

# Preparation and Adaptation Guidelines for Business Operations of Small Sized Enterprises to Resolve the Economic Impact the Situation of the Corona Virus (COVID-19) Infectious Disease in the Western Region

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## Abstract

The objectives of this research were 1) to study the preparation of business operations of small sized enterprises (SE); 2) to study the adaptation guidelines in business operations of small sized enterprises (SE); and 3) to suggest policies assisting small sized enterprises (SE) in resolving the economic impact on the coronavirus 2019 epidemic situation in the West. The research tools included a potential analysis form, in-depth interview, and group discussion interview form. The sample group was service sector operators, manufacturing sector and agricultural sector in the Western region in Thailand. The researchers assessed the potential of small sized enterprises by using the potential measurement criteria and applied the principles of content analysis and descriptive analysis.

The results of the study revealed three issues: 1) Business readiness of small sized enterprises, it was found that the service sector was the most vulnerable to the COVID-19 crisis, while the manufacturing and agricultural sectors were second most vulnerable, respectively. All three sectors have different levels of capacity and funding to prepare for vulnerabilities, 2) Adaptation guidelines in business operations of small sized enterprises, the adaptation model has 7 sub-issues, namely, employment balance, accumulating capital through relocation of hired labor and non-service activities, building stability in financial resources, social capital, human capital: diverse occupations, marketing and logistics strategies, in line with the resource preparation framework and management system covering all 8 areas, and 3) Policy recommendations for helping small sized enterprises had 3 findings: Issue, which were 1: Problem solving by using the Enterprise Triangle Mechanism, i.e. entrepreneurs, the private sector, and the government sector, 2: Prioritizing assistance entrepreneurs included, traditional entrepreneurs, progressive entrepreneur, and creative entrepreneurs, and 3: the policy that the government should help small enterprises should be divided into 3 phases, namely short-term, medium-term and long-term.

**Keywords:** preparation, adaptation guidelines, small sized enterprises, coronavirus 2019.

## INTRODUCTION

From the epidemic situation of coronavirus disease 2019 or COVID-19, which the World Health Organization (WHO) has upgraded to the "pandemic" has had a wide spectrum of

health, social, economic and environmental impacts. This caused the country to have to spend a lot of budgets in solving such problems to return to the original level as soon as possible., especially the economic impact on the business model (Business-to-Customer:

B2C) that is a local business (local business) COVID-19 epidemic, has transcended from a severe epidemic that affects health came to be an epidemic that affects the overall economic condition both large businesses and small and medium-sized enterprises are affected by this crisis. "The more small and medium-sized enterprises (SMEs) with international trade, the more severe the impact of the length of the supply chain will be" (Phattharaksa, 2020, p. 1) From the intensive epidemic control measures of each country, It is a crisis that makes the demand, supply system, logistics system and the overall global supply chain has slowed down, until affecting the industrial sector especially small and medium-sized enterprises (SMEs), which have a shorter line than large entrepreneurs. Many government agencies have issued various measures to help small and medium-sized enterprises (SMEs) survive this crisis. (Economic Base, 2020) Therefore, in this analysis of the economic impact caused by the COVID-19 virus, it is not possible to analyze just one aspect. This is because these effects occur both economically in many fields, socially, and on daily life.

Secondary data from the overall impact of the coronavirus 2019 epidemic situation at the national level by the Center for Economic and Business Research Economic and Business Research Center Siam Commercial Bank (2020) reported that Thailand's business sector was highly affected. Due to the fact that the Thai economy is heavily dependent on foreign economies thus affecting the Thai economy in 2 sectors, namely the tourism sector, the situation of COVID and the country's lockdown in April 2020 onwards has caused almost all tourism revenues to be negative, and the export sector, it accounts for about 50 percent of the gross domestic product and from the global economic recession. As a result, it is estimated that exports in 2020 will be negative 12.9 percent. Businesses are affected by both domestic and international travel restrictions. Measures to limit activities will directly and indirectly affect trade and production. Some businesses have to close down and lay off employees either temporarily or permanently or lower wages as well as causing the supply

chain to come to a halt and small and medium-sized enterprises is another group that has been greatly affected. This is because Thai small and medium-sized enterprises have limited financial status, ability to pay debt low liquidity, and considering the case where businesses face a sudden economic recession, small and medium-sized enterprises can take 2-3 times less risk than large enterprises (Bank of Thailand, 2020)

Promoting and supporting small and medium-sized enterprises (SMEs) is something that governments in many countries, including Thailand, emphasize that it is necessary for the economic growth and development of the country, because small and medium-sized enterprises (SMEs) are important economic drivers for the country's development for a reason, small and medium-sized enterprises (SMEs) are an important source of job creation. Also, new innovations are more likely to occur in small and medium-sized enterprises (SMEs) than in large businesses (Wasi, 2019). The emergence of coronavirus disease 2019 or COVID-19 clearly affects the economy of Thailand and part of the broadly affected people are small and medium-sized enterprises (SMEs), both directly and indirectly. The direct impact occurred on important business mechanisms, namely the tourism sector, which has a supply chain that continues to all small businesses (Kosumat, 2020) The tourism sector is very important to the Thai economy, because there are many small sized entrepreneurs involved. It is also linked to the local community economy, which the aforementioned effects intensify further as a chain, because small and medium-sized enterprises (SMEs) account for 99% of entrepreneurs in the country. It also employs up to 85 percent of the total employment (Bank of Thailand, 2020) and the outbreak of the coronavirus disease 2019, as a result, small and medium-sized enterprises (SMEs) have decreased sales, lack of distribution channels. business crashes or some have reached the stage of business interruption This was partly due to the lack of preparation and adaptation guidelines for such critical situations. The government has continuously issued policies to

help and heal small and medium-sized enterprises (SMEs). However, with the severity of the coronavirus 2019 epidemic intensifying. And the situation is rapidly emerging, making it difficult for small and medium-sized enterprises (SMEs) to cope with the epidemic situation. In addition, there is a lack of knowledge and guidelines for adjusting business operations amid the crisis of this severe outbreak.

Therefore, the preparation and adaptation of entrepreneurs to the epidemic situation is important. Although the current situation of the epidemic of coronavirus 2019 in Thailand will be alleviated. However, the country must speed up social and economic recovery as soon as possible, especially short-term action plans when the situation comes to prepare a plan to support the changing society and prepare to support if there is an outbreak in the next round in the future. From such a situation, it is the origin of the research project on "Preparation and adaptation guidelines for business operations of small sized enterprises to resolve the economic impact the situation of the corona virus (COVID-19) infectious disease in the western region" by this research, the researcher. Only small sized enterprises (SE) were studied in the Western region due to the assessment report on the impact of the coronavirus 2019 outbreak on Thai industry. According to the Ministry of Industry, small firms and low-tech firms are among the hardest hit by the coronavirus pandemic and its prevention measures scourge. In addition, small firms were the group with the least access to government stimulus programs (Ministry of Industry, 2020). In the research that the researchers studied, the study focuses on 3 pillars, namely the service sector, the manufacturing sector, and the agricultural sector. This is because in the monthly SME situation report of the Office of Small and Medium Enterprises Promotion (OSMEP), it was also found that the unusual tourism situation will have an impact on the economy, which will greatly affect the business sector in the service sector. The researchers conducted both an on-site interview with entrepreneurs and interviewed Mr. Apichart Hengsiripaisarn,

manager of the SME Integrated Service Center (OSS), Kanchanaburi Province. The in-depth information found during the coronavirus 2019 epidemic, small and medium-sized enterprises (SMEs) were greatly affected, especially small sized enterprises (SE) in the service and manufacturing sectors, some of whom were unable to operate continuously. The main problems encountered were marketing and inability to access funding sources. From such information, therefore, it is the origin of the research study only on small enterprises (SE) in the Western region in 3 pillars namely Tak Province, Kanchanaburi Province, Ratchaburi Province, Phetchaburi Province and Prachuap Khiri Khan Province, which has a group of small sized enterprises (SE) with the 3 pillars, accounting for 10.10 of SMEs in the Western region (Office of Small and Medium Enterprises Promotion, 2021) Especially for small enterprises (SE), which will have information on preparation and guidelines for adapting to the epidemic situation of the coronavirus disease 2019, as well as relevant government and private agencies can apply policy recommendations. Based on the results of this research, it has been formulated as a measure and a guideline to help small sized enterprises (SE) to be able to continue their business. Including the transmission of information to create understanding and support or correct the economic impact. In the operation of both groups, which are small and medium-sized enterprises (SMEs) on the epidemic situation of the coronavirus 2019 in order to prepare to support if there is a further outbreak, or other epidemics that may occur in the future from the origin and importance of such problems. The researchers therefore have seen the importance of preparing and adjusting the business practices of small sized enterprises (SE), in order to bring to policy recommendations for resolving the economic impact on the epidemic situation of the Coronavirus with the objectives of the study as follows:

- 1) To study the preparation of business operations of small sized enterprises (SE) for the epidemic situation of the coronavirus 2019 in the Western region.

2) To study the business adaptation guidelines of small sized enterprises (SE) to the epidemic situation of coronavirus 2019 in the Western region.

3) To recommend a policy to assist small sized enterprises (SE) in resolving the economic impact on the coronavirus disease 2019 epidemic situation in the West.

## Literature review

In this research, the researchers have integrated concepts and theories to study the problems and impacts of small sized enterprises (SE) in the situation of the coronavirus 2019 epidemic, by using secondary data from the problem conditions and their impact on the picture together. The details were divided into 3 business sectors, namely the service sector, the manufacturing sector and the agricultural sector. According to the report assessing the impact of the coronavirus 2019 outbreak on Thai industry, small firms and low-tech firms are among the most affected. From the epidemic crisis of coronavirus 2019 and measured to prevent the epidemic, It was also found that smaller companies had the least access to aid from government stimulus programs. (Ministry of Industry, 2020) For the analysis of the potential of small sized enterprises (SE) in the dimension of adaptation and capital or resources (assets), the researcher studied through the hexagonal framework of livelihood analysis to assess group livelihood capital. Small sized enterprises (SE) in the six dimensions of adaptation and capital (assets) are physical capital, natural capital, financial capital, human capital, social capital and cultural capital. To analyze the group's ability to survive and adapt to epidemic crisis conditions of COVID-19 virus that has been spreading around the world today. The results of analyzes on various subjects will reveal livelihood outcomes (Department for International Development, 2002; Ellis, 1998).

In addition, the researchers have set a study framework for the preparation of business operations of small enterprises (SE) in response to the epidemic situation of the

coronavirus 2019, covering 8 areas, namely human resources, finance, raw materials/manufacturing, manufacture management, marketing, technology, the adjustment of the business model and logistics management strategies, from concept studies, fundamental theory of business administration entrepreneurs must be prepared in the 4 areas of management principles 4M (Drucker, 2005; Meekamlang, 2010, p. 37) and from the concept of the preparation and adaptation guidelines of small sized enterprises (SE) in the situation of the epidemic of the Coronavirus 2019 by Phattharak (2020, pp. 20-25; Opasanon, 2020, pp. 6-13; Ministry of Industry, 2020)

## Methodology

The researchers relied on qualitative research methodology from document research together with filed research, including in-depth interviews with key informants and focus groups to collect data for the three research objectives, details as follows:

### Data source

1. Secondary data sources by the researcher from related documents. It focuses on research on the issue of the coronavirus 2019 epidemic situation in Thailand, the problems and impacts of small sized enterprises (SE) in the coronavirus 2019 epidemic situation, including the hexagonal analysis. Subsistence assessment of small enterprises (SE) subsistence capital, concepts on the preparation and adaptation of small sized enterprises (SE) in the epidemic situation of coronavirus 2019. The researchers used the study documents, reports, textbooks, research papers from research databases related websites, journals, publications in both Thai and foreign languages and searching for information from the Internet.

2. Primary data sources by studying from individuals. The researchers used in-depth interviews with small sized enterprise operators (SE) in the Western region, which operates business in 3 main pillars, namely the service

sector, the manufacturing sector and the agricultural sector, from Tak Province, Kanchanaburi Province, Ratchaburi Province, Phetchaburi Province, and Prachuap Khiri Khan Province by being the representative of the information provider a total of 15 people were collected, and data collection was done through a focus group.

#### Key contributors

In this study Researchers obtained in-depth interviews and focus groups, targeting small enterprises (SE) in the Western region, which operates business in 3 main pillars, namely the service sector, the manufacturing sector and the agricultural sector, from Tak Province Kanchanaburi Province, Ratchaburi Province, Phetchaburi Province and Prachuap Khiri Khan Province. The key informants group consisted of 15 entrepreneurs or representatives from personnel in small sized enterprises (SE), who operate business in three pillars, namely the service sector, the manufacturing sector and the agricultural sector.

A study of the small sized enterprise (SE) assistance policy recommendations for resolving the economic Impact on the Coronavirus 2019 epidemic situation in the West was collected by a focus group. The goal is personnel in government and private agencies involved in small and medium-sized enterprises (SMEs) and stakeholders in the business, consisting of entrepreneurs or representatives from personnel in small enterprises (SE), who operate their businesses in 3 pillars namely the service sector, the manufacturing sector, and the agricultural sector. Government officials from the Office of Small and Medium Enterprises Promotion (SMEs), social and community developers business administration academics representative from the small and medium-sized enterprise development bank online business operator a total of 11 people.

#### Research tools

The tools used for data collection in this research study consisted of:

1. A form of analysis of the potential of small enterprises, amounting to 6 items, by analyzing the livelihood assessment of the subsistence capital of small sized enterprises (SE) in terms of physical capital, natural capital, financial capital human capital, social capital and cultural capital.

2. An in-depth interview form divided into 2 parts: general information of the respondents. and the preparation of business operations of small sized enterprises (SE) to address the economic impact on the epidemic situation of the coronavirus 2019.

3. Interview form for group discussion, divided into 2 parts: questions on the business adaptation guidelines of small enterprises (SE) to the epidemic situation of the coronavirus 2019, and policy recommendations to assist small enterprises (SE) in resolving the economic impact of the coronavirus disease 2019 epidemic situation.

#### Data analysis

Data analysis for the three research purposes, the researcher used the principles of content analysis and descriptive analysis. This is done to check how reliable and complete information is obtained complete or not. The reliability of the data is checked by means of detailed descriptive notes and presented to illustrate all aspects, and using a triangulation method In the form of an analyst triangulation, and presenting the data in a category, nominating informants, the researchers reserve the right to use codes on behalf of the informants in each chapter, interviews and group discussions. This is to comply with the Code of Conduct for research data and to maintain the privacy of the informants.

#### Results

Small and medium-sized enterprises in the Western region, the researcher's sample group, were found in the service sector the most at 40.89 percent, followed by the manufacturing sector at 13.18 percent and the

agribusiness sector 1.68 percent. Potential of small community enterprises Situational handling and response Resource preparation and management system and the need for assistance during the COVID-19 outbreak and after the outbreak has eased. The results of the study are as follows:

1. Preparation for doing business of small enterprises (SE) in response to the epidemic situation of coronavirus disease 2019 in the Western region.

Potential level of small community enterprise groups

Analysis of the potential of small enterprises to cope with the COVID-19 pandemic crisis using a livelihood strategy, the researchers used subsistence capital to describe the level of potential and to gauge how low the level of crisis-ready subsistence capital is for small sized enterprises. How and to what level can the capital be used to cope? The subsistence capital consists of physical capital, natural capital, financial capital, human capital, social capital and cultural capital. It will be a group of enterprises in three sectors, namely the service sector, the manufacturing sector, and the agricultural sector, in five provinces in the Western region, namely Tak Province, Kanchanaburi Province, Ratchaburi Province, Phetchaburi Province and Prachuap Khiri Khan Province.

According to a measure of the potential of small enterprises in the Western region from the Living Capital Framework, the service sector is most vulnerable to the COVID-19 crisis due to the Western region's abundant resources and tourist attractions. High diversity, both tourist attractions in the natural area and cultural as well as an area near Bangkok It is an area that relies on tourism to drive the economy of the area, and the distinctive feature of being the Western border area that can be a tourist attraction and high service including importing goods from the high borders that are conducive to tourism management.

Manufacturing sector and the agricultural sector are fragile, respectively. This is because both sectors also have physical

capital to facilitate the delivery of goods and merchandising through multiple channels and the use of social capital, such as the production network of raw materials such as weaving raw materials food production raw materials or agricultural raw materials that can be easily procured in the production of products or a social network that provides a better source of merchandise than a service sector that relies heavily on tourists. however, all three regions were also affected by the COVID-19 epidemic crisis. This is because business drives in the Western region still rely on tourists and exports of goods both domestically and internationally.

From the results of the analysis of the potential of all 5 provinces, regarding physical capital, natural capital, financial capital, human capital, social capital and cultural capital. Among small sized enterprises, the service sector, the manufacturing sector, and the agricultural sector. The researchers can summarize the hexagonal potential of small enterprises in the Western region, as shown in figure 1

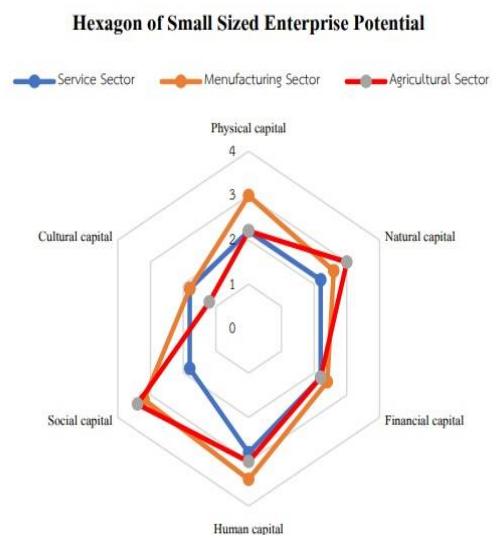


Figure 1 *Hexagon of the potential of small sized enterprises in the Western region*

2. Guidelines for the adjustment of business operations of small enterprises (SE) to the epidemic situation of the Coronavirus Disease 2019 in the West.

## 2.1 Situational coping and response (coping)

From the data of living capital and the potential hexagon of small sized enterprise groups can be analyzed as a strategy for coping and responding to the COVID-19 epidemic situation. In each group there are differences between the capital and the potential of each group as follows:

### 1) Employment balance

The service sector is managed in a quantitative dimension by employing tactics for reducing the number of working personnel, namely, reducing the use of financial capital, staff reduction and qualitative dimensions. It is a model of human capital development in terms of flexibility in the quality of workforce, including creating diversity in job positions such as online sales. Developing a variety of tourism products in order to reach a wider variety of tourists and adjusting or flexible working hours and fines from permanent employees to temporary workers in some groups operating tourism and service businesses. The manufacturing sector is a model of job adaptation in both quantitative and qualitative dimensions, by employing tactics to reduce the number of working personnel, such as reducing the number of employees qualitative dimension. The quality flexibility of the workforce includes enhancing job skills to diversify the workforce and the agriculture sector is not a permanent form of employment like the service and manufacturing sectors. It will focus on the use of daily or temporary employment more. It is to strengthen and develop skills in growing a variety of plants, development of agricultural product packaging and working in the agricultural sector is the adaptation to work and hire in the agricultural sector in the same network of production groups in the form of labor exchange.

### 2) Capital accumulation through labor migration employment and activities outside the service sector

Human capital development through social capital. It is a relationship model that

allocates employees to work outside the service sector. This form of adaptation is most common in the service sector. It will be a form of relocation of employees to come out to work in other sectors such as Bangkok area. Major cities and urban areas agricultural work or other manufacturing sectors.

### 3) Building stability in financial resources

It is a form of stabilization of financial assets of small enterprises. This is an adjustment for refusing to borrow money in a financial institution. for the burden of higher expenses from interest rates. It is a model to prevent the vulnerability of small sized tourism and hospitality enterprises that rely on high income from foreign and domestic tourists. Physical capital use natural capital, human capital and available financial capital. The manufacturing sector creates financial stability through the use of profits. It is circulated as reserves to prevent crises in others. Some of the loans are accessed and some are not able to enter the loan system. Because there are conditions for accessing loans that are limited to accessing loans in financial institutions. The key indicators showing financial stability in terms of supply, supply and market access include various socio-economic factors that will affect create a context of vulnerability and market access in selling products. Most of the manufacturing sector has financial stability in terms of supply of goods that are sufficient to meet demand, such as the number of markets or the number of local shops, online markets, department stores. Industrial plants, raw material prices, distance from the source of production. Public utilities and access to various government and agricultural aid projects are a form of financing, by finding a source for borrowing money to use that money to pay for labor, fertilizer, propagation and farm maintenance expenses.

### 4) Social capital

Manufacturing sector: social network for production security

The use of social capital is a form of subsistence strategy in the manufacturing sector: raw material networks. including

institutional networks, the strengths in the adaptation include education agencies that come as mentors in solving production problems. Research and Technology Institute of Thailand to provide assistance in knowledge of product preservation and good product processing.

#### Agriculture Sector: Consolidation for Production Security

Using social capital, the agricultural sector employs a collective strategy to obtain sufficient produce for the market. It is considered as a form of livelihood strategy in the agricultural sector, namely agricultural product networks such as fruit tree groups, radish groups, coffee groups, livestock groups, etc., and institutional networks, such as educational agencies that come as mentors in the agricultural sector. Solve agricultural production problems packaging creation Including government agencies that come to help with knowledge, increase productivity and other forms of product processing.

#### 5) Human Capital: Diversified Occupation (diversification economic)

The service sector has a model for creating diversity of livelihoods, including creating diversity in production. Diversification productions are activities in the service sector that are more diversified, for example, the organization of service sectors linked to tourism in the country. Cultural tourism patterns in community areas and selling souvenirs. It is selling souvenirs from the community, and service business sector to develop service-related products

Agriculture sector is the creation of diversity in agricultural production. Diversification productions are activities of agricultural production for both consumption and sales of the group, aimed at creating food security and finding additional income channels. It can be divided into types of diversification in agricultural production, namely production for consumption only It is a group where rice is grown for household consumption. Along with growing vegetables for sale in the markets inside and outside the village for extra income

and planted for household consumption and production for consumption along with the wholesale into the market. It is a group that cultivates agricultural crops for household consumption and for early commercial use in some parts of their land and. Diversification occupation is the concurrent occupation of agriculture, employment, full-time work and the sale of other goods.

#### 6) Marketing Strategy

Privilege strategies for survival include price reductions, one-time privileges, after sales service additional services include the addition of tour services and additional meals. Which works well in the 1st and 2nd spoons that can bring about a better level of income. Nevertheless, at the same time in the 3rd squirrel is the one that is highly affected, causing an impact on the income and expenses of the organization

Popular products, is a marketing technique that reduces other costs that are not cost-effective for production, by pushing out more popular products to sell in the market but reducing the production of some products that cannot be sold.

online platform, is a medium to communicate with tourists in the country and in the community, to provide access to services, products, agricultural products and privilege information through online platforms in the form social media, websites and applications.

#### 7) Transportation

Manufacturing and agricultural sectors Use private transport with flexibility and fast delivery on large quantities of goods. during the COVID-19 epidemic crisis. There are more online sales than in-store sales from receiving orders from online sales and ordering products directly from buyers within the province and outside the province.



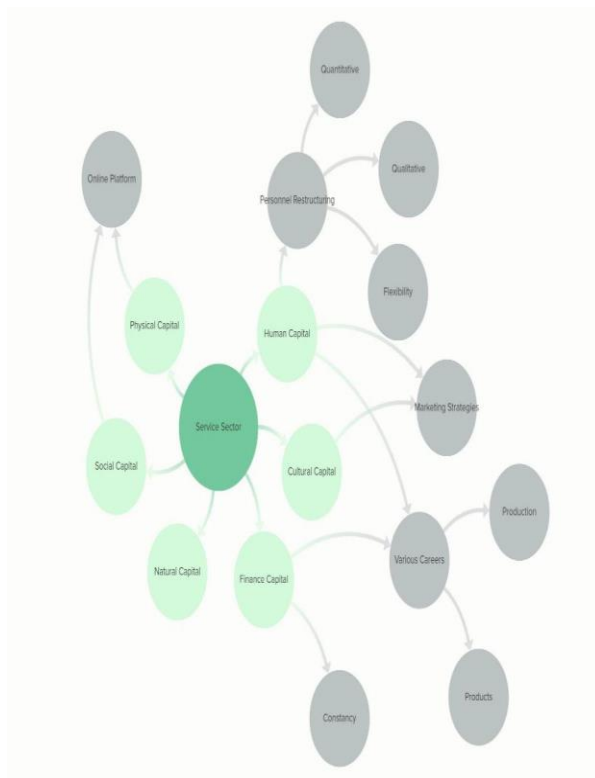


Figure 2 *The relationship of capital and service sector adjustments*

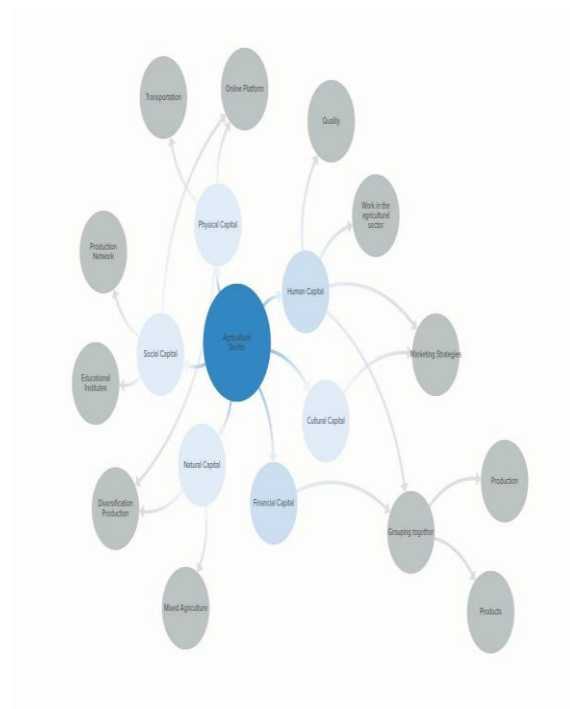


Figure 4 *The relationship of capital and adaptation in the agricultural sector*

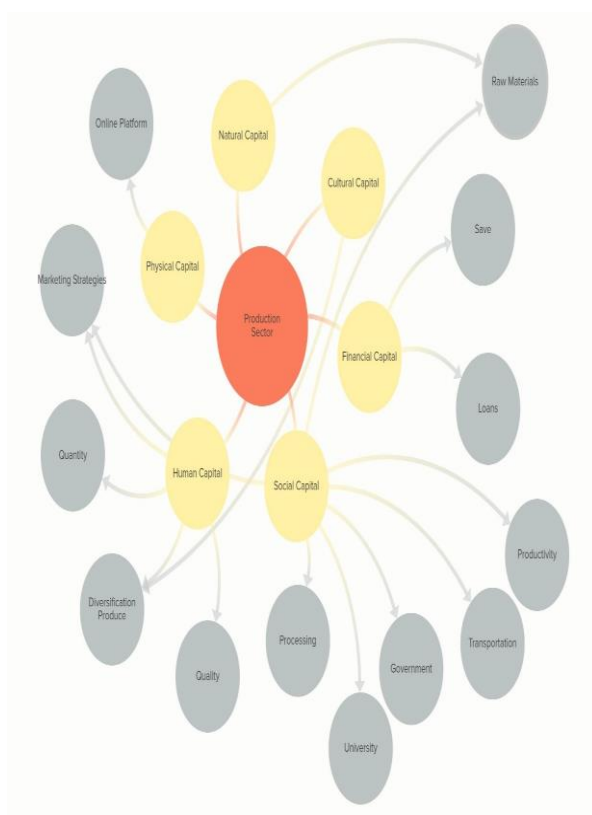


Figure 3 *The relationship of capital and adjustments in the manufacturing sector*

## 2.2 Guidelines for the adjustment of business operations of small enterprises (SE) to the epidemic situation of the Coronavirus 2019 in the West

From the conceptual framework for the preparation and adaptation of small sized enterprises (SE) in the epidemic situation of the coronavirus 2019 in 8 aspects, it was found that; 1) Human resources, there is a production variety. Efficient allocation of front-line employees to perform other duties converting existing resources back into more revenue or creating a variety of production to compensate for lost income from the crisis, 2) Finance is to manage money as tightly as possible, such as reducing expenses, especially the reduction in wages or reductions in staff and negotiating with creditors to request a suspension of debt including adjusting in changing the way of doing business new business model development Other business ventures. Finding major business partners helps to support the business in the form of mergers and acquisitions or building a business network, 3)

Raw materials/production using social networks or negotiating prices and handling raw materials of entrepreneurs including slowing/reducing production. This is an adjustment to reduce costs in production costs, such as slowing down production during critical times, etc. 4) Management. It is a form of adjustment to reduce production costs, such as wages, expenses in the establishment. or a reduction in inventory from a reduction in production by managing a strategy that focuses on the productivity of the market demand using the management style of 4 M, namely Man(people), Money, Material and Management to be the most concise, 5) Marketing, using marketing strategies by pushing popular products, and the use of online marketing/sales strategies, 6) Technology, creating an online platform as a medium of communication which is considered a technology asset in adapting under the coronavirus disease 2019 epidemic and selling products under buying and selling in the new normal, including social media, the web. Merchandising application site both selling products in the form of an online flea market and live and sold through the media of government organizations, 7) Restructuring the business model personnel restructuring stability of financial resources by reducing expenses diversified occupation or production career change Networking through social capital and building an online platform; and 8) logistics management strategy. One-day transit time reduction to reduce costs emphasis is placed on the use of private transport with flexibility and rapid delivery of large quantities of goods.

### 3. Policy recommendations for helping small sized enterprises (SE) to address the economic impact on the coronavirus disease 2019 epidemic situation in the West

#### 3.1 Priority from the types of small enterprise operators

##### 1) traditional entrepreneurs

They are basic entrepreneurs with low assets or technological capability and have low to medium capital It is a production based on a

basic economy such as small sized entrepreneurs, which is a group that needs to be assisted as urgently as possible.

##### 2) progressive entrepreneur

It is a group of entrepreneurs with high assets or capability with a high level of

capital. It is the production of high-end products, such as having an industrial management system. There are many human resource management systems. Relying on marketing mechanisms more than government mechanisms, such as large and medium-sized companies or enterprises, etc.

##### 3) creative entrepreneurs

It is a group of entrepreneurs from small and medium sized. There are guidelines and management styles. Raising funds for business operations such as product development based on knowledge base, culture base, resource base or technology base. Be an entrepreneur who is highly resilient to rapidly changing economic, social and cultural conditions.

From the lessons learned from research studies, there are 3 priority areas for helping entrepreneurs, namely traditional entrepreneurs, and followed by progressive entrepreneurs, creative entrepreneur. All three groups of entrepreneurs are affected and should receive assistance in priority.

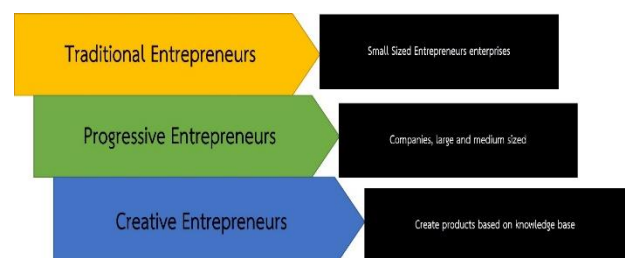


Figure 5 *Priority from types of small enterprise entrepreneurs*

#### 3.2 Enterprise Triangle Mechanism

Important mechanisms for driving adaptation mechanisms that will lead to solutions or impacts from the coronavirus disease 2019 epidemic on small enterprises are:

1) Entrepreneurial sector In the early stages of the epidemic entrepreneurs live on uncertainty, in the vulnerability of the situation, therefore, entrepreneurs must analyze themselves to see what potential. Is there an important upstream product that responds to the needs of consumers? Study of tourist behavior, includes self-analysis of potential, resource, strengths, weaknesses, limitations and opportunities for epidemic situations.

2) Private sector Including the private sector network, the Chamber of Commerce, the Federation of Industries, the Office of Small and Medium Enterprises Promotion (OSMEP) or agencies in the area must promote human resources, finance, raw materials/production. Management, marketing, technology. The adjustment of the business model and logistics management strategies,. In order for entrepreneurs to eliminate weaknesses to be able to achieve the goal as much as possible according to the entrepreneur's potential.

3) Government sector Including government, government policies in focusing on the fundamental economy at present, looking at the BCG model, the development of 3 economies is bioeconomy, circular economy, and green economy, which will drive the economy concretely. In the past, the government's policies did not meet the target, by focusing on individual individuals, such as half-person projects we travel together or we don't leave each other including pushing online marketing and transportation systems that facilitate the product. To connect lower, middle and high groups with equal access to problem solving and adaptation.

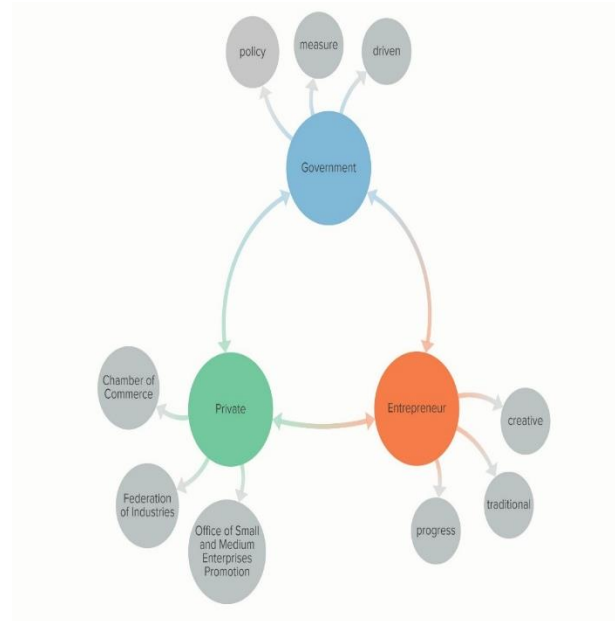


Figure 6 *The Enterprise Triangle Mechanism to Solve Problems or Impacts from the Coronavirus Disease 2019 Outbreak on Small Sized Enterprise Groups*

The research team has prioritized helping entrepreneurs, including traditional entrepreneurs, followed by progressive entrepreneurs and creative entrepreneurs. In addition, the government sector should have policies that help small enterprises in 3 phases, namely short-term, medium-term and long-term as follows:

#### 1. Short term policy

1.1 New market measures, the government must expedite the supply of markets for entrepreneurs. Supporting the market in a new way during the opening of the country, such as the safe roaming market, Exhibition (show case), Online market, links between agricultural markets production and tourism. It can be designed as a travel package especially in a controlled area.

1.2 Tax measures, the government must create incentives to reduce taxes on agricultural, manufacturing and tourism products. Waiver of fines cut interest rates and reduce the criminal fines of the tax.

1.3 Measures for funding sources, enhancement of liquidity from various types of loans from financial institutions, both state-owned Support soft loans and government-supported financial institutions to operate in the private sector at low interest rates as well as reducing procedures or conditions for accessing capital to entrepreneurs to make it easier to access funds instead of borrowing outside the system with high interest rates.

1.4 Measures for the development of short-term entrepreneurs, it is the development of entrepreneurial skills under the fragile conditions of the Coronavirus epidemic 2019, including training on marketing, marketing through online platforms and the development of marketing communication through the marketing public relations model.

1.5 Developing technology asset, to enhance technology resources for entrepreneurs to be able to have skills in selling products online marketing development, develop product information communication through sales platform and develop public relations materials.

1.6 Promoting the development of the enterprise ecosystem, promoting an environment conducive to product sales, creating a competitive atmosphere, mechanisms that are conducive to the development of small and medium-sized enterprises

## 2. Medium-term policy

2.1 International Market Measures to promote the export of goods. The government must find a market that can support the product, create incentives for domestic production.

2.2 Measures for the development of entrepreneurial abilities. Governments should accelerate the development of entrepreneurial capacity development platforms for future skills, including reskilling, upskilling and technology learning new skills that must be applied to work, such as digital skills or work with intelligent systems together with learning about BCG Model issues, as well as good and quick decision-making skills.

## 3. long term policy

3.1 Development of public sector management systems and mechanisms systems and mechanisms must have measures that are flexible to new situations. There must be a system of mechanisms for preparation, surveillance, and promotion and rehabilitation so that entrepreneurs can turn around with concrete measures.

3.2 Develop departments responsible for small sized enterprises to have the capacity to help One Stop Service operators simplify the process, be able to suggest ways to adjust, marketing, trade, new skills.

3.3 Fundamental Economic Support, it is the development of fundamental economic development factors from external factors such as policies and measures to promote small enterprises for driving the fundamental economy, supporting access to capital sources. Government agencies and network partners provide support, such as the Department of Community Development, provincial industry, local university, provincial commerce, Food and Drug Administration (FDA) in terms of product standards or the development of internal factors such as entrepreneurs, management and skill development.

3.4 Developing a network of small enterprises, including the government, private sectors, the Chamber of Commerce, the Federation of Industries.

3.5 Development of small sized enterprise platforms, it is a development platform that is a platform specific to OTOP, small enterprise or a community enterprise group that was created to create a digital marketplace or online marketing that can be a center for marketing, commerce, public relations. It has a similar format to an online trading platform.

3.6 Strengthening subsistence capital, namely physical capital, natural capital, financial capital, human capital, social capital and cultural capital. In small enterprises, strengthening under an epidemic, disaster or

economic crisis through the government, private and public sector mechanisms.

## Discussion

From the problems and economic impacts of small enterprises in the western region, it was found that there was a decrease in income. The decline in income can be broken down by the groups most affected by the service sector, the manufacturing sector and the agricultural sector, respectively. The most common deterioration in income is the decline in purchasing demand and the absence of consumer demand, tourist, due to the announcement of maximum control measures and control measures in various areas, including the announcement of lockdown in some areas. Due to the decrease in income, the money used in investments lacks liquidity. During the Coronavirus 2019 epidemic and from the closure of international borders, in line with James & Navaneethakrishnan (2020, pp. 115-125) Beraha & Durichin (2020, pp. 14-27) and Affandi et al., (2021, pp. 1-20) has surveyed the impact of COVID-19 to small and medium-sized enterprises, it was found that the outbreak created a vulnerability, resulting in low economic immunity and affecting enterprises in various ways and severely, which if the lockdown is prolonged small sized enterprises are at high risk of liquidation.

This research contains findings on the issue of adjustments in business operations of small sized enterprises (SE) to the epidemic situation of the Coronavirus 2019 in the West. Career and potential hexagons of small enterprise groups found that there were 7 sub-points in adaptation patterns, namely employment equilibrium; Accumulating capital through labor migration employment and activities outside the service sector building stability in financial resources social capital use. The use of human capital: a wide range of occupations marketing strategy and adjusting the transport mode. The findings are consistent with Fitriasisari's research (Fitriasisari, 2020, pp. 53-62) on adaptation issues studied. The issue of how to make small and medium enterprises

survive the outbreak of COVID-19 and using the business model canvas process applied to small and medium enterprises, there are three key adjustment elements: product excellence, behavior of people and the credibility of business processes with the support of digital and having new digital skills is an essential strategy for small and medium-sized enterprises. However, it differs from the research findings, namely, that this study emphasizes the capacity of the Capital and Resource Dimensions (Assets) that are key bases and capital utilization for adaptation from the pandemic crisis. of COVID-19. These are physical capital, natural capital, financial capital, human capital, social capital and cultural capital. In terms of adaptation model findings, especially in marketing strategies Researchers have increased capital or resources that are important, one of which is a technology asset that is critical to adapting from this crisis. which is consistent with the research of Caballero-Morales (2021, pp. 1-9) Small and medium-sized enterprises should take advantage of digital resources such as the Internet and communication platforms. Knowledge of specific techniques and contacts (suppliers, customers) can take action to use limited resources. where innovation can be a key resource for survival during the COVID-19 epidemic and research by Syaifullah, Syaifudin, Sukendar & Junaedi (2021, pp. 523-531) Social media marketing and business performance of small and medium-sized enterprises during the Coronavirus pandemic, the use of social media for marketing has a positive effect on the performance of small and medium-sized enterprises, especially in increasing sales. Customer Relationships, Productivity, and Creativity, and Kumar & Ayedee (2021, pp. 1-16) who have studied the adoption of technology for SMEs in the wake of the COVID-19 crisis. The results of the research showed that social media 4.0 technology and e-commerce can be offered to meet the needs of customers and adding automation will increase sales.

The findings in the small sized enterprise (SE) assistance policy recommendations for resolving the economic

impacted on the Coronavirus 2019 epidemic situation categorized small sized enterprises into three levels and ranked. The importance of helping entrepreneurs include traditional entrepreneurs, progressive entrepreneur and creative entrepreneurs, all three groups of entrepreneurs are affected and should receive assistance in priority. In addition, the government should have a policy that helps small enterprises in 3 phases, namely short-term policies, including new market measures, tax measures, measures for funding sources and promoting the development of small sized enterprise ecosystems in line with the survey of financial entrepreneurs' financing issues in The UK's Brown, Rocha & Cowling (2020, pp. 380-390), has said that monetary support policy is crucial during the coronavirus pandemic. Medium-term policies include external market measures. and measures to develop the capability of entrepreneurs. The government should accelerate the development of the platform. Developing entrepreneurs' competence in future skills, including reskilling, upskilling and learning new technologies, are in line with Effendi, Sugandini & Istanto (2020, pp. 915–925) studied the adoption of social media in small and medium-sized enterprises affected by the COVID-19 Pandemic: Called “The TOE Model”, found the success of social media has helped small and medium-sized enterprises survive. This is in line with the recommendations in the measures for the development of entrepreneurial abilities that the researcher has already described as the government must actively support and promote digital skills training for small enterprises and long-term policies, such as the development of government management systems and mechanisms develop departments responsible for small sized enterprises. Fundamental Economic Support development of small sized enterprise networks and the development of small sized enterprise platforms, in line with Affandi et al, (2021, pp. 1506-1515), said that government mechanisms are crucial to supporting the success of medium-sized enterprises to be sustainable from the crisis of the COVID-19 outbreak or other crises in the future.

## Suggestion

Suggestions from research studies as followed;

1. The government sector plays an important role in supporting the success of small sized enterprises during the coronavirus disease 2019 epidemic situation. It should seriously intervene in entrepreneurial promotion policies. Including the policy should be continuously implemented and evaluated periodically.

2. The government sector should develop agencies responsible for small sized enterprises, to have the ability to help entrepreneurs with a "One Stop Service", reducing the complicated process, be able to suggest adaptation, marketing, trade, new skills, and support the fundamental economy, development of small enterprise networks and the development of a platform for small sized enterprises.

3. Entrepreneurs should find partners to support their business in the form of mergers and acquisitions, or building a business network to jointly develop a marketing or management model, and should use the 4 M management style, namely Man(people), Money, Material and Management as tightly as possible.

4. Entrepreneurs should seriously study and learn digital skills, use online marketing strategies to do business. Build an online platform for communication.

## Suggestions for further research

1. Should expand the study results in other business groups to develop leading to problem solving and policy recommendations suitable for each business group with different business characteristics.

2. Should study the reasons for the shutdown of small and medium-sized enterprises during the epidemic situation of the Coronavirus 2019 in order to find measures to help.

3. Should study the preparation and adjustments in business operations of both small and medium-sized enterprises, to suggest policies that are appropriate for the enterprises in each group.

4. There should be a study to develop measures to build a resilient business model against the impact of other new epidemic outbreaks or other potential catastrophic crises in the future.

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