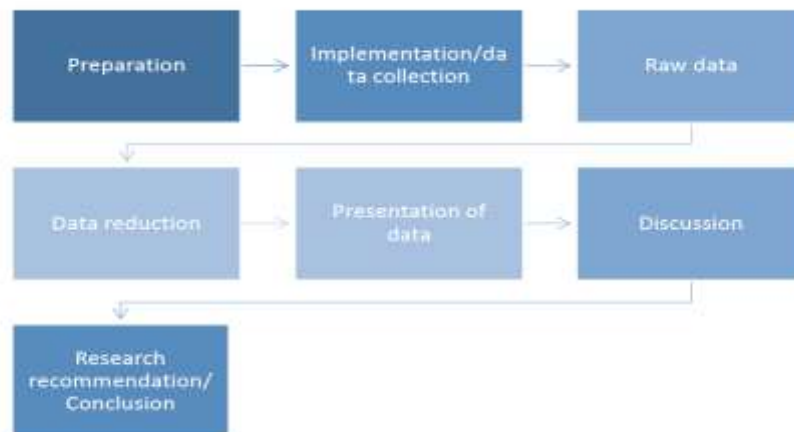


Figure 1: showing the conceptual framework of the research

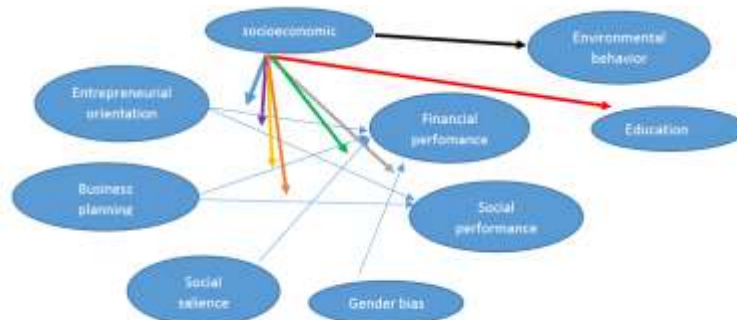


Figure 2 : showing the theoretical framework

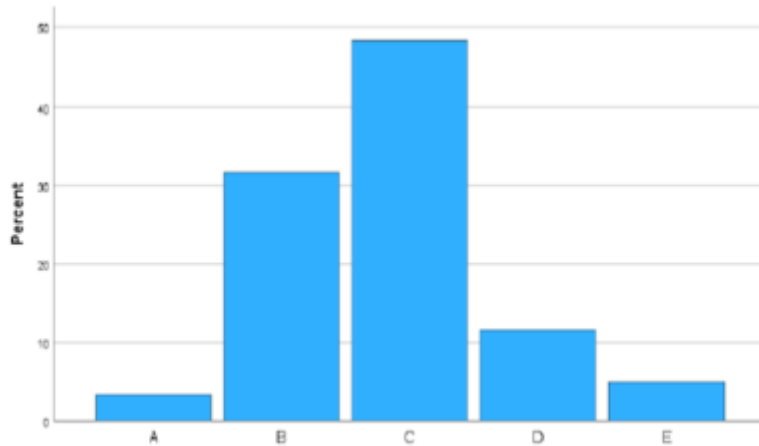
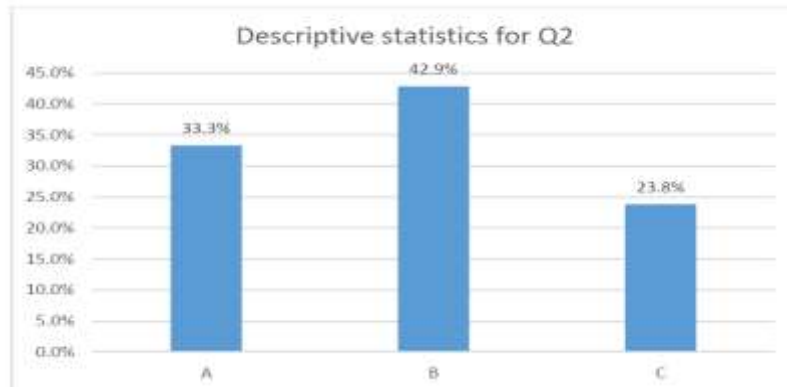


Figure3 : showing data presentation for Question 1. SPSS v29.



\$Q2 Frequencies

		Responses		Percent of Cases
		N	Percent	
Question 2 ^a	A2	35	33.3%	58.3%
	B2	45	42.9%	75.0%
	C2	25	23.8%	41.7%
Total			100.0%	175.0%

Figure 4 & 5: showing data presentation for Question 2. SPSS v29.

DISCUSSIONS OF FINDINGS

Firms become increasingly invested in R&D and innovation after becoming aware of the issues. However, the outbreak has slowed down project progress in collaboration with other institutions as well as the release of new goods, particularly for the IT sector (Q7). Many businesses have had to think about reducing the number of employees, lowering wages, and delaying hiring until the pandemic's impacts are finished due to greater labor expenses (Q5, Q6 and Q8). The manufacturing sector has had more employment issues than the agricultural sector, which has been losing jobs. The manufacturing and IT sectors have both looked for finance from shareholders and lenders (Q8).

A high percentage of firms have already moved their operations to online or plan to do so (Q9).

Likewise, many firms have already started working remotely and digital operations or plan to do so

RESEARCH METHOD AND DESIGN

In descriptive statistics for this study, this approach is concerned with subjective assessment of attitudes, opinion, and behavior. Quantitative research is the process of collecting and analyzing numerical data. It will be used to find patterns and averages, make predictions, and generalize results to wider populations through questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques which makes it easier to collect accurate data. This study will therefore use descriptive statistics to present the collected data.

RESEARCH SETTING

One research field location was opted as research site for this research. The place is Ndirande, located in Blantyre Malawi. This was done to ensure that the appropriate individuals were approached and to achieve accuracy when conducting the research.

STUDY POPULATION

Population refers to the entire group of people, events, or objects of interest that I wish to investigate. It is a complete set of elements that possess some common characteristic defined by the sampling criteria established by the researcher. It forms the basis from which the sample or subjects will be drawn (Bell 2007). For this particular study the population will be drawn from different individuals of Ndirande which will include business owners, employees, vendors and students in regardless of wealth.

SAMPLING METHOD

The sample technique to obtain accurate results in this study, the researcher uses probability sampling in random manner and pick respondents for answering the questionnaires that are designed. This technique was used because, in random probability, each family or individual has the equal chance of being selected from the different households of Ndirande. Furthermore, this process helps to avoid arbitrary or biased selection of sample elements (Malhotra, 2010).

SAMPLE SIZE

The sample size refers to a subset of the larger population. Knowing the sample size is important for collecting accurate results. The sample size must be carefully selected to be a representative of the population (Bell, 2011). This particular study will use a sample size of 60.

RESEARCH INSTRUMENTS

The researcher uses both secondary and primary data to accomplish the research objectives. Primary data was collected through questionnaires administered to the samples. According to Chandran (2004), Questionnaires provide a high degree of data standardization and adoption of generalized information amongst any population. They are useful in a descriptive study where there is need to quickly and easily get information from people in a non-threatening way. They provide flexibility at the creation phase in deciding how questions were administered. Secondary data was gathered through analysis of literature on other studies similar to this study. The data was entered into Excel for data documentation. IBM SPSS v29.0 was applied to further analyze the data.

DATA COLLECTION PROCEDURE

The survey was carried out from 16th January to 20th January 2023. Data was collected using a questionnaire. It was chosen because it is easy to administer in the on-the-spot collection of information approach which was used in this study. The technique also facilitates confidentiality of client's personal information because they are not required to disclose their identity when filling out the questionnaire. The questionnaires was administered during working hours from 8 a.m. to 2 p.m., Monday to Friday. This is the period when students and business owners has less workload and are available, other individuals will be contacted by door to door during the lunch period and hence it is easier to get clients to respond to the questionnaires. The respondents are likely to give true information. Time will be given, waiting for the respondents to fill out the questionnaires. The participants will be assured that any data collected will be kept confidential and only to be used strictly for academic purposes.

Questionnaires will be administered to students, employees, entrepreneurs (business owners) and the elderly in regardless of their wealth in order to extract information that answers the research questions. This choice also takes into consideration that questionnaires provides the convenience to official officers. Under this method, the researcher uses both open ended and closed ended questions which are clear and unambiguous. Closed ended questions

will give respondents a room to tick once on the most appropriate answer for each question, while open ended gives respondents a room to give multiple opinions.

TOOLS FOR DATA COLLECTION

Interview guide

This interview was in the form of focused groups where the questions are set and read to interviewee and along this conversation the answers were noted by interviewer. The purpose is for obtaining the perceptions and experience from the respondents themselves. I took time to ask questions to local authorities of NDIRANDE Sector.

Observation technique

The observations helped to clarify certain types of information such as living standards, health status and other facts that could help in obtaining needed data to analyze and processing interpretations.

Questionnaire

The questionnaires were designed in such a way that respondents give as many as possible by selecting from the answers proposed and would possibly add comments in space reserved for that question.

Documentation

Documentary analysis enabled me to analyse official documents that were provided by the organizations under the study and other relevant institutions and publications related to the study. I used documentation in this study to obtain information on the aspect of how COVID – 19 has affected Socioeconomic status and medium enterprises (SME's). Books from different libraries, downloaded books, researches done in different universities, research institutions and high learning institutions and other books will be consulted to provide the sufficient information for building the subject under study. Different reports from the Health departments, National police and other organizations were also used as empirical documentation to carry out this study.

Data collection instruments

Data was collected from both primary and secondary sources. Primary data focused on the following instruments; interview guide and observation while secondary data was collected from the internet, books, magazines, bulletins and various reports from many Non-Governmental Organisations and National Police reports.

Observation Technique

The observations helped to clarify certain types of information such as living standards, health status and other facts that could help in obtaining needed data to analyse and processing interpretations.

TOOLS FOR DATA ANALYSIS

Normally, data collected was in a row form which is not easy to interpret and analyse for conclusion. Data processing was done to ensure the transformation of respondent's views into meaningful text.

Data editing

In relation to this study, I had to edit all responses which were not related to the accurate results. This helped me in correcting of errors.

Coding

Coding was applied by developing codes using answers from questions asked whereby responses given were therefore grouped based on their comprehensiveness to ensure classification of answers into meaningfully categories in order to bring out their sense.

Tabulation and statistical usage

The tabulation was made by the tables outputted from statistical software; the arrangement of data in tables contained the frequency of responses to each question and computerized tabulation was used to ensure the accuracy and saving time. Statistical method allowed a deep interpretation of quantitative data in the form of simple frequencies and percentages as well as mathematical figures. SPSS v29. program was used to handle statistical analysis.

Computing

A scientific research needs to be computed, I used different programs of computer to keep information using some programs like Microsoft word, Microsoft excel and this served in putting on sheets the data from documentation after its analysis.

Quality control

During this study, I had to be sure that the data gathering instrument measured what it was supposed to measure and if it would do this in a consistent manner, there was consideration of validity and reliability of data. This section is concerned with how the researcher performed the quality control.

Validity

During my study, in order to ensure that the instruments used are valid, I considered the important thing that all questions were related to specific objectives. In order to determine quantitatively the validity, all the items were given to experts in literature to see if their contents conformed to the specific objectives.

Reliability

Concerning the reliability, I employed some measures to control if the instrument especially the questionnaire measured what it was sensed to measure. In order to ensure the reliability of the data, the following procedures were used: The questionnaires were primarily designed by the researcher and submitted to the supervisor in order to correct the errors and check the reliability. Before submitting the questionnaires to the respondents, I gave the questionnaires to the classmates, who tried to answer the questions, in order to verify if the questions can be easily understood by someone else.

Data interpretation

In this research after qualitative analysis and quantitative analysis, obtained findings were interpreted in logical framework relying on answers from questionnaires, interview and observed facts. Within this section I confronted empirical data and theories relying on the real facts of gender-based violence and its effects on households in Ndirande township.

Limitations of the study.

Regarding limitations, I faced problems and challenges when in carrying out this study such as lack of ability to reach the total population of the study and other problems related to different factors like limited resources, poor roads, and poor attendance of the respondents. The other problem which I had faced during this study was limited time and accessing data since respondents are not available in the same place and at the same time that leads to bias of respondents.

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