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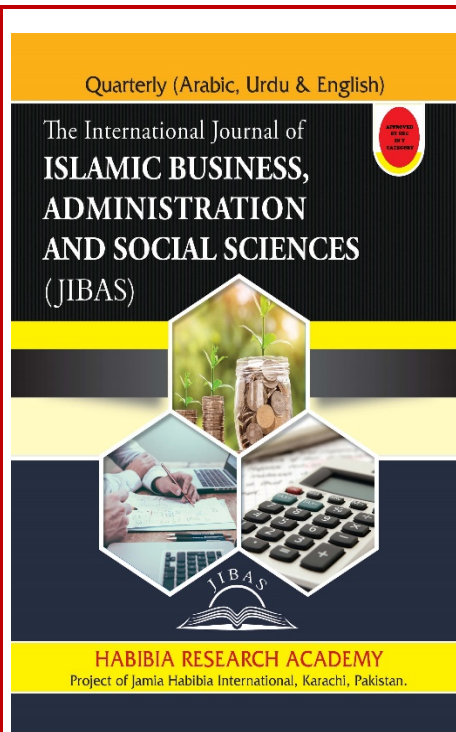
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TOPIC:

HOW SMALL BUSINESSES CAN SURVIVE DURING COVID-19 VIRUS OUTBREAK

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**HOW SMALL BUSINESSES CAN SURVIVE DURING COVID-19 VIRUS
OUTBREAK**

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ABSTRACT:

Purpose/Aim: The study examines the possible support and survival of small businesses during COVID-19 outbreak.

Methodology: A quantitative study is conducted through online questionnaires distribution and collection of responses through WhatsApp groups and Facebook pages developed by businessmen. A convenience sample of 100 small business owners was selected and their responses were recorded. Partial Least Square –Structural Equation Modeling was used for analysis.

Results: Adaptive environment, government support, online networking and social distancing were having strong positive relationship with business survival. Though lockdown was having positive relationship but it was weakest of all the constructs examined. The capital availability was found to have non-significant relationship with business survival.

Implications: This study may contribute in existing efforts to integrate areas of strategy development for the survival of small business in Pakistan. In addition, the study findings are helpful for the entrepreneurs and policy makers who may concentrate for making small business survive during COVID-19.

Originality/value: While plenty of research has been done on what contributes to the failure or success of SMEs. The study is conducted for the survival of small business during COVID-19 in Pakistan.

Limitations: A cross-sectional study with a small business owner's response limits the study to the business only. The results may not be generalized to the other sectors.

KEYWORDS: Capital availability, lockdown, government financial support, social distancing, online networking.

INTRODUCTION: COVID-19 virus spread has affected all types of businesses across the globe by infecting people. Now businesses require innovative and dynamic mechanisms to restore from negative consequences to pre-COVID-19 environment. In this connection answering what factors can help entrepreneurs to re-open their business in such hard times will not be less than an antidote. Identifying factors and minimizing the impact of the pandemic on small businesses is the burning issue for every business leader.

A recent Chinese survey revealed that the pandemic adversely affected sales volume and cash flows of the companies. Among the significant risks the survival of business especially the small business cannot be ignored. In the same survey it was highlighted that company executives fear the COVID-19 will have greater impact on performance and efficiency of businesses, 46% respondents expecting a reduction in performance targets in 2020. It leaves ground to answer several questions including what most important and appropriate measures can be considered to minimize the survival hazards of businesses due to the lockdown? Further what can be the possible solutions? UN concern shows that the businesses offering services will lose 157 million people due to prevailing pandemic threats and insecurity (Nelson, Pettitt, Flannery, & Allen, 2020).

Nations recognize small businesses (SMEs) as the drivers of economic growth. Their efficient management can ensure sustained business operations. The MNEs generally target employment generation, poverty alleviation, food security, rapid industrialization and reversing rural-urban migration, increasing exports and so forth (Günay&Apak, 2014; Kemayel,2015), thus supporting multiple aspects of the economy. However, a large number of SMEs are reported to fail (Hammer, 2012) due to the unexpected changes taking place in the internal and external environment. Numerous researchers have identified various reasons for business failure(Arasti, Zandi, & Talebi, 2012; Aleksić et al.,2014; Krammer, 2017) under stable environment conditions however, not many researchers have examined the failure and survival of businesses under the turbulent conditions like covid 19. Researchers have found a positive relationship between business functioning and the environmental factors surrounding it (Irfayanti, &Azis, 2012). At times these factors are manageable for entrepreneurs and at times they are not. The entrepreneurial characteristics like searching for opportunities, independence of mindset and taking risk (Lepnurm& Bergh, 1995) also depend upon the factors prevailing at a particular point in time. The outbreak of COVID-19 has affected each and every aspect of business. The lockdown for protection from COVID-19 may save lives but hurt the existence of businessmen and their businesses. The survival of Small business is a serious concern for every government. Despite having great importance, such businesses suffer from weak performance and embrace high failure rates (Hashim et al., 2018). This failure rate is even greater in the developing countries (Sherazi et al., 2013). It is recognized that within initial five years of their business operations majority of new small businesses fail (Hafeez, 2014). Nevertheless there exist a range of hurdles in the way including covid-19, therefore there is need to identify factors that can possibly help entrepreneurs to continue their business activities even in times of COVID-19. An array of factors are identified earlier influencing performance of small businesses. Hassan et al. (1998) viewed lack of orientation and inability to embrace new technology as stronger means to low performance. Nishat (2000) discovered lack of finance and inability to get financial assistance as main sources of poor performance. Besides the financial support from the government and the financial institutions small businesses in Pakistan are prone to unfavorable government policies, and other aggravating factors such as scarcity of skilled human resources and entrepreneurial capabilities (Roomi& Hussain, 1998). A few studies hold Pakistan's social and physical infrastructure responsible for lower performance of small businesses (Raza, et al., 2018). Besides all the factors identified by earlier researchers affecting the small business none has examined the effects of pandemics on the survival and operations of small business in Pakistan. This study contributes to the existing literature in the following manners. Firstly the relationship of factors that are necessarily being addressed during covid-19 are taken into consideration for business survival as a step forward towards entrepreneurial management. Secondly the study is conducted under extreme risky

conditions that threaten the survival of not only the individuals but also the small business linked to individuals.

Literature review: Adaptive environment and Business Success Arney (2013) argued that organizations learn from changes that are taking place around them. Adaptability is a strength that enables business and businessmen to take up the challenges happening in business environment. The managers of such businesses are scanning the external environment continuously and are looking for the alternative opportunities available (Cheung et al. 2012). The organizations having adaptive culture are strong enough to adapt the dynamic environment and have better chance to survive, not only in short run but also in the longer run. The environmental threats are evolving all the times besides the opportunities that can either make business successful or failure (Ostroff et al. 2013). The developing policies and procedures that support change adoption can positively influence survival. The adaptive businesses have the capacity and capability to respond to ever changing environments effectively. The organizations have to respond to the threats and opportunities for their survival. Organizations that fail to respond to the changes taking place in the environment may face disorder, decline and ultimately death (Schneider et al. 2013). The adaptive businesses have the strength to identify threats surfacing and promptly develop a mechanism to deal with those threats in the form of solution to the identified problems (Costanza, et al., 2016). The adaptive culture enables organizations to provide members with guidance on how to respond when environment changes (Chatman et al. 2014). The organizations that encourage proactive attention to environmental threats and create structures to address these threats will be more likely to adjust to their environments (Costanza, et al., 2016).

Hypothesis 1: The adaptive business environment is positively related to business survival.

Capital availability and Business Survival: The capital availability or working capital management means the reserves possessed by the entrepreneur (Gill, Biger, & Mathur, 2010). These are savings of a business to address the demands of the rainy days. On the other hand, lack of capital is a common reason for a small business to fail (García-Teruel, & Martínez-Solano, 2007). It is said that “people don’t plan to fail, they just fail to plan.” None of the entrepreneur commences business activities with a plan to fail, but it totally depends upon the capital mismanagement by the business manager (Raheman, & Nasr, 2007). The business managers may use different ways to raise capital for running business operations. The greater the amount of capital available with the business manager the greater is the chances of its survival in the bad economic conditions (Nwankwo, 2007). The existence, survival, growth and stability of any business depend upon the efficiency and effectiveness of its capital management (Block & Hirt, 1992). The greater amount of capital with better management can ensure competitive advantage for a firm. It is a common understanding among business managers that besides profitability the liquidity has its importance that can save businesses in hard economic times whereas, the manager’s inability to make payment when required may have serious consequences for the operations

and reputation of a business (Owoh, 2002). Weak liquidity makes it unsafe and unsound for the survival of the company. Working capital management is mean to use money which is needed to run day-to-day operations efficiently in normal as well as in the time of crisis faced by organizations to achieve their objectives(Costanza, et al., 2016).

Hypothesis 2: Capital availability positively affects the business survival.

Government Business Support and Business Survival: There is little empirical literature on the effects of government support on firm's performance in developing countries (Hansen, Rand, & Tarp, 2009). Fajnzylber et al. (2009) highlighted the impact of the forms of government support on the microenterprises in Mexico. They looked at the effects of credit, training and tax payments on firm's profits, growth and the chances of survival. Their study found that although access to these forms of support does not appear to significantly influence profits, but the access to credit improves the likelihood of survival. In a special issue of Small Business Economics, it is argued that various government policy interventions have played a significant role in the account of SME successes in Asian region (Iqbal, & Urata, 2002). The governments can extend direct financial support and tax breaks whereas the technical assistance is generally provided to the companies that are in their infancy (Hansen, Rand, & Tarp, 2009). The governments can possibly control employment issues using support policies. The business survival factors are not only limited to businesses themselves but also the environmental factors surrounding them too (Van Praag, 2003). We focused on the perceptions about the government support extended to small business to meet up the requirements during COVID-19.

Hypothesis 3: A positive relationship exists between government business support and business survival.

Lockdown and Business Survival: The coronavirus spread is characterized with health hazards and in severe cases lead to deaths. The governments and organizations look for ways to adopt and minimizing the risk of total failure. Lockdown is used as a safety measure and as a step towards the survival of the business instead of completely halting their business activities. But it depends upon the perceptions of the business owners whether they take it as a positive move from the government or consider it as a restriction. People looking this lockdown as a positive measure for their businesses they have the tendency to save their businesses during hard times. Several steps are taken to improve the health and safety measures that specify the responsibilities of government, managers and employees with regard to safe working practices. These assumptions are more likely to be fulfilled if a positive cultural attitude toward safety exists (Paul, 2016). Researchers have found that safety performance is affected by an organization's socially transmitted beliefs and attitudes toward safety (Ostrom, Wilhelmsen, & Kaplan, 1993). The safety of any business depends upon the safety orientation of its top management. The managers placing safety as a priority can have greater chances of saving their businesses from greater losses. Observing the lockdown as suggested by the government is likely to bring positive results

in the face of total disaster. Not much literature is found for explaining this new relationship, but keeping in view the arguments stated above the hypothesis developed is;
Hypothesis 4: There is a positive relationship between observing lockdown and small business survival.

Online Networks and Business Survival: Internet has influenced almost every field of life, the increased use of internet has made it convenient and time saving for people to purchase online. During making an online purchase decision one of the major factors that affect customer's purchase decision is the reviews and comments of other customers who have already interaction with a (purchasing product or availing service) particular business. Electronic means are redefining several aspects of doing businesses including customer-business relationships, business processes, even sometimes restructuring the whole business world by providing new distribution channel, new delivery methods, new payment methods, new medium for communication and so forth (Cosgun, & Dogerlioglu, 2012). The online sources have deep effect on the business outreach and molding customer's attitudes towards making purchases (Baber et al., 2015). This is seen an effective way to ensure profitability (Lee, & Kozar, 2006; Mithas, Tafti, Bardhan, & Goh, 2012). Lin and Lee (2006) argued that the accelerated number of Internet users, an increasing number of online businesses and Internet service providers are building online communities for developing new social relationships through Internet-based technology that possibly proved to be a success factor of the business. The business may use various social forums available for sharing the information about their products and services, thus supporting their business in times of economic turbulence. A business using online sources is generally involved in the activities like information search, sharing of information by the customers, purchasing or exchanging of products/services and developing customer linkages without meeting them on one-on-one terms (Turban & King, 2003; Jiradilok, Malisuwan, Madan & Sivarak, 2014). The customers connected through online means are a source of information sharing with other customers even under bad economic conditions (Nelson, 2012), thus supporting a business to expand. This is seen as a useful tool in the times of covid-19 for the protection of individuals and survival of business. Thus, the hypothesis developed is;

Hypothesis 5: The online networking positively affects small business survival.

Social Distancing and Business Survival: Business environment safety is considered important by previous studies (Komljenovic, Loisel, & Kumral, 2017) and recommended avoiding any possible threats to the individuals associated with the organization. In current pandemic environment safety can be ensured through social distancing, a term introduced during the COVID-19 outbreak. It requires individuals to maintain a specific distance while dealing with one another. Touching is not allowed and shaking hands or hugging is strictly prohibited. Although the social distancing is necessary for the health of people but it can be catastrophic for the business that rely on in-person activities. Such businesses may include from hotels to gift shops to cleaning services. The business has to develop dynamic

strategies so as to figure out and survive in hard times. The social distancing allows business to continue their activities with restrictions instead of totally halting their operations. The COVID-19 crisis will leave companies can survive with social distancing, such as digital platforms, and online learning are likely to spring back to recovery and shall thrive soon because of the adaptive culture they have (Costanza, et al., 2016). The number of hazards can become preventable if corrective actions are taken in time (Komljenovic, Loiselle, & Kumral, 2017). That is why they adopt social distancing as a safety measure (Paul, 2016) to avoid all possible threats. At the same time UK Financial Times (2020) has warned UK restaurants that the social distancing may put them out of business. The strictness on the part of governments may harm the normal flow of businesses (Lens, & Monkkonen, 2016). Since this construct is a new in its nature, the authors found little literature on the social distancing and its effects on businesses. Based on the arguments supporting business survival the below mentioned hypothesis is developed;

Hypothesis 6: there is a positive relationship between social distancing and small business survival

Framework based on Theory of Planned Behavior: The foundations for the developed framework are laid on the bases of Theory of Planned Behavior (TPB). It posed that intention toward attitude, subject norms, and perceived behavioral control, together shape an individual's intentions and behaviors (Ajzen, 1991) to do something or not to do something. The behaviors to do business are directly dependent upon the surfacing factors that allow some business activity. In times of COVID-19 government of Pakistan did not announced complete lockdown but keeping in view the economic health of its people the country announced a partial lockdown, besides taking handful preventive measures to avoid possible threats of COVID -19. This partial lockdown, along with other factors acted as a survivor instead of total collapse of the businesses. The relationships proposed in the light of theory of planned behavior are given in figure 1.

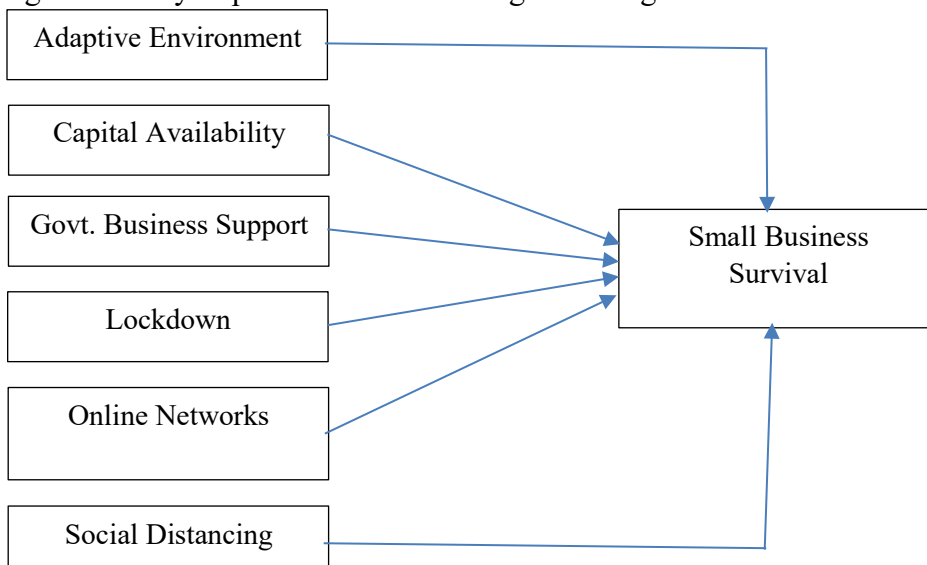


Figure 1. Research framework

Methods

Sampling and data collection: A sample of 100 entrepreneurs was selected from Pakistan for the purpose of identifying the factors that can possibly ensure survival of the small businesses. The small businesses employing ≤ 100 employees such as the small hotels, grocery, computer, departmental stores, fruit and vegetable and fabrics (stitched and unstitched) were included in this study. The businesses having number of employees ≤ 100 is selected keeping in mind the definition of small businesses provided by the small and medium enterprises development authority (SMEDA) of Pakistan. The SMEDA states that the small business is the one which has 100 to 250 employees associated with it. The responses of the entrepreneurs were recorded. A quantitative study was conducted through an online survey during the spread of COVID-19. Before distributing the questionnaire, it was ensured that the respondent must have adequate qualification (at-least Bachelor's degree holder) to readout the statement and respond to it appropriately. The entrepreneurs doing business at-least for the last two years were included in the survey for their better understanding of the business operations and the factors effecting business operations. Further it was ensured that people having their Facebook page in either individual capacity or in a business capacity were contacted. Questionnaire was circulated through WhatsApp groups of the entrepreneurs of small business. Further for sampling purpose the snow-ball sampling technique was used to get to the relevant respondents.

Instruments used: The business survival was treated as business success and the questionnaire items from the study of Indarti and Langenberg (2004) were adopted. The constructs influencing business survival were also examined using different items from various sources. The lockdown as a commitment to safety was assessed using Mearns, Whitaker, and Flin (2003), the online networking was examined using Indarti, and Langenberg (2004), similarly the government business support was assessed using the scale earlier used by Indarti, and Langenberg (2004), capital availability was measured also through Indarti, and Langenberg (2004), the business adaptive environment was assessed through Costanza, Blacksmith, Coats, Severt, and DeCostanza, (2016), and social distancing was examined using Indarti, and Langenberg (2004). All the items were assessed on a five-point Likert type scale.

Results: The results comprised of three subdivisions such as the explaining the demographic factors of respondents, the measurement model and the structural model. The measurement model helped in assessing the reliability and the validity of the measures whereas the structural model helped in assessing the relationships developed. The demographic information is provided in table 1.

Table 1

Respondents' Demographics

Variable	Category	Frequency	Percentage
Age (Years)	<30	27	27
	30-40	27	27

	40-50	34	34
	>50	12	12
Education	Bachelors	54	54
	Masters	46	46
Internet user	Yes	100	100
	No	00	00
Online Business contacts	Yes	100	100
	No	00	00
Got Government Support	Yes	100	100
	No	00	00
Employees \leq 100	Yes	100	100
	No	00	00
Marital status	Married	80	80
	Single	20	20
Dependents	Yes	100	100
	No	00	00

Source: Online survey.

It was ensured that all the respondents must have internet access and have online business contacts with customers. The respondents replied favorably to these questions and it was further mentioned that social media forums as means to reach customers. It was ensured that the respondents must be the owner of the small business with less than or equal to 100 employees and have got support from the government during COVID-19 period. Majority of the entrepreneurs belonged to the age group 40-50 years (34%) followed by 30 to 40 years (27%). All of the entrepreneurs were qualified enough, having Bachelors (54%) and Masters (46%) degrees, to use the internet and contact customers and read and fill in the questionnaire sent. At the same time all the entrepreneurs having small business were married and were having dependents that is why wanted to continue their businesses activities as early as possible.

The measurement model: The measurement model examining convergent validity is comprised of the factor loadings, composite reliability and the Average Variance extracted – AVE. This indicates the degree to which multiple items to measure the same concept are in agreement (Hair, Black, & Babin, 2010). Factor loadings per items must be greater than recommended value of 0.6 for showing internal consistency (Chin, Gopal, & Salisbury, 1997). The composite Reliability shows the degree to which the indicators of construct indicate the relationship with latent variable. For this the cut-off point is ≥ 0.7 (Hair, Sarstedt, Ringle, & Mena, 2012). The Average Variance Extracted (AVE) shows the overall amount of variance in the indicators accounted for by the latent construct. For this the recommended value is ≥ 0.5 . Table 2 shows the results for the measurement model.

Table 2
Measurement model

Constructs	Items	Loadings	C.R.	AVE
Adaptive Environment	AE1	0.901	0.928	0.763
	AE2	0.829		
	AE3	0.924		
	AE4	0.770		
Business Survival	BS1	0.928	0.954	0.840
	BS2	0.942		
	BS3	0.903		
	BS4	0.892		
Capital availability	CA1	0.938	0.912	0.776
	CA2	0.898		
	CA3	0.800		
Govt. Business Support	GS1	0.950	0.926	0.758
	GS2	0.761		
	GS3	0.846		
	GS4	0.914		
Lockdown	LD1	0.888	0.934	0.781
	LD2	0.876		
	LD3	0.900		
	LD4	0.847		
Online networking	ON1	0.917	0.944	0.810
	ON2	0.870		
	ON3	0.942		
	ON4	0.868		
Social Distancing	SD1	0.761	0.915	0.729
	SD2	0.826		
	SD3	0.909		
	SD4	0.910		

Source: PLS output

Table 2 shows the values of outer loading, composite reliability and AVE that adequately fulfill the requirement of the measurement model to be valid and allow the researcher to proceed with further testing of the model. all the C.R values are greater than 0.7 and all the AVE values are greater than 0.5. Moreover, for more analysis the discriminant validity was assessed. Table3 shows the results of the discriminant validity that is measured through Fornell and Larcker (1981) method. This I used to examine that whether each one construct loaded on the model is different from the other constructs of the model? The basic criteria followed for examining discriminant validity in PLS is that the construct should share more

variance with its measures than the sharing with the other construct in the same model, suggested by(Hulland, 1999).

Table 3

Discriminant Validity

Construct	AE	BS	CA	GS	LD	ON	SD
AE	0.874						
BS	0.108	0.916					
CA	0.057	0.117	0.881				
GS	0.679	0.110	0.021	0.871			
LD	0.003	0.225	0.543	0.061	0.884		
ON	0.690	0.137	0.017	0.683	0.061	0.900	
SD	0.153	0.377	0.063	0.164	0.249	0.230	0.859

Source: SmartPLS

The square root of the Average Variance Extracted (AVE) and the correlation coefficients are used to investigate the discriminant validity. The square roots of AVE values are available in the diagonal. The values of correlation coefficient must be lesser than the values of the square root of the AVE. This indicates appropriate discriminant validity (Hulland, 1999). The model examined above allows researchers to move forward for hypotheses testing through examining structural model.

The structural model: Table 4 shows the results of the hypotheses testing. For testing the hypothesized relationships the PLS algorithm was used through boost strapping (Hair et al., 2012). To get the respective significance values for each relationship tested.

Table 4

Hypotheses testing

Relationships	Coefficients	P-Values
AE--->BS	0.236	0.010
CA--->BS	0.027	0.070
GS--->BS	0.145	0.024
LD--->BS	0.026	0.020
ON--->BS	0.271	0.000
SD--->BS	0.332	0.000

Source: SmartPLS Output.

The results of the study show that the lockdown as a safety measure was not much welcomed by the small business owners although it is having a positive and significant relationship but it is well observed form table 4 that it is the weakest of all the relationships (Beta = 0.026, p < 0.05). The social distancing was welcomed by the small business owners as a means to continue their business activates (beta = 0.332, p <0.05). the businessmen were more interested to open their businesses and they were agreed to maintain the social distancing while doing business activates. Similarly, the businessmen were found to have

adaptive nature and they have already developed the adaptive environment for their business that accepted the changes taking place in the environment ($\beta = 0.236, p < 0.05$). The capital availability although has a positive relationship but it is non-significant ($\beta = 0.027, p > 0.05$) this may be because of the reason that the business owners believed that the capital is important to run the operations of the business and can be used as means to business survival but they might not have adequate capital availability during COVID-19 that effected their business. Moreover, the government support and online sources to do business were also having positive relationship with business survival respectively ($\beta = 0.145, 0.271$ respectively, $p < 0.05$). As a whole all of the hypotheses were accepted except for the capital availability having effect on business survival.

Discussion and conclusion: The novel corona versus (COVID-19) outbreak has affected all aspects of individual's and organizational life. It halts all functioning of the business and compelled businesses to look for the ways for their survival. The employees related to businesses were threatened to lose their jobs that further made the situation worst. The current study examined the factors that may support small businesses for their continued operations during the COVID-19 lockdown period. The business and operational environment considerably changed for the majority of organizations. One of the peculiarities of this change comes from the integration of various industrial, technical, political, economic, environmental pressures (Arney, 2013). Generally, the businesses are continuously looking for guidance and financial support from the governments ((Hansen, Rand, & Tarp, 2009), even under normal economic conditions but the spread of COVID-19 pandemic has made it aspecial case to examine the factors supporting small business survival. The responses from the small business owners showed the following results. The governmental support plays an important role in savingthe small business. The results of this study support the findings of Fajnzylber et al. (2009). The factors that supported the survival of small business in times of COVID-19 included adaptive environment, business support from the government, online networking, social distancing and lockdown. At the same time the capital availability was not much useful in business survival due to possible certain reasons that are discussed below. The capital availability was found to have non-significant relationship with small business survival at the time of COVID-19 lockdown. This funding of the present study is partly in contradiction to the earlier studies (Raheman, & Nasr, 2007; Gill, Biger, & Mathur, 2010). There can be several reasons behind this relationship. One reason behind this may be that the entrepreneurs were not ready to face this pandemic and lockdown due to pandemic and they have not put cash to reserve to deal with such situations. Already their business is small and they may not be in a position to cope up with the business threats created by COVID-19. Another reason can be that although they might have some reserves with them to deal with unavoidable situations but they have used that reserve up for paying the salaries to the staff and making further arrangements to continue their business online and so forth. Still another reason for the capitalavailability having non-significant relation may be that the risk associated with the

COVID-19 are too high and people are worried about their unsecured future and that is why do not want to spend on any business or non-business-related activities. The more the uncertain the environment is the more risk averse the people be (Velumoni, & Rau, 2014). It is noted earlier that effective capital management help managers to deal with the tough times (Costanza, et al., 2016) like COVID-19. The factors that positively contribute towards business survival in the prevailing times include the businesses having adaptive environments. The adaptability towards the internal and external environment factors allow businesses to adopt change as quickly as possible and make them less vulnerable to get harmed (Costanza, et al., 2016). The government support has a significant impact on the survival and smooth functioning of the business especially the small businesses. Keeping in view the importance of trade and commerce the government of Pakistan has established Small and Medium Enterprises Development Authority (SMEDA) to address the challenges faced by the small businesses in Pakistan (Majid, et al., 2017; Iqbal, & Urata, 2002; Raza, Minai, Zain, Tariq, & Khuwaja, 2018). The business can make their way to survival in these pandemic times through developing online networks and they may expand the scope of their activities that have become limited due to the prevailing threatening environment. The online forums have been found having positive effects on the business (Raza, Minai, Zain, Tariq, & Khuwaja, 2018; Lee, & Kozar, 2006; Mithas, Tafti, Bardhan, & Goh, 2012). The online ways of doing business can help entrepreneurs in multiple ways among which there are more pertinent to the business during COVID-19. Firstly, it helps in sharing information by maintaining a social distance; secondly it helps to reach a greater number of people on online forums thus having no threat of getting infected. Thirdly the crowding can be avoided and the products can be delivered using courier services or home delivery services in which interaction is minimal. The lockdown was not much welcomed but it was one of the ways of protecting business from total collapse in terms of getting infected. The negative affects of lockdown were diminished by maintaining the social distance. The entrepreneurs were of the view that the business activates should be allowed and the entrepreneurs were willing to maintain the social distance for keeping them safe. The theory of planned behavior states that the attitudes and behaviors are shaped by the surrounding factors prevailing in the environment. This is correctly supported by the findings of this study. The factors that acted as independent factors pushed the entrepreneurs to continue their business in times of covid-19 and preventing them from total collapse.

Conclusion: Business survival in the hard times becomes more crucial not only for the individuals even governments. On one side the COVID-19 brought with it the threats but on the other hand it has made people innovative through looking for the ways to get through this pandemic. This study was conducted in a turbulent environment where in the high threat of COVID-19 prevailed in the internal and external business environment. The factors that contribute positively towards business survival include the adaptive nature of the businesses, support from the government, developing online networks for business

operations expansion. For the businesses that are done in the Brick and Mortar formats the social distancing is the key to avoid all possible threats of COVID-19, although the entrepreneurs perceived lockdown as a unwelcomed factor for businesses.

Implications and suggestions: No doubt, the businesses must avoid the normal strategies that they used to follow before the spread of COVID-19. The current study remains helpful for the managers of the small businesses to know the factors that possibly help them to ensure the survival of their businesses. The businesses, during partial lockdown period may adopt various strategies to connect with customers. Such businesses may adopt different strategies during this lockdown period by maintaining a social distance. They may become partner with other businesses that provide the courier services as a means to deliver your product. The businesses may stay connected with their customers using online sources. The businesses may update their website regularly for sharing the information about products and may ask for ideas form their customers to reach them safely. The managers of small businesses must understand the importance of lockdown and must consider it as a blessing instead of boon. The lockdown was exercised by the government of Pakistan to make their way to survival instead of facing a huge health hazard causing its employees to get infected or infect others. The entrepreneurs who wanted to continue their business activates may focus on the strategies tested under the current framework.

Limitations and future directions: The study was sector specific as it encompassed the private business in Pakistan's context. The collection of data through questionnaire may result in self – reported bias and to avoid these bias researchers may use multiple sources of data gathering tools including interviews in combination to questionnaire to cross-check the truth of the responses gathered. Various factors were considered for the study affecting business survival in times of pandemic. Other suitable factors may also be examined having effect on business survival. The addition of constructs like compensation of employees and any other factor that possibly effect the business survival in these turbulent times will be an interesting insight to the existing framework.

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