#### RESEARCHARTICLE



# Effect of COVID-19 on Mental Health and Performance of SMEs: Social Media Break the Ice

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#### **Abstract**

The entire world is facing the issue of Covid-19, which affects the emerging and emerged economies and the health sector. The Pakistani government had a lockdown, to have social distancing, which made the public moment very limited and allowed to go where it was necessary to control the spreading of coronavirus. Covid-19 affects the SME's health and poverty level, to avoid the civil war, the Pakistani government makes Standard Operating Procedures (SOPs), for the SMEs to prevent chronic disease. The paper aims to explore the impact of Covid-19 on SMEs' health, and wealth, and give awareness through social media. This pandemic situation affects the SMEs and Pakistan's GDP, the first phase of the coronavirus from 24th January 2020, was very harmful and declined the country's health position and economy. Every state has to face the pandemic tough times, especially in the business sector, and the government's financial support to SMEs is to enhance their performance and care about health. The loan allocation to SMEs is to increase the GDP, and wealth, and to save their health, which can develop small businesses. Social media played a vital role in providing more information about the coronavirus situation and giving awareness about government policies about health, business, precautionary measures, and conditions. This article's perspective is to explore Covid-19 effects on SME's health and performance.

#### **KEYWORDS**

Covid-19, Entrepreneurial health, Performance, Social media

#### 1 | INTRODUCTION

A virus is a submicroscopic infectious agent that replicates only inside the living cells of an organism. Viruses can infect all types of life forms, from animals and plants to microorganisms, including bacteria and Achaea. A virus is а submicroscopic infectious agent that replicates only inside the living cells of an organism. Viruses can infect all types of life forms, from animals and plants to microorganisms, including bacteria and archaea. Since Dmitri describing Ivanovsky's 1892 article bacterial pathogen infecting tobacco plants, and the discovery of the tobacco mosaic virus by Martinus Beijerinck in 1898, more than 6,000 virus species have been described in detail, of the millions of types of viruses in the environment.

Coronaviruses are produced from different kinds of wild animals, and these viruses infect human beings

severely. There are several kinds of coronaviruses; some of them cause the symptoms of cold cough or other mild respiratory (lungs, nose, and throat) illness. In the past, the most dangerous viruses were Middle East Respiratory Syndrome (MERS), Severe Acute Respiratory Syndrome (SARS), H1N1, CHF, Swine flu, Mad Cow Syndrome, and Bird flu. The coronaviruses looked like corona or crowns and named coronaviruses under the microscope. In December 2019 the people of Wuhan a famous city of Hubei, for its food, history, and rivers with a population of 11.08 million, many of the patients were reported with the symptoms of pneumonia which was new for the entire medical community of China (Prem et al., 2020).

The World Health Organization (WHO), furthermore, investigated and declared the birth of a new virus known as COVID-19 (Corona), and with time,

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the people of Wuhan and the tourists who traveled across the country, became career of Corona and spread over the whole China (Zhu et al., 2020). However, China reported 83,265 confirmed cases, 78,379 recovered cases, and 4,634 deaths.

Meanwhile, WHO reported 8.3 million (8,352,046) confirmed cases, 4.3 million (4,372,262) recovered cases, and 0.4 million (449,066) death cases, and these figures were calculated on Covid-19 reported cases all over the world. The travel history of a student who came to Pakistan from China through Dubai (UAE), on January 24th, 2020, was found corona positive. This patient entirely makes Pakistan a coronavirus-affected country globally (Ajaz et al., 2014).

According to Pakistan's statistical report, the total number of confirmed cases is 1.5 lac (150,659), 2.975 deaths, and 58,437 total number of recovered cases. The ratio of recovered patients in Pakistan is very low because of the high and speedily increase in the number of new cases of corona in Punjab (58,239), and Sindh (57,868). This happened due to the lack of medical and financial resources from the Government, Pakistan is a developing country and needs to face many challenges such as economic crises and control of spreading the of chronic disease (Corona). To control infectious diseases, all nations focus on alternative solutions through medicine to overcome their spread. The knowledge and awareness of corona bring individual and worldwide change. The precaution is far better than treatment and without any expense (Ali et al., 2014).

Social media plays a vital role in giving better information, on how to control this (corona) infectious disease (Kumar et al., 2017). There are several social media applications, such as Twitter, WhatsApp, Wechat, Youtube, and Facebook, used by bloggers to communicate and deliver valuable information to the respondents (Kaplan & Haenlein, 2010), which helps the listener to participate in different kinds of positive activities. Social media is an electronic-mediated platform that plays the role of a mediator and consists of web-based innovation (Ashraf et al., 2017). It also assists the users in sharing their personal feelings, innovative ideas, video clips, and particular information regarding current issues in a virtual network system. At the start of Covid-19, many cases were reported in Wuhan due to the seafood market (Ashraf et al., 2019).

The current epidemic position is because the virus transfers from individual to others rapidly at a very high rate (Hui et al., 2020), and in a very short span COVID-19 infected the whole world. In developing countries, it's not easy to differentiate, communicate, and treat infected and disinfected individuals together, because such kinds of infectious viruses are very dangerous, especially for diabetes and heart patients (lafusco et al., 2000; Shah & Hux, 2003). Several years ago, there were many chronic diseases like Zika flu, Ebola, and Dengue fever, which created a pandemic situation, and

nowadays, COVID-19 has generated the same condition all over the world. In this situation, it is difficult for the doctors and government to communicate and accommodate regular and epidemic patients; meanwhile, in this kind of situation, social media work as a bridge to deliver national and worldwide useful information from and to government and citizens (Bernardo et al., 2013).

The decisive role of social media and news always leads the nation to prevent and intimate from the danger zone. Pakistani media is playing a vital role in giving precautionary measures to avoid Covid-19. Due to the rapid increase of coronavirus patients in Pakistan, the government and public health sectors are facing several kinds of problems, and the government is using social media as a tool to convey information to individuals for precautionary measures. The Pakistani government has a lack of medical resources and time; therefore, social media (WhatsApp, WeChat, and Facebook), played a significant role in providing useful information about the availability of doctors, medicines, beds, plasma for the COVID-19 patients, and health issues (Li et al., 2023).

The core concept of making a profit through developing, organizing, and venturing into business is called entrepreneurship (Mariotti & Glackin, 2007). According to Read et al., (2016), an individual who starts his own business and wants to create something new or wants to work for his ventures is also known as an entrepreneur. Another researcher defined entrepreneurship as a process to design and launch something new for a venture (Barringer, 2015). The individual who develops the ability to take risks and create something for a business to earn maximum profit is also an entrepreneur (Venkataraman, 2019). The researchers stated that entrepreneurial performance is defined as the utilization of available resources and trying to gain all competitive advantages (Botha et al., 2015). Thus, the individual recognizes the opportunities. mitigates the risk, is ready to bear the loss, to earns maximum profit with less capital, which also defines entrepreneurship. There are four types entrepreneurship; small-medium enterprises (SMEs), large businesses (corporate businesses), scalable startups, and social entrepreneurship. The higher level of motivation ignores the risk level for entrepreneurs and achieve goals. The SME's health is also very important for the country's economy.

## 2. Covid-19 and SME's Entrepreneurial Health and Performance

As COVID-19 creates a pandemic situation all over the world, SMEs are facing many problems in health, wealth, and performance. It is also unpredictable when Covid-19 will end and the world economic crises become stable. The Covid-19 effects the world's biggest health and wealth economy; in the USA, 10 million

people have been laid off: in 15 days. France lost its 6 Gross Domestic Product (GDP), points. As we know, Pakistan is a developing country. In the un-containment phase of the Coronavirus, the economy bears a significant loss of 4.64% in Pakistan's GDP, which led the nation into a spiraling recession and 18.5 million lost their jobs during COVID-19 in 2020. This affects the entrepreneurial mental health, performance, and employee health. To resolve the SME's health issues and performance, Pakistan's government granted Rs.544.8 Billion, for the daily wages, of small businessmen/women families. Meanwhile, government also essential \$ 8 million in loans for SMEs to support their business because the SME sector plays a vital role in the economic growth of a country.

The SME sector is affected by unpredicted loss, and wealth loss always leads to health loss. Many other developed countries also face great losses in their GDPs during the pandemic period and from 2019 to 2020, UK - 115.%, France -11.4%, Italy -11.3%, Spain -11.1%, Euro are -9.1%, Russia -8%, Canada -8%, Brazil -7.4%, USA -7.3%, Germany -6.6%, Japan -6%, India -3.7%, and -2.6% of China. The loss in GDP of developed countries also affects their medical sector. It will take time to recover worldwide GDP shortfall; businesses and health will not be the same as entrepreneurs are running today. When there is a big loss in the country's GDP, there will be a health loss, and the entrepreneurs are the fighters of the country's economy with their resilient and optimistic behavior. It's in the deoxyribonucleic acid (DNA) of entrepreneurs to overcome the difficult business period. Every crisis has limits, and entrepreneurs always undertake something. If an entrepreneur has four main assets; capital, a team (people), personal skills, and health, the firm or an entrepreneur can survive in all kinds of situations. If the entrepreneur's health gets affected by Covid-19, the country's economy will fall.

It is predicted that the pandemic coronavirus will affect more to SME performance more than a human being (Nicola et al., 2020). SMEs are the backbone of a country and contribute 30% of the GDP of Pakistan. As coronavirus is dangerous, and necessary to know the importance and precautionary measures that help SMEs to survive in the COVID-19 period. The firm is categorized on the base of the number of employees, and most have less than ten people. When these organizations compared their turnover and profits, the data skewed the way. Most of the emerged and emerging economies achieved higher-level industrial growth with health, and SMEs also contribute to the GDP, such as Japan, China, and Taiwan (Bloom et al., 2012). With good quality health, small-medium enterprises massively contribute to the GDP and reduce unemployment: the relative contribution from SMEs to GDP is around 52-57%, and participate up to 61% in employment in developing countries (Abor, 2010).

Furthermore, Pakistani SMEs are contributing 25% in the export, 35% in manufacturing, 53% in hotels and restaurants, wholesalers, and retail traders. 20% of SMEs are active in the industrial sector, and 22% are engaged in the service sector (Doctors, Teachers, and Lawyers). The latest World Bank 2020 reported contribution to GDP is up to 40%, 90% of the total businesses, whereas worldwide 50% of jobs are from SMEs. In Islamic countries, the role of SMEs is more than the global average, 53.2% are SMEs 25.2 per 1000 population worldwide (IDB, 2020). SME entrepreneurs and their employees are affected more by coronavirus: this situation creates crises for businesses and needs capital for their companies. In Pakistan, the government gives relief to SMEs of Rs. 75 billion in utility bills and unemployed labor across the country. Due to much focus on health issues, the government announced a complete lockdown in Pakistan.

Considering an individual's health issues, all states banned international traveling over the world, which limits the businesses of tourism, hotels, goods and services, and SME industries, which is a completely disarray situation. Worldwide, SMEs are trying to survive and fight health and financial crises to accommodate their employee's health with their salary, office rents, operating expenses, family expenses, and product losses. Meanwhile, many of the SMEs are having small capital, and in this epidemic situation, it's not easy for entrepreneurs to survive; this is an alarming situation and a big question that how SMEs will survive in the long run. These financial problems affect entrepreneurial health and performance, which causes a big loss in the long term. COVID-19 affects smallmedium enterprises more than corporate businesses in the economy, which decreases the number of entrepreneurs due to financial loss and their profit ratio.

#### 3. Social Media and SME Entrepreneurs

Due to COVID-19, SMEs are facing many challenges internally and globally, such as no import-export of goods and food items, which creates problems in maintaining the business. Social media is playing a vital role in exposing quality information for SMEs to survive in a pandemic situation. However, a few social media bloggers (WhatsApp, Facebook, and Twitter), are spreading fake and conducting misinformation, that affects small-medium entrepreneurs and their performance. The attitude of sharing false information through social media affects the worldwide economic graph of COVID-19 and SMEs' performance. Social Media is giving proper information on behalf of the government to SMEs and individuals and trying to control the spreading of COVID-19. Social media assist SMEs in changing their business carry out daily activities, business policies, and strategies, following the SOPs to run a business smoothly.

The research on SME entrepreneurs and social media is relatively new and a little bit split in focus; however, now there is a significant increase in research and practitioners to explore the positive impact of social media on SME entrepreneurs. Social media is used to convey vital governmental information to the SMEs (rural and urban). In a pandemic situation, the SMEs use social media to sell and purchase their product, for the survival of their business and to retain their customers. During the smart lockdown period in Pakistan, the government banned physical shopping, which gave rise to the use of social media (cloth shopkeepers, retailers, crockery shops, etc.) industry. The fair use of social media helps rural SMEs to receive important information on government policies, how to continue their business under the SOPs, and how to prevent the health of coronavirus during business activities.

#### 4. Logical Reasoning for Subsequent Discussions

A COVID-19 crisis arose in China and spread out all over the world; not even a single country escaped from the bitter consequences of it. Majorly every junction of the universe is facing the loss in the pandemic time and these deficiencies turned out in social, environmental, and economic aspects. One reason Pakistan faces a crucial impact on its economy is the geographical location of Pakistan is close to China and another big reason is the joint business ventures and SME projects which are mutually beneficial for the economies of both countries. Besides these, some of the futuristic concerns have conversed here.

#### 5. Prevention and Recommendation

All the developing countries are facing issues due to COVID-19 in every sector, especially in the health and SME sectors. Pakistan is also among those developing countries with less resources and more issues. The health and SME sector of any developing country contributes a lot to the GDP and economic growth. The governments of developing countries should focus on and allocate relief funds packages, grants, and small loans with less interest to the SMEs, especially in situations like COVID-19.

In the state of the coronavirus situation, the role of social media and the Pakistan government is beneficial for SMEs. The Pakistan government allocated a massive month as a grant for the SME's sustainability and promotion of the businesses. The role of the SME sector is quite worthy in the economic growth of Pakistan, and this is the time to make policies and support the SME sector more in financial and health problems, and give awareness about advanced business policies, and business plans in this situation. This cannot be performed without social media support, and the trend of watching television is becoming less day by day, mostly now the rural areas medium

business people are using social media as a source to convey information.

If no increase in the budget allocation for SMEs, the contribution of small-medium businesses will decrease in Pakistan's GDP, which can cause a great loss to the SME sector. In emergencies like COVID-19, all developing countries should make plans to address people in their businesses and spend more money on entrepreneurial development. There should be an awareness campaign for entrepreneurs, to maintain their business with sustainable wealth under the health, and social media can help to overcome entrepreneurial issues and health problems. During business hours, try to apply government SOPs at business places and in precautionary measures of "stay home stay safe" during the lockdown. Some SME owners operating in Pakistan were interviewed telephonically, and the whole conversations were summed up in the following measures.

(1. M Ashraf, CEO Brand ego 2. Sajid Hussain, CEO Hussain Suziki center, 3. Mehboob Akhter, Abwa Knowledge Village).

#### 6. Effects, Awareness, and Precautionary Measures

- Coronavirus is a chronic decrease, and in the workforce, it affects the entrepreneurial output (Performance) and health
- The massive reduction in demand and consumption (people are at home) of goods, affects SMEs' income
- Due to less income, the daily consumption necessities become luxury items for consumers to use
- Reduction in everyday sale-purchase products, affect the profit margin and decrease in taxpayers
- Lockdown reduced office time which affects employees' work, and entrepreneurs bearing the loss in their sales and profit, in return, it affects employees' salaries, bonuses, and advantages, and especially affects the mental health of entrepreneurs and consumers
- COVID-19 affects all businesses, Fashion Industry, Dinning Junk and Traditional Food, House Decoration, Marriages, and Private Transport (Luxury Cars), no one has a plan, which is to focus first and when it is to recover all the losses.
- Covid-19 forced us to become more healthconscious and consider necessary foodstuff instead of unnecessary and luxury food.

#### **Conflict of Interest**

The authors declare no potential conflict of interest.

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