

## Challenges Of Micro, Small, And Medium Enterprises In Bislig City Under New Normal: A Basis For Business Continuity Plan

Donald I. Montenegro

PhD,CMP  
North Eastern Mindanao State University  
Rosario, Tandag City, Surigao del Sur, CARAGA 8300 Philippines

**How to cite this article:** Donald I. Montenegro (2024). Challenges Of Micro, Small, And Medium Enterprises In Bislig City Under New Normal: A Basis For Business Continuity Plan. *Library Progress International*, 44(3), 2543-2554.

### ABSTRACT

This study investigates the profile, status, common factors, business, and challenges of micro, small, and medium enterprises under the new normal in Bislig City, Surigao del Sur. This research paper will further investigate how political, economic, socio-cultural, technological, and financial factors, as well as challenges, affect the decision-making of MSME's in business operations. It will provide necessary information that will serve as a basis and guide in formulating a business continuity plan, which is very useful for businesses to survive during crises. A quantitative research design was employed to gather data using an adaptive questionnaire, and qualitative data was used to support the results of the study employing focused group discussion. A total of 359 respondents were interviewed randomly, and it was found that common factors and challenges faced by MSMEs highly affected the decision not to continue the operation. The assessment of the researchers in this study serves as the basis for formulating a business continuity plan, which is crucial for every entrepreneur to operate under the new normal. The findings of this study have given every entrepreneur awareness and the opportunity to adopt the concepts of prevention, preparedness, response, and recovery for a particular crisis.

**Keywords:** Challenges, MSMEs, New Normal, Continuity Plan, Bislig City

### INTRODUCTION

Micro, small, and medium enterprises (MSMEs) play a vital role in driving economic growth and job creation worldwide. However, in a new normal as pandemics occur, the business challenges available to MSMEs vary across regions, making it challenging for MSMEs to expand their operations and compete effectively in the global market. In recent years, there has been increasing interest in sustainable and circular business practices, and this has opened up new opportunities from challenges for MSMEs across regions.

The COVID-19 pandemic has global repercussions, as many countries have embarked on measures such as mobility restrictions to avoid the further spread of the virus. This has led to reduced economic activity worldwide across all industries. The pandemic has negatively impacted enterprises in the form of increased costs, reduced sales, and labor-related challenges including remuneration or retrenchment. According to (Akpan, et.al 2020) as the mobility of the people in the community is restricted during the pandemic, business transactions will also be limited, resulting in low sales. Besides, people have no work during the pandemic, and they have no capability of spending and buying goods and services. As to increasing costs, MSME's have to comply with health protocols and guidelines, such as providing PPE's to their employees, providing disinfectants, and other requirements to ensure the workplace is safe from threatening disease. Thus, the establishment will spend more money to meet the health requirements of the government. As a result, additional expenses for the establishment will be allocated, thus increasing its cost. Reducing the number of employees may be used by crisis-stricken

enterprises as a short-term strategy for recovery, and remuneration can instead be implemented to avoid the cascading negative effects of retrenchment on an employee's household. (Romo et. al., 2020)

As to the prevailing challenges faced by MSME's during a pandemic, a continuity plan must be considered to help the company or organization continue its operation under a disaster scenario or otherwise abnormal condition. A business continuity plan is defined as a document that outlines how a business will continue operating during an unplanned disruption in service. Plans typically contain a checklist that includes supplies and equipment, data backups, and backup site locations. Plans can also identify plan administrators and include contact information for emergency responders, key personnel, and backup site providers. Plans may provide detailed strategies on how business operations can be maintained for both short-term and long-term outages. According to (Vacarro, et.al 2020) business continuity plan, which is an executive-approved document for managing disruptions, serves as a definitive blueprint outlining the actions to be taken by everyone involved to maintain operations throughout and after a catastrophe. Specifically, the business continuity plan supports critical aspects such as workflow operations, customer service response, workforce communication, information flow, and business security. It is crucial in mitigating the risks associated with losses and the aftermath of a crisis. Such a plan offers peace of mind to both management and employees, creating a secure work environment where clear policies are in place to guide response and recovery efforts during crises. (Quiteves ,2023)

## **RESEARCH OBJECTIVES**

This study aims to determine the business prospects and challenges of micro, small, and medium enterprises in Bislig City under the new normal and assess the business continuity plan of the enterprises. This will also determine the profile of MSMEs in Bislig City in terms of educational level, type of business industry, type of business ownership, start-up capital, income or revenue per year, years of operation in business, and number of employees. This further investigates the extent of factors affecting MSME's business operation in terms of political, economic, socio-cultural, technology, and finance as perceived by the respondents. Likewise, this study will investigate the extent of the challenges or threats affecting MSME in Bislig City.

Moreover, this study will find out the significant relationship between prospects and challenges in terms of decision-making to continue or discontinue the business operation. A significant difference in the views of the respondents on the challenges brought by COVID-19 to MSMEs will be determined accordingly. Furthermore, this study will present a proposed business continuity plan model based on the findings of the study.

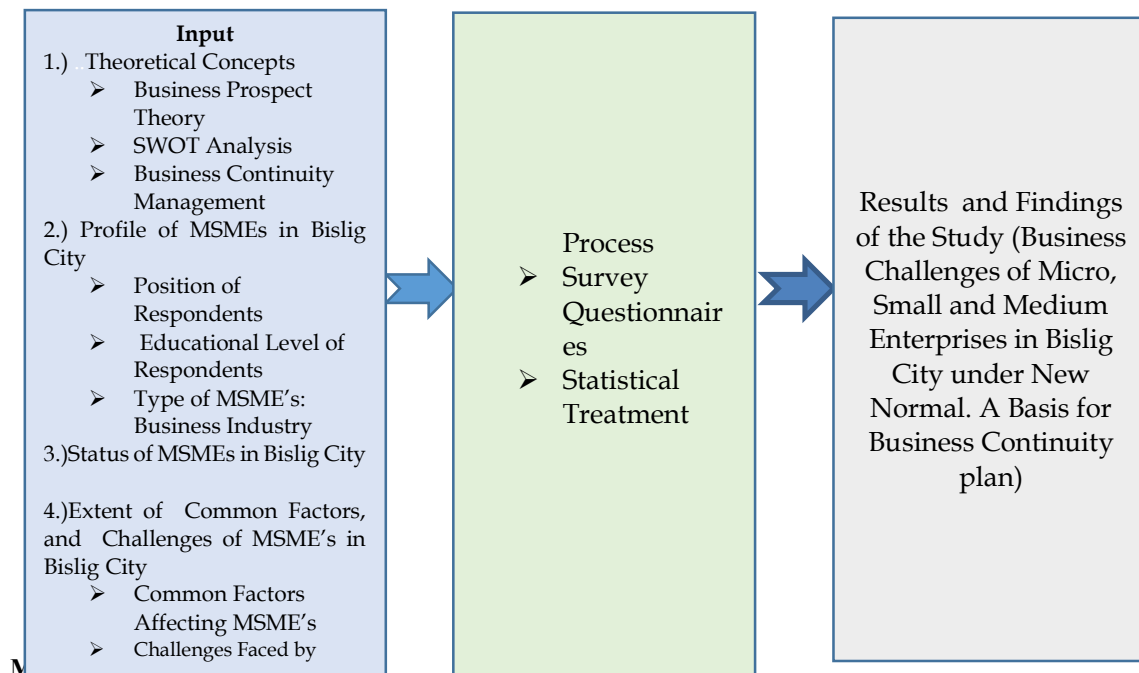
## **THEORETICAL AND CONCEPTUAL FRAMEWORK**

This study conforms to a SWOT analysis, which is defined as a planning process that helps a company overcome challenges and determine which new leads to pursue. "SWOT" stands for strengths, weaknesses, opportunities, and threats. It helps businesses identify internal strengths and weaknesses as well as external opportunities and threats. Challenges can be addressed by leveraging strengths, improving weaknesses, capitalizing on opportunities, and mitigating threats. You should perform a SWOT analysis before you commit to any sort of company action, whether you are exploring new initiatives, revamping internal policies, considering opportunities to pivot, or altering a plan midway through its execution. The primary objective of a SWOT analysis is to help organizations develop a full awareness of all the factors involved in making a business decision. (Schooley, 2023)

This study is based on the theory of business continuity management (BCM), which has been developed in recent years and is considered to be the key to the survival of any organization that is facing crisis management. Business continuity management (BCM) is referred to as a plan for describing an organization's risk of publicity to internal and external risks. The objective of BCM is to give the organization the strength to completely react to risks such as real disasters' or data breaches and support the business activities of the organization. Business continuity (BC) refers to a continuous and uninterrupted state of business. The focus is on the resilience of people, real estate, processes, platforms, and suppliers, as well as the availability and integrity of information. Interruption refers to an interruption that has a temporal dimension and, therefore, is at the enterprise level but does not contain operational anomalies managed by standard operating procedures. While (Baron, 2004) BCM includes risk improvement, business return, crisis management, incident management, difficulty management,

and emergency planning. If an organization wants to stay competitive, it must have defensive measures in place in the event of a business disruption caused by a crisis occurrence; this can be accomplished by improving their performance regularly. An organization that adopts BCM has a competitive advantage in terms of adaptation to crises. This allows an organization to recover from the crisis and resume vital operations with minimal disruption. However, BCM has an impact on crisis management based on the organization's recovery and vital functions. This link reveals a crucial millstone: the business's ability to stay competitive in the face of critical situations (Musa, 2021).

Figure 1. Schematic Diagram of the Study



The study was conducted in the city of Bislig, and prior to gathering data, the researchers asked permission from the city mayor to conduct the study on the business prospects and challenges of MSMEs in Bislig City under the new normal. A basis for a business continuity plan. Upon the approval of the request, the team was then asked for the list of MSMEs from the Business Permit and Licensing Office of Bislig City. Based on the list of MSMEs received from BPLO in Bislig, samples were then identified by the statistician. Using the Sloven formula  $n = N/(1+Ne^2)$  to take into account the confidence levels and apply a 5% margin of error to identify the respondents in each group, this formula is used to calculate the minimum sample size needed to estimate a statistic based on an acceptable margin of error (Zach 2023). A total of 3,474 population as per the list of which 3,267 were micro-enterprises, 117 were small enterprises and 90 were medium enterprises. Using the above-mentioned formula, samples of each group were identified as 338 microenterprises, 12 small enterprises, and 9 medium enterprises, respectively, constituting a total of 359 samples used in the study.

An adoptive questionnaire was used to gather the necessary data, which was validated accordingly. The questionnaire consists of both a quantitative and qualitative examination approach, which was used by the enumerator to gather the necessary data by employing a random interview. A quantitative questionnaire serves as the primary tool for gathering data, supported by a qualitative questionnaire as a secondary data-gathering tool. The enumerator employed a random sampling interview using a quantitative questionnaire, and focus group discussion was employed for the qualitative questionnaire by selecting three respondents from each group, namely microenterprises, small enterprises, and medium enterprises. The researcher gathered the profile, status, extent of the prospects, challenges, and common factors affecting micro, small, and medium enterprises in Bislig City. Each item in the questionnaire has a corresponding numerical and qualitative scale, as follows: the Likert scale is used to interpret the extent to which the business prospects and challenges of MSMEs in Bislig City

under the new normal. Using a Likert scale, the extent of challenges, and common factors affecting MSMEs in Bislig City were determined accordingly.

A statistical tool was employed for primary data to determine the profile and status of MSME's in Bislig City, the extent of factors affecting MSME's business operations as perceived by the respondents in terms of political, economic, socio-cultural, technology, and finance, and the degree of the challenges or threats affecting MSME's. The statistical tool further determined the significant difference in the views of the respondents on the challenges brought by COVID-19 to micro, small, and medium enterprises. Secondary data was gathered using focus group discussions among nine selected respondents from three different groups, namely, micro, small, and medium enterprises, of which three respondents were chosen per group, respectively.

The source data was complemented with a statistical tool that Respond to the topics in the evaluation, including the Pearson correlation test, a strong tool for recognizing and determining the relationship between changes in the independent variable factor and progressions in the Dependent variable. These enable the researcher to clearly determine which components matter the most, which factors can be ignored, and how these aspects interact with one another. Another is Kruskal-Wallis since the data is non-normal and to determine if there is a significant Differences between the factors.

## RESULTS AND DISCUSSION

Table 1. *Profile of Micro, Small & Medium Enterprises in Bislig City*

Position of Respondents	Indicators	Frequency	Percentage
	Owner	338	94.%
	Top Management	21	6%
	Not Define	0	0%
<b>Total</b>		<b>359</b>	<b>100%</b>
The educational level of the Respondents	Post Graduate Degree	50	14%
	College Degree	216	60%
	High School Level	62	17%
	Elementary Level	31	9%
<b>Total</b>		<b>359</b>	<b>100%</b>
Type of MSME's Business Industry	Agriculture	0	0%
	Manufacturing, Production and Supply of Electricity	0	0%
	Construction industry	6	2%
	Wholesale and Retail trading	322	89%
	Transportation and likes,	0	0%
	Storage and Hardware Industry	6	2%
	Hotel and Accommodation and catering	2	1%
	Information transmission	0	0%
	Computer, Software, and Information technology services	12	3%
	Financial Industry	0	0%
	Repair Services	11	3%
	Education or Academe Industry.	0	0%
	<b>Total</b>	<b>359</b>	<b>100%</b>

Table 1 shows the profile of micro, small, and medium enterprises in Bislig City in terms of position of the respondents, educational level of the respondents, and type of business industry. The majority of the respondents to the study were owners of the establishments, which constitutes 94% of the total respondents, while a few were top management, constituting 6% of the respondents, respectively. With regards to the educational attainment of the respondents, more than half of the respondents, or 60%, had a college degree, while

a few had a postgraduate degree with 14%, high school level with 17%, and elementary level with 9%, respectively. In terms of the type of business industry, the majority of the respondents were engaged in wholesale and retail trading, which comprises 89% of the total respondents, while a few were engaged in repair services, comprising 3%, computer, software, and information technology services with 3%, construction industry with 2%, storage, and hardware industry with 2%, and hotel and accommodation and catering with 1%, respectively.

Table 2. *Status of Micro, Small-Medium Enterprises in Bislig City*

Type of Business Ownership	Indicators	Frequency	Percentage
	Sole Proprietorship	350	97%
	Partnership	2	1%
	Limited Liability Company (LLC)	0	0%
	Cooperative	0	0%
	Corporation	7	2%
<b>Total</b>		<b>359</b>	<b>100%</b>
Start-Up Capital	Php 500,000 below	317	88%
	Php500,001 - 1,500,000	21	6%
	Php1,500,001 - 2,000,000	0	0%
	Php2,000,001 - 5,000,000	8	2%
	Php5,000,001 - 10,000,000	4	1%
	Php10,000,001 - 15,000,000	9	3%
	Php15,000,001 - 50,000,000	0	0%
	50,000,001 and above	0	0%
<b>Total</b>		<b>359</b>	<b>100%</b>
Income / Estimated revenue per year	Php500,000 below	317	88%
	Php500,001 - 1,000,000	20	5%
	Php1,000,001 - 2,000,000	0	0%
	Php2,000,001 - 3,000,000	9	3%
	Php3,000,001 - 6,000,000	5	1%
	Php6,000,001 - 10,000,000	6	2%
	Php10,000,001 - 15,000,000	2	1%
	Php15,000,001 and above	0	0%
<b>Total</b>		<b>359</b>	<b>100%</b>
Years of Operation	Less than 3 years	280	78%
	4-6 years	53	15%
	7-9 years	22	6%
	10 years or more	4	1%
<b>Total</b>		<b>359</b>	<b>100%</b>
Number of Employees	1-3 Employees	324	90%
	4-6 Employees	10	2.7%
	7-10 Employees	6	2%
	11-15 Employees	18	5%
	16-20 Employees	1	0.3%
	21 Employees or more	0	0%
<b>Total</b>		<b>359</b>	<b>100%</b>

Table 2 shows the status of micro, small, and medium enterprises in Bislig City in terms of type of business ownership, start-up capital, estimated revenue per year, year of operation in the business, and number of employees. The majority of the respondents were sole proprietorships, constituting 97% of the respondents, while a few were corporations and partnerships, with 2% and 1%, respectively. In terms of start-up capital, 88%

of the respondents had Php 500,000 below it, while a few had Php 500,001 to Php 1,500,000 and Php 10,000,001 to 15,000,000, constituting 6% and 3%, respectively. With regards to income or estimated revenue per year, the majority of the MSMEs had Php 500,000 below their income, which constitutes 88% of the respondents, while a few had Php 500,001 to Php 1,000,000 and Php 2,000,001 to Php 3,000,000, comprising 5% and 3% of the respondents, respectively. As to years of operation in business, 78% of the MSMEs in Bislig City have less than 3 years in operation, while 15% and 6% of the respondents have 4-6 years and 7–9 years in operation, respectively. On the other hand, the majority of MSMEs in Bislig City have 1-3 employees, while a few, which constitute 5% of the respondents, have 11–15 employees.

Table 3. *The Extent of Common Factors Affecting MSMEs in Bislig City during the Pandemic*

<b>1. Political factors affecting MSME's</b>	<b>Weighted Mean</b>	<b>Interpretation</b>
VAT on products	4.59	Highly Affect
Business Tax Rate	4.55	Highly Affect
AITF and Health Protocols	4.51	Highly Affect
Labor Law	4.52	Highly Affect
Trade Restrictions	4.54	Highly Affect
Corruption	4.48	Highly Affect
<b>Total</b>	<b>4.53</b>	<b>Highly Affect</b>
<b>2. Economic factors affecting MSME's</b>	<b>Weighted Mean</b>	<b>Interpretation</b>
Interests Rates	4.39	Highly Affect
Inflation	4.30	Highly Affect
Demand and Supply	4.54	Highly Affect
Exchange rates	4.42	Highly Affect
Taxes	4.41	Highly Affect
Unemployment	4.44	Highly Affect
<b>Total</b>	<b>4.41</b>	<b>Highly Affect</b>
<b>3. Sociocultural factors affecting MSME's</b>	<b>Weighted Mean</b>	<b>Interpretation</b>
Education	4.48	Highly Affect
Law and Politics	4.35	Highly Affect
Religion	4.44	Highly Affect
Social Class	4.46	Highly Affect
Values and Attitudes	4.43	Highly Affect
Culture and Subculture	4.44	Highly Affect
<b>Total</b>	<b>4.43</b>	<b>Highly Affect</b>
<b>4. Technology factors affecting MSME's</b>	<b>Weighted Mean</b>	<b>Interpretation</b>
Automation	4.53	Highly Affect
Internet Connectivity	4.44	Highly Affect
Engine efficiency	4.42	Highly Affect
Inadequate Technology	4.45	Highly Affect
Communication to consumer	4.53	Highly Affect
<b>Total</b>	<b>4.47</b>	<b>Highly Affect</b>
<b>5. Finance factors affecting MSME's</b>	<b>Weighted Mean</b>	<b>Interpretation</b>
Lack of acceptable collateral	4.41	Highly Affect
Slow loan processing	4.40	Highly Affect
Short repayment period	4.41	Highly Affect
High-interest rates	4.51	Highly Affect
Difficulties in loan restructuring	4.50	Highly Affect
Lack of start-up/recovery funds	4.49	Highly Affect
<b>Total</b>	<b>4.45</b>	<b>Highly Affect</b>

Table 3 shows the political, economic, socio-cultural, technological, and financial factors affecting MSME's in Bislig City. VAT on products emerged as the highest weighted mean of 4.59, which is described as a political factor that highly affects businesses, while corruption emerged as the lowest weighted mean of 4.48, which is described as a political factor that also highly affects businesses. The political factor has a total weighted mean of 4.52, which is interpreted as a factor that highly affects businesses in Bislig City. This conforms with the study of Kubjatkoval & Jurickova (2021) which states that pricing is a complex process that is influenced by many factors, which companies must constantly take into account when creating prices. The final selling price is formed by various influences, including the impact of value-added tax (VAT). This tax affects all final consumers, but it also affects businesses themselves in setting their sales prices.

Demand and supply have the highest weighted mean of 4.54, which is described as an economic factor that highly affects MSMEs in Bislig City, while inflation has the lowest weighted mean of 4.30 but is still categorically an economic factor that highly affects MSMEs. In general, the total weighted mean of the economic factor is 4.40, which implies that it highly affects the operation of MSME in Bislig City. According to Santacreu & Ang (2022), generous fiscal support contributed to an increase in the demand for consumption goods during the pandemic, but industrial production did not adjust quickly enough to meet the sharp increase in demand. This imbalance between supply and demand across countries led to high inflation. As the supply decreases due to restrictions on operation during the pandemic, demand increases, so businesses have a hard time with their operations.

Sociocultural factors are one of the factors affecting the MSMEs in Bislig City; education emerged as the highest weighted mean, which is interpreted as a factor that highly affects businesses. On the other hand, law and politics also contributed as factors that highly affect businesses, though they have a less weighted mean of 4.35. This conforms with the study of Montenegro, D. (2023), which states that education provides entrepreneurs with cognitive skills to better evaluate and exploit entrepreneurial opportunities, increases their level of self-confidence, and reduces perceived risk. This further explains that without education, businesses will be affected, as tertiary education provides ethical and civic values and a higher awareness of the potential negative repercussions of informal activities in terms of fines, sanctions, and social status.

Automation and communication with consumers have a weighted mean of 4.53, which is interpreted as technological factors that highly affect MSME businesses. As shown in the table below, technology is a factor that highly affects businesses, with a total weighted mean of 4.47, which is further explained by the study of Santosh (2018), which states that business technology helps automate back office functions such as record keeping, accounting, and payroll. Business owners can also use technology to create secure environments for maintaining sensitive business or consumer information. can help companies improve communication with consumers.

As shown in the table below, high interest rates with a weighted mean of 4.51 are interpreted as a financial factor that affects MSME in Bislig City. This result is supported by the study of Henrekson & Johansson (2010), which states that when interest rates rise, consumers with debts are going to have to pay more interest to lenders. This typically has a negative effect on their spending habits because the more money they have to pay to keep their loans current, the less disposable income they will have to spend on products and services. If you own a business that deals in luxury products or services, you may be hit harder by a rise in interest rates than a company providing basic staples, because luxury items are usually the first thing consumers eliminate when they have less disposable income. Nearly every small business has outstanding loans, and when interest rates rise, those loans become more expensive. Typically, according to Montenegro, et.al (2024) these are long-term debts that are going to take years for you to pay off, so any increase in the interest rate on those loans means you're going to carry the debt longer and pay more money. In addition, higher interest rates mean it will be more difficult to take out new short-term loans to help pay for unexpected expenses or to expand your business when necessary. This can short-circuit the growth of your company for months or even years.

The verbal interpretation of the descriptors for response options determines the validity of the questions. It also determined whether their level of consideration in deciding this factor significantly on the following:

	Descriptor	Rating	Mean Range
	Highly Affect	5	4.20 – 5.00
	Affect	4	3.40 – 4.19
	Moderately Affect	3	2.60 – 3.39
	Slightly Affect	2	1.80 – 2.59
	Does not affect at all	1	1.00 – 1.79

**Highly Affect** – Described as it highly impacted or affected the business.

**Affect** – Described as it impacted or affected the business.

**Moderately Affect** – Described as it impacted the business moderately.

**Slightly Affect** – Described as it impacted the business slightly.

**Does not affect at all** – No impact on the business at all.

Table 4. Degree of the following Challenges or Threats faced by the MSMEs

Challenges faced by the MSMEs	Weighted Mean	Interpretation
Inadequate working capital	4.48	Very High Threat
Decrease in Revenue	4.38	Very High Threat
Stiff competition from larger companies	4.43	Very High Threat
Employment Turnover	4.45	Very High Threat
Difficulties in sourcing raw materials	4.43	Very High Threat
Liquidity Problems	4.43	Very High Threat
Low capacity utilization	4.48	Very High Threat
Bankruptcy	4.43	Very High Threat
Lack of management skills & strategies	4.48	Very High Threat
Succession Planning	4.48	Very High Threat
Poor educational background of operators	4.43	Very High Threat
Lack of Innovation	4.44	Very High Threat
Undeveloped Sales Channels	4.46	Very High Threat
Poor Infrastructure	4.44	Very High Threat
Insufficient use of Information Technology	4.49	Very High Threat
Establishing a work from home – scheme	4.45	Very High Threat
Productivity	4.47	Very High Threat
Systems and processes	4.50	Very High Threat
Measuring Performance	4.50	Very High Threat
Leadership and Culture	4.49	Very High Threat
Making Business Stand Out	4.51	Very High Threat
<b>Total</b>	<b>4.46</b>	<b>Very High Threat</b>

As shown in Table 4, making businesses stand out has the highest weighted mean of 4.51, and a decrease in revenue has the lowest weighted mean of 4.38, both of which are interpreted as very high threats to MSME's in Bislig City. This means that standing out in the marketplace in the marketplace is a challenge that may affect the performance of the MSMEs, which is supported by the study of the Indeed Editorial Team (2022), which states that one of the most important aspects to focus on is marketing and branding your business so it stands out in the marketplace. Creating an effective brand strategy is essential for building long-term relationships with customers, increasing customer loyalty, and ensuring your business's longevity. Conferring to Montenegro, D. (2023) marketing tools and tactics often change rapidly, along with customer expectations. It's important for marketing professionals to use the most effective and current tools for attracting and retaining customers. Using inadequate tools can prevent companies from staying competitive and making the best use of their leads. One common challenge marketers may face is a lack of funding or resources. This can occur if a company is experiencing



losses or if marketing campaigns aren't providing a return on investment. Insufficient funds may prevent marketers from reaching their potential or slow a company's growth.

Brands face three relevance threats: fewer customers buying what the brand is offering, emerging reasons not to buy, and loss of energy. Detecting and responding to each requires in-depth knowledge of the market and a willingness to invest and change. Physical offerings have unique advantages when it comes to branding. For intangibles like services, all that exists is a metaphor. According to Harel et.al (2009) the intangible nature of services makes branding them more complex because it is difficult to determine what to brand. It's a complex process that goes beyond creating a slick logo and catchy tagline. It requires time, dedication, and, above all, skills. Today's customers are spoiled for choice. Rendering to (Helten P., 2023). they have hordes of brands competing for their attention.

All indicators for the challenges faced by MSME's in Bislig City, namely, inadequate working capital, decrease in revenue, stiff competition from larger companies, employment turnover, difficulties in sourcing raw materials, liquidity problems, low capacity utilization, bankruptcy, lack of management skills and strategies, succession planning, poor educational background of operators, and lack of innovation. Undeveloped sales channels, poor infrastructure, insufficient use of information technology, establishing a work-from-home scheme, productivity, systems, and processes, and measuring performance Leadership, culture, and making businesses stand out were interpreted as very high threats to MSME businesses.

The verbal interpretation of the descriptors for response options determines the validity of the questions. It also determined whether their level of consideration in deciding this factor significantly on the following:

**Very High Threat** - expressing or recommending a danger of mischief, risk, and so on. It is an exceptionally high factor that can cause mishaps or harm to a business.

**High Threat** - prone to bring about a business disappointment and having a significant degree of danger.

**Moderate Threat** - keeping inside sensible or appropriate cutoff points; it isn't extreme, or serious.

**Low Threat** - not prone to bring about disappointment or not having a significant of dangers.

**NO Threat at all** - characterized as insignificant, uninterested, or lacking sign to stress over.

Table 5. *There is a significant difference in the views of respondents on the challenges brought to MSMEs and entrepreneurs.*

Enterprise	Mean	p-Value	Decision	Conclusion
Micro	4.41	0.000	Reject Null Hypothesis	There is NO significant difference between the 3 groups of Enterprise
Small	4.63	0.000		
Medium	4.87	0.000		

Table 5 shows statistics on the substantial differences in the problems posed by COVID-19. After a thorough statistical analysis, it was determined that the difference was rejected, or a null hypothesis. It simply means that the findings of the three groups of respondents are not significant. As a result, we conclude that the business continuity plan is critical for both organizations, and they are viable strategy composition methodologies that allude to MSMEs' tenacity, flexibility, and resilience in the face of the new normal. Every organization must embrace risk-management mechanisms. This business continuity plan must now be a requirement for all businesses in order to become a strategic tool, as well as a requirement if the government requires it.

According to Montenegro (2023), MSMEs must implement a business continuity plan that is not limited to medium-sized businesses. It outlines how you would prepare for a pandemic and continue working after the new normal. It will help you shorten recovery time and reduce your business losses. The researcher strongly

recommends that MSMEs consider the use of a business continuity plan as their supportive emergency the board methodologies in the long run, focusing on monetary elements while also fully considering non-monetary variables. Owners' top management, as well as various levels of the workforce, should be engaged in developing crisis management mechanisms in the new normal.

## **CONCLUSION**

There is no doubt that the COVID-19 pandemic has exacerbated MSMEs' issues in Bislig City. City, paying little attention to measurement, area, or financing. The financial vulnerability of many private enterprises, as exacerbated by the ongoing crisis. According to Vaccaro et.al (2020) the majority of finance-related inquiries are concerned about the impact of the emergency on MSMEs, namely the lack of subsidizing and supporting sources. The business continuity plan is a major component of the strategy that refers to the tenacity and flexibility mindsets of MSMEs in the new normal. Rendering to Van de Vrande et.al (2009) each organization needs a business continuity strategy; there is a need for methods and tools that especially Micro and Small enterprises to practice this business continuity plan is not limited to medium-sized businesses. It outlines how you would prepare for a pandemic and continue working after the new normal. It will help you shorten recovery time and reduce your business losses.

As per the result of the study conducted among 359 respondents, the majority of them were owners of businesses, college degree holders, engaged in wholesale and retail trading, sole proprietorships, having a start-up capital and annual estimated income of below 500,000 pesos, less than 3 years in operation, and having 1 to 3 employees.

Political, economic, sociocultural, technological, and financial factors highly affect the operation of businesses. Business prospects offered by MSME's in general are considered to be very high prospects, which highly influence the decision-making of the entrepreneurs who are most likely to continue the operation. On the other hand, challenges faced by MSME's are considered to be very high threats, which directly affect the decision-making of the entrepreneurs, who are probably not to continue the operation due to possible risks and the negative impact of the challenges on the operation.

Challenges have a profound impact on micro, small, and medium enterprises (MSMEs). The ability of MSMEs to navigate challenges can determine their success and sustainability. This requires a strategic and adaptive approach. According to Jansen et al (2005) successful MSMEs are often those that can mitigate challenges effectively and continuously innovate to stay competitive in their respective markets. Successful MSMEs often demonstrate resilience, adaptability, and a capacity for effectively mitigating challenges.

Thus, the researchers suggest that creating a business continuity plan is crucial for MSME owners to ensure that their business can survive a critical incident. It permits an immediate response to a crisis to shorten recovery time and mitigate the impact. This pandemic has presented a critical incident for businesses worldwide, in which uncertainties arise and strongly affect the operation. Hence, a well-experienced team in handling unprecedented events like pandemics is required to continue the operation effectively.

Developing a simple but effective business continuity plan is necessary to directly respond to a crisis like the COVID-19 pandemic. Business continuity planning points like capitalizing opportunities, mitigating challenges, and addressing common factors affecting business operations may help the organization enhance its recovery time and trajectory, where effective and well-trained people are needed to implement the plan efficiently. Affording to Nwokocha et.al (2020) enhancing the business continuity plan based on the lessons and experiences learned during the pandemic is necessary to increase efficiencies and allow organizations to respond more efficiently to future critical incidents.

The business continuity plan is a major component of the strategy that refers to the tenacity and flexibility mindsets of MSMEs in the new normal. Bestowing to Montenegro, D (2023) every firm requires a business continuity plan, there is a need for methods and tools that put the micro and utilized the business continuity plan should be implemented by small businesses as well as medium-sized firms. It outlines how you would prepare for a pandemic and continue working after the new normal. It will help you shorten recovery time and reduce your business losses. The researcher strongly believes that MSMEs should consider running a business. continuity plan as their supporting emergency, the board methodologies in the long run,

zeroing focus on financial factors as well as Owners' senior management, as well as various levels of the workforce, should be involved in crisis management while taking into account non-monetary aspects.

#### **ETHICAL CONSIDERATION**

The researcher is adhering to and following the typical process of obtaining ethical standards and incorporating these concerns into study activities in order to preserve the confidentiality and privacy of research respondents and keep them safe. Similarly, the study encourages other researchers to increase research validity in order to retain scientific or academic integrity. This study will not violate human rights or undermine the validity of RA 10173, or the Data Privacy Act of 2012.

#### **REFERENCES CITED**

- Akpan, I. J., Soopramanien, D., & Kwak, D. H. (2020b). Cutting-edge technologies for small business and innovation in the era of COVID-19 global health pandemic. *Journal of Small Business & Entrepreneurship*, 1–11. <https://doi.org/10.1080/08276331.2020.1799294>
- Baron, R. (2004). The cognitive perspective: a valuable tool for answering entrepreneurship basic. *Journal of Business Venturing*, 23 (2), 56-78.
- Harel, R., Schwartz, D., & Kaufmann, D. (2020b). Organizational culture processes for promoting innovation in small businesses. *EuroMed. Journal of Business*. <https://doi.org/10.1108/EMJB-03-2020-0027>
- Helten, Pim Van 2023. Building a strong brand is no easy feat on February 07th 2023 <https://dpdk.com/stories/5-common-branding-challenges-and-how-overcome>.
- Henrekson, M., & Johansson, D. (2010). Gazelles as job creators: A survey and interpretation of the evidence. *Small Business Economics*, 35(02), 227–244.
- Indeed Editorial Team, 2022.10 Challenges in Marketing and How To Overcome Them. Indeed online publication <https://www.indeed.com/career-advice/career-development/marketing-challenges>
- Kubjatkova, Anna, Jurickova Veronica (2021) Value Added Tax and Its Influence on Pricing and Price Decision Making of Companies – A Case Study. University of Zilina, The Faculty of Operation and Economics of Transport and Communications, Department of Economics, Zilina, Slovakia.
- Jansen, J. J., Van Den Bosch, F., & Volberda, H. W. A. (2005). Managing potential and realized absorptive capacity: How do organizational antecedents matter? *Academy of Management Journal*, 48(06), 999–1015.
- Montenegro, D. L. (2023). Business Prospects and Challenges of Micro Small Medium Enterprises in Tandag City Under the New Normal: Basis for MSME's Business Sustainability. <https://doi.org/10.5281/zenodo.8218963>.
- Montenegro, Donald L. , Bolabola, Christine M. ; Lincones, Rhea Jane D. Piodo, Beolita C. ; Ponlaon; Mary Grace E.. (2024) Embracing Social Media as Business Marketing Tool: Its Use, Opportunities, and Challenges for Micro Businesses. *International Journal of Research and Innovation in Social Science (IJRISS)*, DOI:10.47772/IJRISS <https://www.rsisinternational.org/journals/ijriss/>

- Musa, Haslinda. 2021. The Impact of Business Continuity Management on the Performance of Public Organizations in UAE. *Journal of Legal, Ethical and Regulatory Issues* (Print ISSN: 1544-0036; Online ISSN: 1544-0044)
- Nwokocha, V. C., Nwankwo, C. E., Nwosu, I. G., & Madu, I. A. (2020). An appraisal of production subcontracting toward small and medium scale enterprises development in the Nigeria industrial sector: A review approach. *SAGE Open*, 10(3), 2158244020941001
- Quiteves, Audrey 2023. Why your business needs business continuity plan? Online Publication Journal <https://www.azeusconvene.com/articles/why-your-business-needs-a-business-continuity-plan>
- Romo, Glory Dee A. , Jon Marx P. Sarmiento, Francis Levi A. Durano, Imee Marie A. Acopiado, Thaddeus R. Acuña, Adonis M. Traje, and Geraliza D. Wahing 2019. Organizational resilience and impacts of the COVID-19 pandemic on Philippine businesses. School of Management, University of the Philippines Mindanao, Davao City, Philippines
- Santacreu, Ana Maria and Young, Henry (2022). Demand-Supply imbalance during the Covid-19 pandemic: The role of fiscal policy. *International Finance Discussion Papers (IFDP)*. 20th Street and Constitution Avenue, N.W., Washington, DC 20551.
- Santosh, T. 2018. Impact of Technology in Business. *International Journal of Management and Humanities (IJMH)* ISSN: 2394-0913, Volume-3 Issue-6, September 2018
- Schooley, Skye 2023. Business Operations Insider and Senior Lead Analyst. What is SWOT analysis and when to use it .Business News Journal Online. Volume1-2. <https://www.businessnewsdaily.com/4245-swot-analysis.html>
- Zach, Bobbitt 2023, What is Slovin Formula? Definition and Example. Using Slovin's formula to estimate population proportion. *Statology, Statistics Simplified*.
- Vaccaro, A. R., Getz, C. L., Cohen, B. E., Cole, B. J., & Donnally III, C. J. (2020). Practice management during the COVID-19 pandemic. *The Journal of the American Academy of Orthopaedic Surgeons*, 28(11), 464–470.
- Van de Vrande, V., De Jong, J., Vanhaverbeke, W., & De Rochemont, M. P. (2009). Open innovation in SMEs: Trends, motives and management challenges. *Technovation*, 29(06), 423–437.