

Leadership, SME and Corona Virus Covid-19 Pandemic in Malaysia

By

Chua Hock Kuan



**Project Paper Submitted in Partial Fulfilment of the Requirements
for the Degree of Master of Business Administration (Leadership)
Universiti Tun Abdul Razak**

October 2021

DECLARATION

The author hereby declares that this project paper is the original study undertaken by Chua Hock Kuan unless stated otherwise. The acknowledgement has been given to references quoted in the list of references. The views and analysis in this study are that of author's, based on the references made, and this does not constitute an invitation to use this study as a technical tool for management purpose.



Signature :

Name : Chua Hock Kuan

Date :

ACKNOWLEDGEMENT

First and foremost, I would like to thank my backbone, my lovely wife Gan Wei Wei and my two son Chua Jayhenz and Chua Jayvenz as my source of inspiration, of which I would not be able to complete this paper and this entire MBA (Leadership) programme without their love and support. I would also like to thank my mom, Tan Cheng Chu and both my in-laws Gan Ho Hed and Wee Lee Shu whom with their blessing and continuous support that has given me the strength throughout this journey. Not forgetting all my lecturers and non-academician of UNIRAZAK, with all the knowledge and experience shared during my years in the university and definitely all the support I received, especially En Abdul Rahman Omar Amiah, Deputy Dean of Graduate School of Business. A very special thanks to my supervisor, Prof. Dr. Farhana Tahmida Newas who has assisted and guided me with dedication in completing this Final Project Paper. Last but not least, I would like to thank all my friends of UNIRAZAK and my bosses and colleagues for their understanding and motivational support.

UNIRAZAK
UNIVERSITI TUN ABDUL RAZAK
Copying, modifying, or reprinting, is not permitted.

TABLE OF CONTENTS

	Page
DECLARATION	ii
ACKNOWLEDGEMENT	iii
LIST OF TABLES	vi
LIST OF FIGURES	vii
ABSTRACT	viii
CHAPTER 1 INTRODUCTION	
1.1 Background of Study	1
1.2 Problem Statement	6
1.3 Research Objectives	7
1.4 Research Questions	8
1.5 Significance of the Study	8
1.6 Organisation of the Study	10
CHAPTER 2 LITERATURE REVIEW	11
2.1 Introduction	11
2.2 Malaysian Small Medium Enterprises	11
2.2.1 Financial Aid and Challenges	12
2.3 Leadership	13
2.3.1 Leadership Style	13
2.3.2 Leadership Skills	14
2.4 Infectious diseases	15
2.4.1 Global Pandemic	15
2.4.2 Covid-19	16
2.4.3 Covid-19 Pandemic in Malaysia	16
2.5 Government Policy	17
2.6 Theoretical Foundation	18
2.6.1 Contingency Leadership Theory	18
2.6.2 Trait Theory	18
2.6.3 Five-Stage Crisis Management Model	19
2.7 Empirical Research	19
2.7.1 Crisis Management in Organizations	20
2.7.2 Crisis Management in South Korea	21
2.8 Conceptual Framework	22
2.9 Hypothesis Development	23
2.10 Conclusion	23
CHAPTER 3 RESEARCH METHODOLOGY	24
3.1 Introduction	24
3.2 Research Design	24
3.3 Study Population and Sampling Procedures	25
3.4 Questionnaire Design	25
3.5 Data Collection Method	26
3.6 Data Analysis	27

3.7 Ethical Consideration	27
3.8 Conclusion	27
CHAPTER 4 DATA ANALYSIS	28
4.1 Introduction	28
4.2 Descriptive Analysis	28
4.2.1 Response Rate	28
4.2.2 Summary of Mean, Standard Deviation, Demographic	29
4.2.3 Gender Distribution of Respondents	29
4.2.4 Age Distribution of Respondents	30
4.2.5 Education Background Distribution of Respondents	31
4.2.6 Job Position Distribution of Respondents	32
4.2.7 Income of Respondents	33
4.2.8 Years of Incorporation of SMEs	34
4.2.9 Category of Small-Medium Sized Enterprise	35
4.2.10 Size of Employees	36
4.2.11 Size (Annual Income)	36
4.3 Coding	37
4.4 Internal Reliability	39
4.5 Influence of Leadership	41
4.6 The Structural Equation Modelling	45
4.7 Conclusions	46
CHAPTER 5 CONCLUSIONS AND RECOMMENDATIONS	
5.1 Introduction	47
5.2 Summary of The Study	47
5.3 Conclusion	48
5.4 Recommendations	48
5.5 Limitations of Study	49
5.6 Suggestions for Further Research	50
REFERENCES	51
APPENDICES	57

LIST OF TABLES

Table 1	Response Rate	28
Table 2	Summary of Mean and Standard Deviation of Demographic	29
Table 3	Gender Distribution of Respondents	29
Table 4	Age Distribution of Respondents	30
Table 5	Education Background of Respondents	31
Table 6	Job Position of Respondents	32
Table 7	Income of Respondents	33
Table 8	Years of Incorporation of SMEs	34
Table 9	Category of SMEs	35
Table 10	Size of Employees	36
Table 11	Annual Income of SMEs	37
Table 12	Coding for Demographic and SMEs Data	38
Table 13	Coding for Variables	39
Table 14	Reliability Scale for Entrepreneurial Leadership Factors	40
Table 15	Model Summary	41
Table 16	ANOVA	42
Table 17	Model Coefficients	42

UNIRAZAK
UNIVERSITI TUN ABDUL RAZAK
Copying, modifying, or reprinting, is not permitted.

LIST OF FIGURES

Figure 1	Categorisation of SME	2
Figure 2	Conceptual overlaps between Entrepreneurs and Leaders	4
Figure 3	Conceptual Framework	22
Figure 4	Gender Distribution of Respondents	29
Figure 5	Age Distribution of Respondents	31
Figure 6	Education Background of Respondents	32
Figure 7	Job Position of Respondents	33
Figure 8	Income of Respondents	34
Figure 9	Years of Incorporation	35
Figure 10	Category of SMEs	35
Figure 11	Size of Employees	36
Figure 12	Annual Income of SMEs	37
Figure 13	Frequency Normality	43
Figure 14	Probability Graph	44
Figure 15	Structural Equation Model	45

UNIRAZAK
UNIVERSITI TUN ABDUL RAZAK
Copying, modifying, or reprinting, is not permitted.

Abstract of the project paper submitted to the Senate of Universiti Tun Abdul Razak in partial fulfilment of the requirements for the Degree of Master in Business Administration (Leadership).

Leadership, SME and Corona Virus Covid-19 Pandemic in Malaysia

By

Chua Hock Kuan

October, 2021

This study aims to investigate the SME leadership role in Covid-19 pandemic and crisis management in Malaysia, to further explore whether the crisis management decisions are fit for the leadership brand. A study is to link the variables such as leadership skills, leadership styles, ethics and government policy to the effectiveness of a crisis management decision made by leaders to further enhance the contribution of SMEs towards the country. This study aims to determine the effectiveness of government policy in achieving the goal, as well as to identify and highlight the challenges experienced by SMEs operators that act as a barrier to their growth and sustainability. Not only did the country fail to meet its goals (Wawasan 2020), but 2020 was also the year that Malaysia was hit by the coronavirus pandemic (Covid-19) for the first time, forcing the Malaysian government to enact a Movement Control Orders to combat the pandemic. While the government focuses on the spread of the Covid-19 virus, SMEs leaders are being put to the test with their leadership skills and competencies through the most difficult period of their firm. Leadership is critical for SMEs in crisis management; the aftermath of Covid-19 necessitates a new set of planning, organising, strategizing, and implementing for SMEs to survive, thrive, and seize the opportunity to be at the top of the game.

Keywords: *Small and Medium Enterprise, Leadership, SME Contribution, SME Performance, Corona Virus, Covid-19 Pandemic*

CHAPTER ONE

INTRODUCTION

1.1 Background of Study

Tunku Abdul Rahman, widely known as the "Father of Independence" or "Bapa Kemerdekaan," became Malaysia's first Prime Minister (PM) after the country gained independence from the British in 1957. However, it is Tun Dr. Mahathir bin Mohamad (the fourth Prime Minister) who is often regarded as Malaysia's architect-in-chief. He became Prime Minister on July 16, 1981 and remained in power until October 31, 2003. He is credited with shifting Malaysia's economy from a country based solely on agricultural to an industrialized nation. Tun Dr Mahathir, in his speech during a meeting of Malaysian Business Council on the 28th of February 1991, announced a lofty goal for the country known as Vision 2020. Hamid (2021) in his article mentioned Malaysia's Vision 2020: "By the year 2020, Malaysia is to be a united nation, with a confident Malaysian society, infused by strong moral and ethical values, living in a society that is democratic, liberal, caring, economically just and equitable, progressive and prosperous, and in full possession of an economy that is competitive, dynamic, robust and resilient".

Throughout the years, small and medium-sized enterprises (SMEs) have increased significantly, from urban to rural areas (Khan & Khaliq, 2014). The increase in number of SMEs could be attributed to the vision set for Malaysia, known as Vision 2020. In doing so, the economy of a developing nation would benefit from the vision. Nonetheless, it is critical that Malaysian SMEs succeed and grow for the future of the country. Because of that, effective business leadership is vital to the success of SMEs.

The purpose of this study is to investigate the right leadership attributes that influence acceptable positioning strategies for both brand leadership and brand leadership in the context of Malaysian small and medium-sized businesses.

Overview of Malaysia Small Medium Enterprises

SMEs are defined differently at different parts of the world and vary in meanings. Some suggestions have been made to assist businesses or organisations in understanding SMEs better. In Malaysia, the definitions of "small" business are still mostly qualitative and vague. Since several fundamental conditions, such as autonomy and legal status, capital assets, turnover, and jobs, are typically recognised by multiple governments, there is no agreed-upon definition of a SME. As mentioned by Liberto (2020), each country defines SMEs differently based on the size and number of people in an organization. Hence, SMEs have varied definitions in different nations where SMEs are classified in a variety of ways by businesses, industries, and countries. This study will employ the National SME Development Council's definition of SMEs as its sample, and it will focus on the three primary sectors specified by the Council of SMEs, which could be seen by referring to Figure 1.

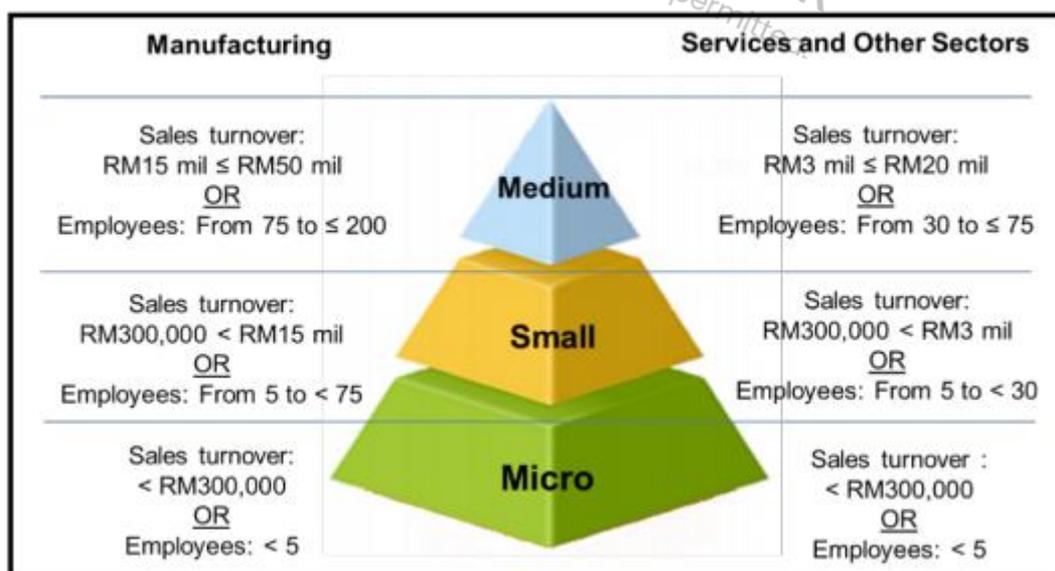


Figure 1: Categorisation of SME
 Source: SME Corporation Malaysia (n.d.).

Small and medium-sized enterprises (SMEs) represent a wide range of industries that serve various but equally vital purposes in growing economies, particularly at this age of globalisation. For nearly two decades, SMEs have contributed more to the Malaysian economy than the majority of GDP firms (SME Corporation Malaysia, n.d.). SMEs have contributed to and aided the region's economic progress, including exports and employment.

Leadership Brand of Entrepreneurship

The intersection of leadership and brand domains have resulted in a slew of studies that are critical to business growth and long-term viability. However, there are two important target areas that are frequently mentioned: 'leadership brand' and 'brand leadership.' Brand leadership often tackles the brand's position, strength, and significance as a competitive difference for the business to be the market leader. The executive brand and brand leadership are both conscious of the importance of design in achieving success and long-term sustainability. In other words, the company's leaders are aware of its brand's direction and are taking steps to ensure brand success. The type of leaders, in terms of both the brand leadership and brand development, will undoubtedly provide the best branding practise or efforts. This article examines the 'right' leadership traits affecting suitable branding practise for both brand leadership and business leadership in the context of SMEs in Malaysia.

To be an entrepreneurial leader, one must be both a leader and an entrepreneur who is sympathetic to other people's needs. Figure 2 depicts the background and its impact on leadership and entrepreneurship.

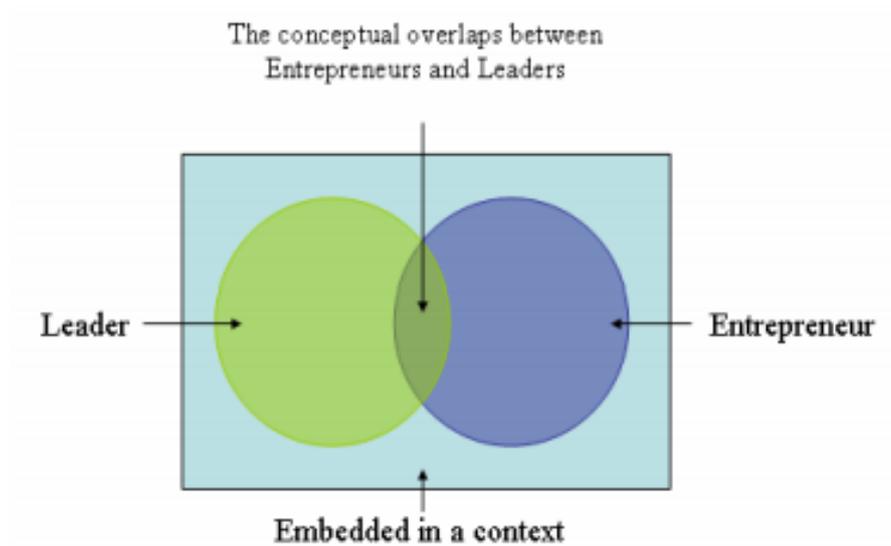


Figure 2: Conceptual overlaps between Entrepreneurs and Leaders
Source: Huynh (2007)

To date, excellent entrepreneurial leaders are described as being ambitious, high self-esteem, focused, appreciates challenges, has a high urge to succeed and highly motivated. Entrepreneurs' self-esteem, is a key attribute for taking on difficult problems. They feel good about themselves because of their self-esteem. Additionally, entrepreneurs should be able to differentiate between useful and useless information as they are well-informed about the world around them. Their interactions will have an impact on the value they provide to their ventures.

As entrepreneurs, they are also eager to make use of resources others tend to overlook. Entrepreneurial leaders with a strong internal control are more effective than those with a lower internal control. Individuals with a strong internal locus of influence see success as a result of their own efforts. When entrepreneurs have a strong drive to attain their goals, they are said to be target oriented. They are aware of the goals and willing to work towards them. Those who seek achievement are receptive to suggestions and are goal-oriented, aiming for accomplishments based on their own efforts.

Entrepreneurial leaders are tenacious, which is consistent with the importance of setting goals and working diligently toward them before they are achieved. Successful entrepreneurs would have to overcome a number of challenges. Company owners understand that failure is a choice; if they fail, they can change their strategy or try a different approach to re-enter the loop. Entrepreneurial leaders use their knowledge base, self-confidence, pro-activeness, and communicative ability to stay focused on their objectives.

Covid-19 Pandemic and Malaysian Economic Crisis

The Covid-19 coronavirus pandemic is a humanity crisis that has affected billions of people around the world. The pandemic has also had a negative impact on the economy on a global scale, markets, businesses, and small businesses. As a result, researchers predict that from March 2020 onwards, economic growth would decrease without a definite end date (Segal & Gerstel, 2020). This paper intends to investigate the true effects of Malaysia's Covid-19 Movement Control Order (MCO) for small and medium-sized businesses, as well as to define survival techniques based on answers from SMEs owners. As a result, this study differs from prior quick internet surveys conducted by organizations in the industry and government departments in a number of ways.

In comparison to any internet survey or quantitative method, the interview method allows for a more in-depth understanding of the question. Furthermore, during a virus outbreak, the telephone interview is the most effective contact method and may result in a greater response rate. Moreover, the qualitative method invites SME owners to communicate their own feelings and perceptions about the impact of Covid-19 on their businesses on the ground. As a result of the research, a greater understanding of the market challenges that SMEs face during the unanticipated crisis will be gained. Individuals and organisations' economic well-being are jeopardised by Covid-19 (Sneader & Singhal, 2020). The

pandemic will have an influence not only on the public health issue, but also on the global economic system. Transportation, entertainment, travel-related industries, hotels, and restaurants are among the most disrupted enterprises during the MCO, but manufacturers of staple goods, gasoline, wellness, pharmaceutical, and agricultural businesses are considerably less vulnerable (Segal & Gerstel, 2020).

1.2 Problem Statement

The pandemic calls for instant decisions by the government, directors and CEOs to decide on the outcome of the respective leaders' decisions that would either make or break the industry. Crisis management is vital during these unprecedented times to ensure the path for the next few years. The present and future crises will need digital change. Support for SMEs' attempts to innovate, enhance connection and digitization processes, and expand into new markets is critical to the country's economy's recovery.

Small and medium-sized businesses make up a large component of the economy in several industrialised economies, accounting for over 98 percent of all institutions and accounting for over 65 percent of jobs and over 50 percent of GDP (SME Corporation Malaysia, n.d.) . SMEs have the potential to favourably impact the economy and will serve as a firm foundation for the creation of new industries as well as the expansion of existing ones in the manufacturing industry, which are done by encouraging professional SMEs and building stronger SMEs. Malaysian SMEs grew at a quicker rate than the rest of the world, at 6.8%, and were unaffected by external factors. Malaysian SMEs would increase at a steady rate of 6.5-7.0 percent in 2012, according to official Malaysian GDP growth forecasts of 4.5-5.0 percent.

Coronavirus has made a huge impact on SMEs all around the world. While rigorous government control and reaction are vital, firms face a variety of undesirable consequences

over short and long periods of time. The necessity to hunt for new markets for rehabilitation, as well as a greater attention on corporate planning, logistics, and business behaviour, are the key sustainability barriers for small enterprises. As a result, it's critical to investigate the impact of ostensibly spiritual events on health-care professionals, lawmakers, and academics.

During the Covid-19 pandemic, many of SMEs in Malaysia had seen a drop in their sales. People are still vulnerable and do not have enough monetary reserves to survive without government assistance. SMEs' main concerns during the pandemic include decreased cash, a shortage of qualified people, and difficulties implementing technology solutions.

For many of them, the situation is urgent, and governmental interventions should focus on addressing short-term problems, bolstering short-term liquidity and capital availability, and creating the proper circumstances and incentives for creative firms and potential entrepreneurs.

1.3 Research Objectives

The purpose of this research is mainly to fill the gaps and contribute to the existing knowledge related to the subject of the study. This research provides the review of the leadership during the Covid 19 pandemic and the objective of this research is:

1. To identify the importance of leadership during crisis management and steps taken to sustain during the pandemic
2. To study the impacts of leadership on the SME sector, and how SMEs overcome challenges to survive, sustain, and maybe expand their enterprises in the current environment.
3. To study the role of SMEs in the current Covid-19 pandemic, and how SMEs used government policies and measures to help their businesses survive and thrive.

1.4 Research Questions

There are a few research questions that ensued from the research problem. The research questions of this study are:

1. How does the decision-making process by leaders affect the development of SMEs and as a result, Malaysia's economic growth during pandemic?
2. How can leadership brand be linked to and contribute to a company's performance and government policies affect and expand the number of SMEs involved in boosting the country's economy?
3. How vital is the crisis management by SMEs during Covid-19, and how will it aid in their survival during the pandemic?

1.5 Significance of the study

This research is to understand the crisis management decisions that contribute to the enhancement of SMEs development. The crucial issue is to recognise the critical and important role of government involvement in enhancing SMEs and moving the country toward development. SMEs provide a substantial contribution to a country's economic development through employment and innovation. They have a larger geographic footprint than huge corporations, even in rural areas. As a result, they play a significant role in increasing income distribution. This study provides an overview of Malaysia and its SMEs, as well as a discussion of the relevance of SMEs in helping Malaysia flourish as an innovation nation.

Regardless of the size of the organisation, the traits of entrepreneurial leadership have an impact on its performance. The purpose of this study is to examine the relationship between leadership qualities, entrepreneur backgrounds, government policy, and financial landscapes, as well as how entrepreneurial leadership play an important role for SMEs in crisis management. The aftermath of Covid-19 requires SMEs entrepreneurs to rethink their

planning, organising, strategizing, and implementation in order to survive, sustain, or even thrive.

Management of SMEs

This is the owner of top management, and they are in charge of the organization's operations. They will be able to predict what effective leadership styles can be introduced in the workplace based on the findings of this study. It is simpler to assist them in developing a strategic vision for the organisation and the appropriate method to help them accomplish their milestones and objectives.

Academicians

This study will add to the body of knowledge for future generations to better comprehend the business context and can be utilised as a model for similar investigations. Academicians can compare the findings of this study to those of other studies conducted previously. This research will serve as the foundation for future studies on entrepreneurial leadership for small and medium businesses and crisis management. The findings of this study will spur further research in the same field in order to better the situation in the future.

Government

SMEs are critical to the country's economic development, and the government has provided them with a lot of help, subsidised programmes, and resources. This research can assist the government in addressing the importance of leadership types in SMEs, particularly entrepreneurial leadership. The findings of this study will be valuable in providing input on current efforts and policies, such as the PENJANA Economic Recovery Plan, so that the government can design and strengthen policies and support programmes for small businesses.

1.6 Organisation of the Study

The first chapter covers the problem statement, objective, research question, and significance of the study, as well as the importance of SMEs for a country's economic development, the focus of entrepreneurial leadership as a leadership brand for SMEs, the Covid-19 pandemic, and SMEs leadership in crisis management.

The literature review of second chapter looks at the various research or studies on the topic, in the aspects of leadership qualities, SMEs in Malaysia, existing government policies and the Covid-19 pandemic. This chapter looks into the ways leaders try to aid SMEs in the crisis period of a pandemic.

The third chapter explains the details of the selected methodology that is being used in this research. The sampling procedures, the research design, the population and the data collection methods are discussed in this chapter. Reliability and validity and data analysis techniques are also explained in this chapter.

Chapter four explains the finding of the data presented using Statistical Package for Social Science (SPSS) software. In this chapter, SPSS will provide the overview of the value proposition that affect the leadership for small-medium enterprises in Covid-19 pandemic.

Lastly, chapter five will provide the discussion of the objectives, the findings, the implication of theory and the practical implication of the studies. It also states the limit of the studies and the suggestion for future study and ends it with conclusion and summary of the hypothesis.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter explores the existing theoretical literature pertinent to the current study on crisis management with the focus on leadership during the Covid-19 pandemic in Malaysia. As the main topic, this chapter defines SMEs in Malaysia to increase the understanding on the subject. This chapter also looks into the topic of pandemic to understand its consequences to the economy as the reason why the study is conducted.

This section also reviews existing government policies to help businesses sustain themselves during times of crisis. Additionally, the theoretical foundation, empirical research as well as conceptual framework are also highlighted to demonstrate understanding on the topic. At the end, hypothesis development and conclusion are drawn to show the research gap that exists in the field.

2.2 Malaysian Small Medium Enterprises

Being a country that focuses on nation-building, SMEs thrive in Malaysia. Across all sizes and sectors, 98.5% of business establishments in Malaysia are categorized as SMEs with 76.5% of them being micro, 21.2% small, and 2.3% medium respectively (The Office of Chief Statistician Malaysia, 2017). The presence of SMEs is not unique to only Malaysia, but also other countries in the Asia-Pacific region where according to Asia-Pacific Co-operation (APEC), each member of the coalition has SMEs dominating 90% of all enterprises (Mohammad, 2012 as cited in Khan & Khaliq, 2014). Additionally, the employment sector in Malaysia is highly dependent on SMEs with 5.7 million people employed through SMEs. This is especially crucial because unemployment in Malaysia has always been an issue. Furthermore, the business environment of SMEs that is flexible and innovative contributes to the success of SMEs in the country where it becomes the central point in the growth of the

economy. For instance, The World Bank (2019) places the SME sector in an important position to help the growth of the economy, aid in employment, and improve the overall wellbeing of the people (p.2). This is especially crucial for developing economies where opportunities are created to help the people.

2.2.1 Financial aid and challenges

Due to the SME sector making a substantial contribution to economic growth, numerous measures have been made to ensure that the sector remains globally competitive. The government encourages the establishment of SMEs by providing assistance and financial aid through various government agencies such as SME Corporation Malaysia and Malaysia External Trade Development Corporation (MATRADE). Although SMEs are revolutionizing their business practices, it must be done at a faster rate to cope with the ever-changing industry. Businesses must remain competitive by adapting to new strategies and establish a wider international network.

The challenges involving inadequate managerial experience, insufficient funding as well as a lack of experience in the market have caused these new companies to be unable to survive. This adheres to the statement made by Griffin (2012) on business failures happening due to incompetence in management, neglect by leaders, lack of control systems as well as inadequate capitals. Due to the small nature of SMEs, the success or failure of an establishment is highly dependent on proper management skills. Should it happen that a managerial mistake is made, it could jeopardize the advancement of the business. For Malaysian SMEs, the lack of human capital proves to be the most difficult issue to solve as a professional workforce would be costly for companies. Additionally, the survival of an establishment is highly dependent on the ability to secure funding. Businesses may have ideas and plan to be financially ready in facing challenges, but unforeseen circumstances could disrupt the planning. It is common for SMEs to not be able to strike a balance in

expenses and profit, resulting in the inability to pay the daily expenses of their operations. Additionally, securing funding from banks may be difficult due to inadequate capital base, a requirement by banks before credit is given out.

2.3 Leadership

Regarding the subject of leadership, leadership qualities are attributes that could be learned where it will benefit leaders in leading the business into success. Proper leadership enables the leader to assist workers in meeting the targets of the business as well as refocusing the target to achieve better success. In a study done by Renko et al. (2015), entrepreneurial leaders are described as being able to assist employees in accomplishing goals in the business market. Rather than striving for individual success, entrepreneurial leaders empower their followers by giving them control on the future of the business. As stated by Qureshi (2015), entrepreneurial leadership recognizes the importance of environmental and ethical aspects of decision making. Moreover, entrepreneurship is also described as a distinct style used by leaders to bring about workers with diverse skills (Fontana et al., 2017). The skills include being able to adapt to an irregular market climate by working imaginatively. Such ways enable organizations to move forward in being accustomed to change.

2.3.1 Leadership Style

A personality style works as a lens through which a person perceives the world and is seen by others. It has a big impact on their work and how they interact. Knowing the personality of a leader type may help communicate more effectively, understand the needs of others, and form fruitful connections.

The capacity of a leader to recognise these distinctions and swiftly adapt to meet individual requirements might be the difference between success and failure in leadership. According to Mateus et al. (2019), entrepreneurial leadership is a management style that is capable of

delegating and developing people who are responsible, can make and choose their own decisions, and work independently.

Small-Medium Enterprises proved would benefit from good leadership style because all SMEs are increasingly exposed to a competitive, dynamic world full of changes and challenges. People are now viewed as human capital as an important component of an organization's success, capable of adding more or less value. To make it possible, the company must value and inspire people to exhibit their abilities and comprehend how they can contribute to the firm's success.

2.3.2 Leadership Skills

Leadership abilities are qualities that are frequently used to determine whether or not someone is a good leader. Business success is dependent on a variety of important abilities, yet various leaders have quite diverse personalities and approaches. There is no one-size-fits-all approach to leadership in every situation, and one of the most important qualities of successful leaders is their capacity to adapt to changing conditions.

Employers value leadership abilities because they require engaging with people in a way that motivates, enthuses, and builds respect. Whether or not leadership can be taught, there is little doubt that successful leaders possess a set of fundamental competencies. These abilities can be learned in the same way as any other.

As stated by MTD Training Academy (2010) that the founders of any organisation are the initial leaders of that organisation. They had a purpose and a vision for the firm, including what it would do, who it would serve, and what improvements it would bring to the industry or sector. Before the firm could be deemed a success, there were certainly personal sacrifices, long hours and weeks of effort, and periods of severe stress.

Leadership skills are considered one of the major factors of SME's pulling through during this pandemic. These traits are not necessarily something that a person is born with. Leadership abilities may be taught. All you need is an open mind, patience with yourself as you develop these abilities, and the determination to put what you've learned into practise. (MTD Training Academy, 2010)

2.4 Infectious diseases

Infectious diseases are infections that are likely to spread from one person to another, transmissible through various ways. Some ways the diseases could be transmitted are through other living organisms such as animals, contaminated food or water, or even from human to human. The symptoms on diseases differ, but in many instances involve fever and fatigue (Mayo Clinic, 2021). The symptoms may be relieved either by having enough rest and taking over-the-counter medicine or could worsen that it requires infected individuals to be hospitalized. When people are infected, the effects could be seen on their work productivity where they will be unable to perform daily tasks to their maximum potential. As a result, this will give an effect to the whole organization, which will be detrimental in the long term.

2.4.1 Global Pandemic

When an illness becomes widespread in a community, certain words are coined to define it. When a disease or infectious agent in a population is constantly present, it is referred to as an endemic (Public Health Education, 2021). An endemic has limited presence in only certain geographical locations, making it possible to predict any trend of change. In contrast, a disease that experiences an unanticipated surge in the number of disease cases in a certain geographic location is known as an epidemic (Centers for Disease Control and Prevention, 2012). Epidemics may result in a large increases in the number of transmission where people are more likely to be infected. If the number of cases continues to increase,

the disease will then be declared a pandemic. The number of cases experiences a large increase to the extent that the increase happens daily. The disease affects a large part of the world population, affecting many countries.

2.4.2 Covid-19

The spread of Covid-19 virus has resulted in adverse effects on economic activity. Covid-19 was declared a pandemic by the World Health Organisation (WHO) on the 11th of March, 2020. The declaration of pandemic has resulted in many organisations having to adjust policies to reduce the spread of the virus. Being infectious, the most effective way was to reduce contact between individuals and hence the Movement Control order (MCO) was seen as the most effective way to fight against the pandemic. Initially implemented for two weeks from the 18th of March 2020 to the 31st of March 2020, it was then extended to April 2020 and lasted until August. The limitation of movement has resulted in a strain the relationships of people as well as the economic activity of businesses. Some of the sectors that have been most affected include the food industry and the tourism industry. When businesses struggle in making a profit, they are faced with financial issues, which result in the layoffs of employees and the closure of businesses. Additionally, the movement control order (MCO) has also affected the wellbeing of individuals. As companies struggle to survive, hiring becomes a scarce activity to ensure that the cashflow is not thrown off balance.

2.4.3 Covid-19 Pandemic in Malaysia

When coronavirus (Covid-19) outbreak was declared a global pandemic on the 11th of March 2020, it took Malaysia seven days to implement a Movement Control Order (MCO) throughout the country. Businesses and services deemed non-essential were asked to close, public gatherings were prohibited and interstate travels were also not allowed. The decision was announced on national television by the 7th Prime Minister of Malaysia, Tan Sri Muhyiddin Yassin. The prompt move was a result of crisis recognition by leaders where the

decision was made despite unfamiliar circumstances. Despite it being a risky move, the decision was made to prevent the situation from having to brave worse impacts. Because the outbreak was not considered a routine emergency, the response was an improvisation of an existing policy. In making sure normalcy could still be retained, some policies implemented include work from home (WFH) for all sectors and online learning for students. During this time, the priority was placed on safety of the people.

As businesses were asked to close during MCO, they were severely affected. Yi (2020) mentioned stated that while large SMEs may have cash reserve, micro-SMEs may struggle to pay workers' salary and rent. This shows how the decision made has a direct impact on SMEs, indirectly affecting the economy. Hence, aid was given to SMEs under PRIHATIN economic stimulus. The help given include wage subsidies for companies where workers earn less than RM4,000, a grant of RM3,000 for micro-SMEs, loan limit extension to RM10,000 and a discount on rental for buildings owned by Government-Linked Companies (GLCs).

2.5 Government Policy

Despite the fact that the Malaysian government has allocated funding for SMEs and has them distributed through organisations, the funds remain inaccessible to all. The reason for this is the stringent qualification standards, which require firms to rigorously adhere to the restrictions stated, and some businesses are unable to meet the criteria. The rules are rigid, and as a result, many SMEs are unable to fully utilise the assistance provided. According to Loong (2020, as cited in Gomez, 2020), SMEs are not given the support they require when they inquire about it, owing to funding being depleted and inaccessible.

2.6 Theoretical Foundation

When the word "leadership" is used, numerous notions swirl around the phrase, and scholars struggle to precisely define the concept, particularly in corporate management and helping organisations expand. The term itself is difficult to define to give sense to "effective leadership", and most discussions centre on subjects of leadership skills and leadership styles. The Merriam-Webster Dictionary defines leadership as "the power or ability to lead people", which is a general definition. Tsai (2011), on the other hand, stated in her research that leadership encompasses authority in its broadest sense, not merely the ability to wield a stick. It is based on objective factors such as management ability as well as more subjective components of a leader's personal characteristics. Based on various definitions and ideas, it could be surmised that leadership represents a leader's beliefs, vision, expertise, personality, and willingness to make use of past experience when faced with a crisis.

2.6.1 Contingency Leadership Theory

The contingency leadership theory focuses on adjusting leaders' behaviour through rational comprehension of the situation and presupposes a certain leadership style based on the situation (Vidal et al., 2017). As a result, a leader can be effective in one scenario while being ineffective in another. A leader must assess a problem and determine the most effective approach to the situation. Contingency theorists believe that every leader will always face scenarios that will test their abilities and thinking (Indeed Editorial Team, 2020). Based on the theory, the methods of leaders to manage SMEs will vary depending on the internal factors, where organisational culture and structure will need to be evaluated. That way, leaders will be able to adjust to such situations better.

2.6.2 Trait Theory

Like its name, Glynn and DeJordy (2010) describes trait theory of leadership as outstanding personal attributes, capabilities, expertise and outer characteristics being the hallmarks of

leadership (p.122). This view emphasises natural characteristics, with some people predestined to be leaders. As a result, the ability to lead is not something that can be developed. This hypothesis anticipated a leader's efficacy in that if a situation occurred, the leader's response could be forecasted.

2.6.3 Five-Stage Crisis Management Model

The model was developed by Mitroff in 1994, which revolves around steps in solving a crisis. It begins with crisis signal detection, to probing and prevention to study the risks, damage containment, recovery and lastly, learning (The Arthur W. Page Center, n.d.). It is vital that when solving a crisis, enough and relevant information are obtained. It needs to be solved using proper steps with proper management, to eventually end the crisis.

2.7 Empirical Research

Leadership, in reality influences organizations in making business decisions. It is important for leaders to be effective as they will contribute to the success of a group and improve the overall performance of an organization. The literature review done demonstrates the lack of information on the impacts of leadership on the performance of an organization, especially leadership behaviour of leaders in the Malaysian business industry (Mohd Sam et al., 2013). It is vital for business leaders to exhibit strong leadership potential to be able to lead their organizations through unprecedented times, which will keep employees focus and motivated in the times of crisis. Valdiserri and Wilson (2010) emphasizes the importance of leadership style in the success of SMEs where understanding and applying effective leadership styles will benefit SMEs in the long run. In a study done on micro businesses in West Virginia and Pennsylvania, it was found that transformational and transactional leadership styles have aided in the good performance of SMEs.

With the recent Covid-19 outbreak, organisations are able to reflect on their disaster preparedness. Leaders may examine themselves and the action plans required to ensure that firms can withstand times of crisis. As Park (2021) points out, planning for crisis management is critical, as is establishing clear priorities when necessary. Companies can demonstrate their ability to handle crises as well as their good management skills through this manner.

2.7.1 Crisis Management in Organizations

When unavoidable catastrophes occur, a crisis warning system would be useful in ensuring that businesses are prepared. In terms of appropriate preparedness, a warning system would undoubtedly help in minimising the potential impact that crises could have on the financial and non-financial aspects of businesses. In a study done by Fung et al. (2020), the contingency plan developed by the Hong Kong China Travel Service Hotels Corporate Limited (HK CTS Hotels) could be used as an example of appropriate preparedness. The devastating consequences of the SARS (Severe Acute Respiratory Syndrome) and Influenza A (H1N1) epidemics in Hong Kong in 2003 and 2009 prompted HK CTS Hotels to establish a contingency plan. The four-phased crisis management contingency plan was created to support them in the event of a potential threat. The four phases include reduction, readiness, response and recovery. The reduction strategy includes the use of analysis on potential forthcoming crises as well as effective planning to better prepare the organization for future threats. It is then followed by readiness phase which involves the categorization of crisis by assessing the severity and type of damage that has occurred. Afterwards, the crisis response step entails the utilisation of communication for all parties concerned. The final step, recovery, focuses on the rebuilding of organisations. The overall goal is to reduce the duration of the impact on the business. The established contingency plan demonstrates the right decision-making process with clear guidelines. Although it may be true that unforeseen occurrences may arise, effective preparedness will mitigate

their effects. In the long run, a well-thought-out recovery strategy can transform the crisis into an opportunity.

Kurschus et al. (2015) believe that SMEs should implement a comprehensive crisis warning system that takes into account both financial and non-financial aspects. To ensure that firms survive the difficult times, initiatives should focus on boosting market demand. Qalati et al. (2020) believe that SMEs could adopt the use of social media platforms to discover business prospects and increase sales. Businesses may keep a cash reserve to sustain itself for a limited period of time during a crisis. A demand constraint, however, may result in the depletion of funds. For non-financial elements, management competence and market structure are important factors that need to be considered. It is of utmost importance for stakeholders to conduct crisis diagnosis on a regular basis so possible crises could be identified earlier. As indicated by Guo et al. (2018) and Allal-Chérif et al. (2021), the right form of leadership is crucial during a crisis. Being leaders, it is important that leadership styles constantly evolve and follows the specificities of situations. Only by doing that will leaders be able to make the right decisions for the betterment of their organizations.

2.7.2 Crisis Management in South Korea

Unlike China, the government of South Korea had never implemented a strict nationwide lockdown (Park, 2020). Businesses in the country were allowed to operate and the people were still allowed to travel overseas under certain conditions. The first reported case in South Korea appeared in January 2020 when a woman from Wuhan, China arrived at the Incheon Airport reported an above average body temperature (Kim et al., 2020). Even so, the epicenter of the country's outbreak was in the city of Daegu in South Korea (Shim et al., 2020). The spread of the virus was due to the lack of social distancing during gatherings of religious groups. The government then implemented free testing for citizens and foreigners to rein the transmission of the virus. As a technology pioneer, the country took advantage of the opportunity to do extensive contact tracing (Choi et al., 2020). During outbreaks, mobile

network carriers collaborated with the government to track down possible infected individuals. The aggressive contact tracing approach includes tracking people's movements. Since the first confirmed case was disclosed, the Centers for Disease Control and Prevention have hosted media briefings. One distinguishing feature of these press conferences has been that all of the shared materials in the briefings are identical to those in ministerial debriefings. This suggests that citizens had a high degree of comprehension and were able to make educated decisions about situations such as self-quarantine or face masks. Even when explaining technical details, presenters were very engaged with journalists and the general audience, exhibiting public health specialists' media training.

2.8 Conceptual Framework

The study emphasizes on the ways independent variables such as leadership skills, leadership styles, ethics and government policy, with crisis management decisions as the mediator that connects to the performance and contribution of SMEs to the economy.

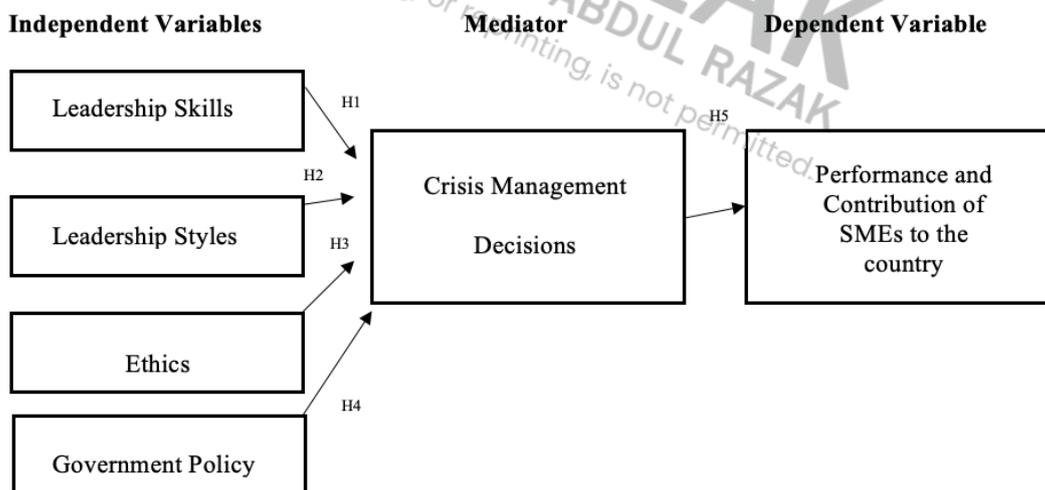


Figure 3: Conceptual Framework

2.9 Hypothesis Development

The study exhibits the relationship between variables, namely the strong relationship between leadership skills, leadership styles, government policies and crisis management decisions in the success of SMEs. The more positive inputs from the aforementioned elements, the higher the likelihood of developing a leadership brand. Entrepreneurial leadership has a substantial relationship to organisational performance, increasing the contribution of SMEs to the overall goals, and better management in the situation of the Covid-19 crisis.

- H1** - There is a significant relationship between Leadership Skills in making effective crisis management decisions in improving the performance and contribution of SMEs to the country's economy.
- H2** - There is a significant relationship between Leadership Styles in making effective crisis management decisions in improving the performance and contribution of SMEs to the country's economy.
- H3** - There is a significant relationship between Ethics in making effective crisis management decisions in improving the performance and contribution of SMEs to the country's economy.
- H4** - There is a significant relationship between Government Policies in making effective crisis management decisions in improving the performance and contribution of SMEs to the country's economy.
- H5** - There is a significant relationship between Crisis Management Decisions and SMEs leadership in contributing to the country's economy.

2.10 Conclusion

Based on the review done on journals and articles related to the subject of study, some areas are yet to be explored by researchers. Some areas could still be explored, as there are research gaps, which is shown in the conceptual framework of study. The next chapter will introduce the research methodology for this research.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

This chapter will describe the methodology used in this study. This chapter will go over every aspect of the research study, including the population, population samples, and the data gathering and analysis sampling methodologies. This chapter also covers the research method and design, sample, instrumentation, data collecting, and data analysis used in this quantitative study to address the hypotheses and research questions. Lastly, the selected mode of analysis and data gathering method are explained in depth in this chapter.

3.2 Research Design

In general, research design refers to a framework for planning and carrying out a specific study. The strategy, the conceptual framework, the identification on what to examine, and the tools and methods to be utilised for collecting and interpreting data are all included in the research design. The research design is divided into numerous categories, such as qualitative and quantitative research. The qualitative research method will be applied in this study.

The survey approach is utilised in this research study to determine the level of leadership in crisis management generally Malaysian SMEs and government policies and determine whether it has a big impact or otherwise. A survey is a common approach for researchers to learn what is on the minds of respondents, what they think, and how they feel about something. This study critically aims to collect information from the aspects of leadership qualities from SMEs segments and government policies that contribute to the leadership qualities on crisis management effect on the sectors.

3.3 Study Population and Sampling Procedures

The target group for a study who have been selected by the researcher is also known as the population. For this study, employees in the SME's sector in the Klang Valley are chosen since they account for people who are in the SMEs and experienced the effects of crisis management. This location is chosen due to the researcher's accessibility and proximity. The sample size is determined using the convenience-based sampling approach, which is a non-probability sampling methodology. The study's respondents are chosen based on the researcher's accessibility.

The purposive sampling method will be used to pick the participants for this research. Purposive sampling refers to the selection of a sample based on the study's demands. This means that the volunteers will be chosen because they have expressed an interest in taking part in the study. Similarly, using an internet platform, this technique allows for the collection of relevant data and helpful information for answering the study issue. In this study, 161 people participated in the survey; this number is a good survey accuracy for a research project.

3.4 Questionnaire Design

There are two sections to this questionnaire. The first component, Section A, contains ten questions about demographics (gender, age, income, education, position, income, and organisation segment) and SMEs (years of establishment, category, number of employees, and annual revenue). The primary goal of this section is to gather the respondent's general information. Ordinal and nominal scales are being utilised to measure the different categories.

In the second component, Section B, the purpose is to comprehend and quantify the importance of each factor in leadership and government policy on crisis management effect by asking 21 questions on a 5-point Likert Scale. Skills, styles, ethics, and initiatives are

among the dimensions discussed. The questionnaire was distributed in September 2021 to various group in Klang Valley, which 161 respondents made up of diverse gender and age groups.

3.5 Data Collection Method

The qualitative research method will be used to achieve the proposed research goal of highlighting the specific variables that contribute to an entrepreneurial leadership brand's contribution to company performance and SMEs' contribution to the Malaysian economy. Primary and secondary data sources will be used to collect data for the research study. The primary data, which will include questionnaires, will be distributed to the two categories of SME entrepreneurs and employees.

The demographic profile of the respondent and the background of the SMEs, such as gender, age, education, position, income, business segment, years of incorporation, category, size or organisation, and annual revenue, will be the first part, as this will aid in identifying and classifying SMEs, micro, small, or medium enterprises. The questions in the next section will focus on the study's goal, which is to assess the leadership in crisis management impact on the SME's. The final section will include questions about government policy, notably recent policies and activities during the Covid-19 pandemic.

The leadership measure used in this study divides leadership behaviour into five levels: "Strongly Disagree," "Disagree," "Neutral," "Agree," and "Strongly Agree" on a five-point likert scale. Respondents to this poll will be asked to answer or evaluate each question using a five-point likert scale. This questionnaire will be changed to make it more relevant to the research study's goals.

Questionnaires in English are assessed as an online survey, with a pilot run of 10 respondents to confirm that the online platform or instrument is working properly and, most

importantly, that questionnaires could be understood. The survey was manually given to the respondents via social media platform after validation. A high number of owners, top management, and staff of SMEs in Klang Valley will be included in the sample frame.

3.6 Data Analysis

The research design for this study is based on a qualitative methodology. The study's major goal was to see if leadership on crisis management has an impact on SMEs' and government policies performance and contribution. To achieve these goals, the data gathered from respondents' responses will be analysed to ensure that all the hypothesis and research questions are addressed and supported. To discuss each hypothesis, this study will use correlation and regression analysis with leadership skills, background as independent variables and SMEs performance and contribution as dependent variables.

3.7 Ethical Consideration

This study follows various ethical guidelines, and the research supervisor at the University of Tunku Abdul Razak approves of the methods. The researcher ensures that participants are willing and voluntarily participates in the study without the use of coercion or bribes. The participants will be given a thorough explanation of the researcher's intentions for the study, and they will be asked for consent before answering the questionnaire. The respondents' feedback will be kept private and confidential.

3.8 Conclusion

The research methods utilised in the study are defined in full in this chapter, which includes research method and design, instrumentation, and sampling, as well as data collecting and analysis. The modelling techniques are established, and a conceptual framework for how entrepreneurial leadership affects the performance of small businesses is defined. The quantitative research criteria for this study are outlined in this chapter.

CHAPTER FOUR

DATA ANALYSIS

4.1 Introduction

In this chapter, the data collected from the distributed questionnaires is processed, analysed, and evaluated in detail. A total of 161 replies were collected from diverse groups in the Klang Valley, and the questionnaires were prepared using the web application Cognito Forms and distributed via social media. The obtained data is analysed using the Statistical Package Society Science (SPSS) programme. This chapter will cover scale measurement, descriptive analysis, and inferential analysis, among other topics. This chapter will summarise the hypothesis findings. To address the study questions, the survey findings are presented visually using charts and tables.

4.2 Descriptive Analysis

The data collected from respondents was subjected to the demographic analysis. Gender, age, educational background, position, and income were all factors in determining the characteristics of the sample for this study. However, the years of incorporation, type, size of an employee, and size of the SMEs were used to determine their annual income.

4.2.1 Response Rate

As shown in Table 2, the author sampled 161 respondents and received 100% of response rate. The survey questionnaire was shared via social to the network of author that are in the SMEs industry.

Response	Frequency	Percentage
Responded	161	100%
Did not respond	0	0
Total	161	100%

Table 1: Response rate

4.2.2 Summary of Mean and Standard Deviation of Demographic Profile

Table 3 shows the summary of Mean and Standard Deviation of respondents' demographic profile, which total number of respondents is 161.

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Gender	161	0	1	.22	.418
Age	161	0	4	1.73	.842
EducationalLevel	161	0	5	3.01	.955
PositionInTheOrganisation	161	0	5	1.96	1.586
MonthlyIncome	161	0	6	3.25	1.677
OrganisationSegment	161	0	0	.00	.000
TheIncorporationOfSME	161	0	5	2.23	1.824
SMECategory	161	0	2	.27	.642
SMESizeemployees	161	0	3	1.33	1.208
AnnualRevenue	161	0	5	2.17	2.039
Valid N (listwise)	161				

Table 2: Summary of Mean and Standard Deviation of Demographic Profile

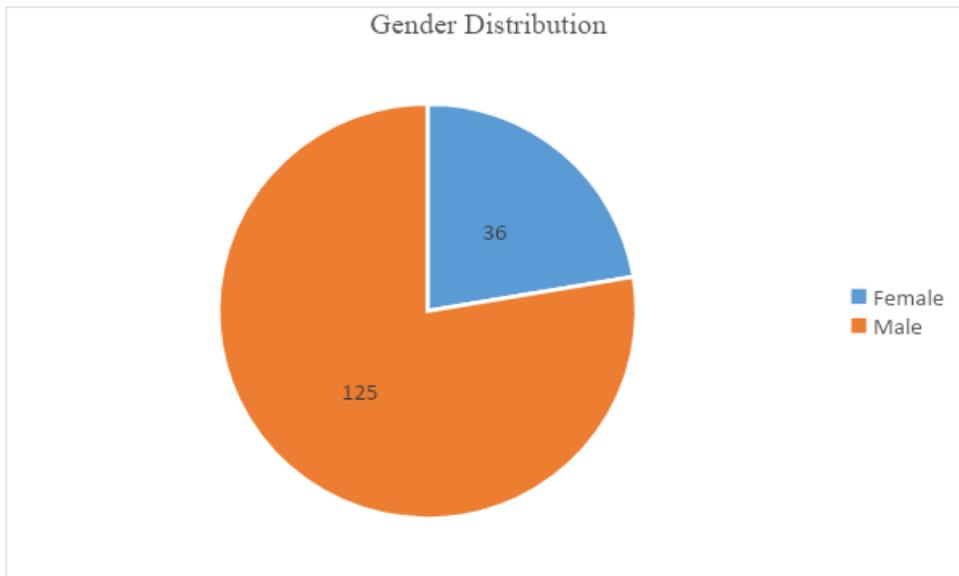
4.2.3 Gender Distribution of Respondents

There were total number of 161 respondents with majority respondents were male with total of 125 while the remaining were female with the total of 36. The gender distribution of respondents that participated in this research study is shown in Table 4 and Figure 6.

Table 3: Gender Distribution of Respondents

Gender	Number of respondents	Percentage
Male	125	78.1
Female	36	21.9
Total	161	100.0

Figure 4: Gender Distribution of Respondents



4.2.4 Age Distribution of Respondents

Out of 161 respondents, the highest number of respondents were from the age group of 41-50, with total 78 respondents (48.5%), the second highest age group is 31-40 with 46 respondents (28.6%). Followed by the age group of 51-60, the total number of respondents recorded were 23 (14.3%), next is the age group of 21-30 with respondents of 12 (5.3%). Finally, the lowest age group recorded were the age group of 61 and above with only 2 (1%) respondents participated in the research study.

The participants in this research study were between 21 to over 61 of age group. Table 5 and Figure 6 illustrate the general results of the respondents' age distribution.

Age group	Number of respondents	Percentage
21-30	12	7.5
31-40	46	28.6
41-50	78	48.5
51-60	23	14.3
61 and above	2	1.0
Total	161	100.0

Table 4: Age Distribution of Respondents

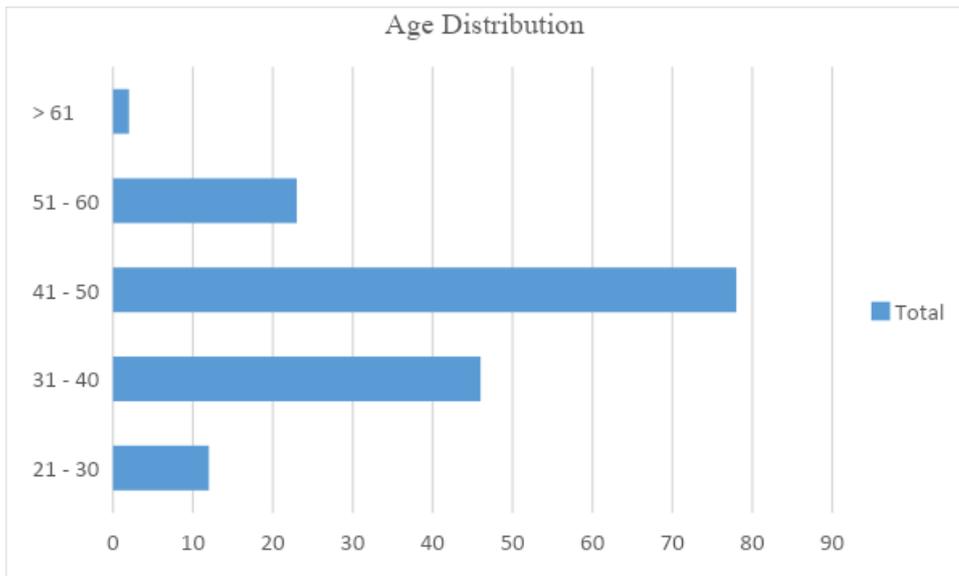


Figure 5: Age Distribution of Respondents

4.2.5 Education Background of Respondents

According to Table 7 and Figure 8, the highest frequency of respondent's education level is the Undergraduate which comprises of 78 (48.4%), followed by others which include Post Graduate 45 (28%), Diploma/ Higher Diploma 27 (16.8%), SPM 7 (4.3%), STPM 1 (0.6%) and Others 3 (1.9%) respectively.

Education	Number of respondents	Percentage
SPM	7	4.3
STPM	1	0.6
Diploma/ Higher Diploma	27	16.8
Undergraduate (Bachelor degree)	78	48.4
Postgraduate (Master degree/ PhD)	45	28.0
Others	3	1.9
Total	161	100

Table 5: Education Background of Respondents

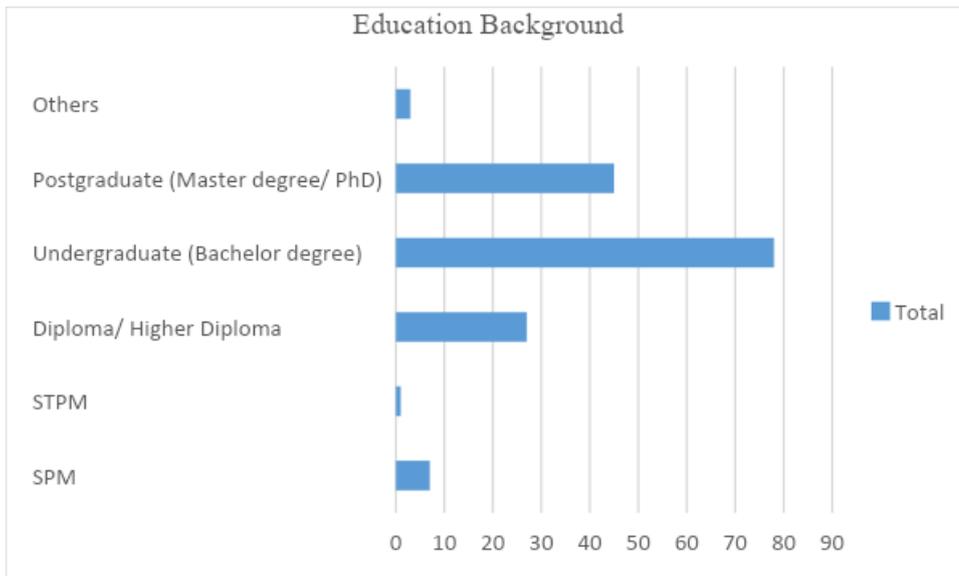


Figure 6: Education Background of respondents

4.2.6 Job Position of Respondents

As shown in Table 9 and Figure 10, the highest frequency of respondent's Job is Manager which comprises of 45 (28.0%), followed by others which include Owner 39 (24.2%), Executive 30 (18.6%), Director 28 (17.4%), Non-Executive 10 (6.2%) and Assistant Manager 9 (5.6%) respectively.

Education	Number of respondents	Percentage
Owner	39	24.2
Director	28	17.4
Manager	45	28.0
Assistant Manager	9	5.6
Executive	30	18.6
Non-Executive	10	6.2
Total	161	100.0

Table 6: Job Position of Respondents

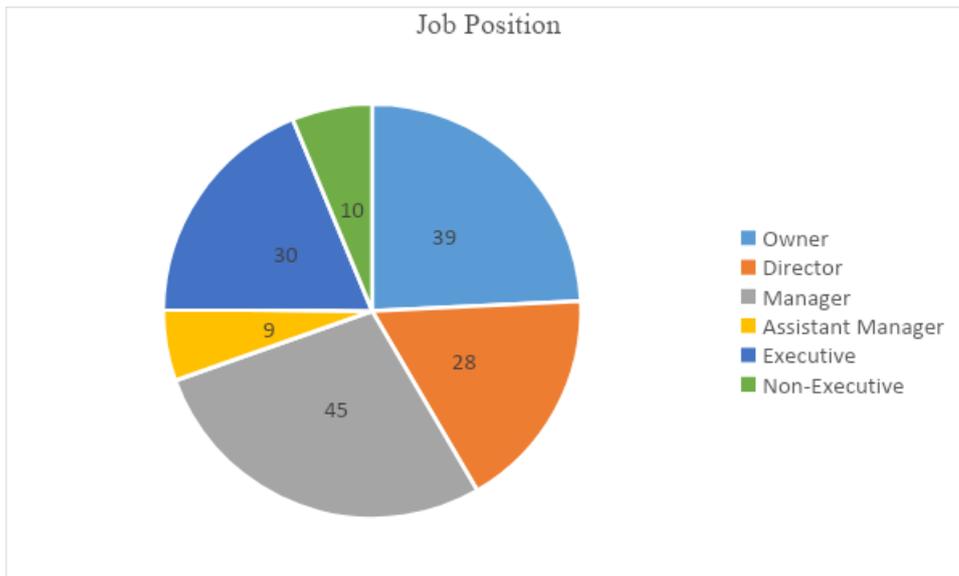


Figure 7: Job Position of Respondents

4.2.7 Income of Respondents

According to Table 11 and Figure 12, the highest frequency of respondent's monthly income is the between RM4,001-RM8,000 which comprises of 49 (30.4%), followed by others; income group between RM8,001-RM12,000 of 29 (18.0%), RM12,000-RM20,000 of 20 (12.4%), RM2,501-RM4,000 of 19 (11.8%), > RM20,000 of 18 (11.2%), RM1,801-RM2,500 of 13 (8.1%) and RM1,200-RM1,800 of 13 (8.1%) respectively.

Income	Number of respondents	Percentage
RM1,200 – 1,800	13	8.1
RM1,801 – RM2,500	13	8.1
RM2,501 – RM4,000	19	11.8
RM4,001 – RM8,000	49	30.4
RM8,001 – RM12,000	29	18.0
RM12,001 – RM20,000	20	12.4
> RM20,000	18	11.2
Total	161	100.0

Table 7: Income of Respondents

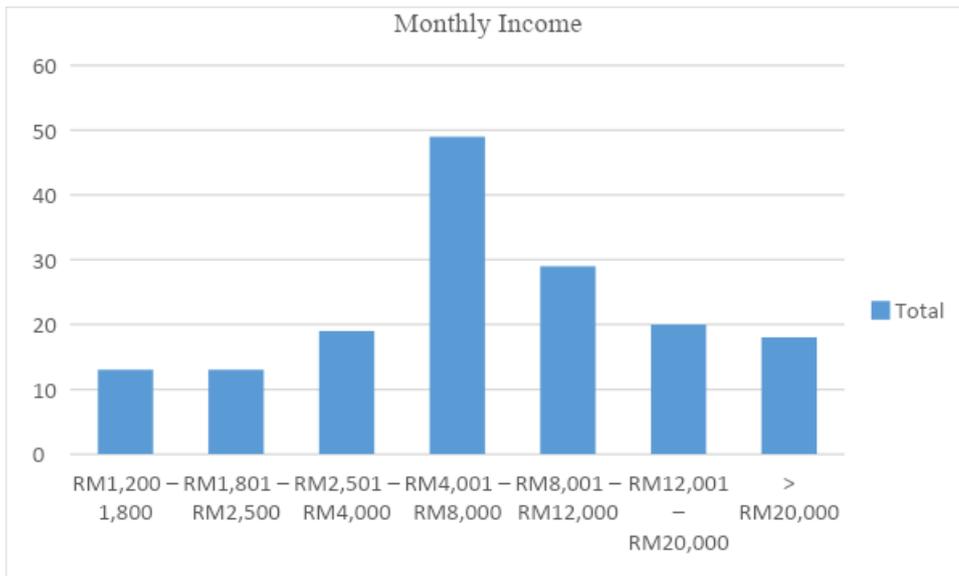


Figure 8: Income of Respondents

4.2.8 Years of Incorporation of SMEs

As stated in Table 13 and Figure 14, the highest frequency of Years of Incorporation of SMEs of respondents are < 2 years with 38 respondents (23.6%), followed by the category group of > 17 years of 33 respondents (20.4%), 2-5 years with 31 (19.3%), 10-13 years of 29 (18.0%), 6-9 years with 22 (13.7%) and 14-17 years of 8 (5.0%) respectively.

Years of Incorporation	Number of respondents	Percentage
< 2 years	38	23.6
2 – 5 years	31	19.3
6 – 9 years	22	13.7
10 – 13 years	29	18.0
14 – 17 years	8	5.0
> 17 years	33	20.4
Total	161	100.0

Table 8: Years of Incorporation

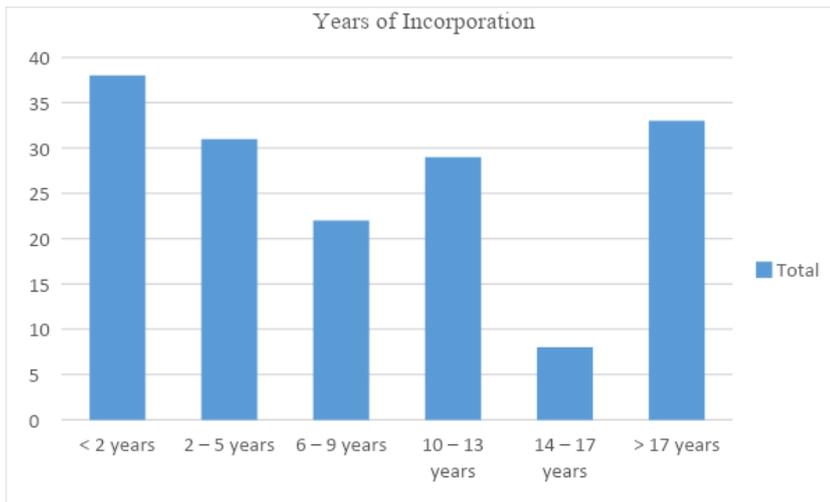


Figure 9: Years of Incorporation

4.2.9 Category of Small-Medium Sized Enterprise

The Table 14 and Figure 15, shown that based on the total number of respondents, there were total of 116 (72.0%) the highest from the Service Industry, next was from the segment Non Specified, 30 (19.0%) and lastly with 15 (9.0%) respondents from the Manufacturing Industry.

SMEs Category	Number of respondents	Percentage
Service Industry	116	72.0
Manufacturing Industry	15	9.0
Non Specified	30	19.0
Total	161	100.0

Table 9: Category of the SMEs

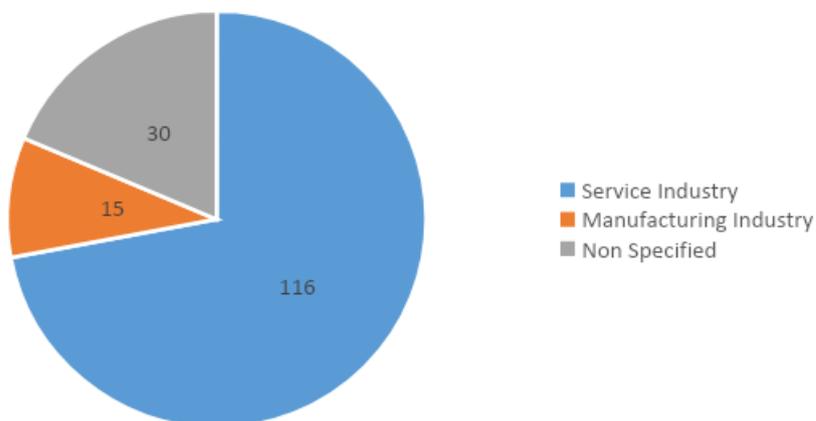


Figure 10: Category of the SMEs

4.2.10 Size of Employees

According to Table 15 and Figure 16, the highest frequency of Employee Size of the SMEs are < 5 with 53 number of respondents (32.9%), followed by the category group of 6-30 employees of 48 respondents (29.8%), > 75 with 46 (28.6%) and 31-75 employees with 14 (8.7%) respectively.

Size of Employees	Number of respondents	Percentage
< 5	53	32.9
6 – 30	48	29.8
31 – 75	14	8.7
> 76	46	28.6
Total	161	100.0

Table 10: Size of Employees

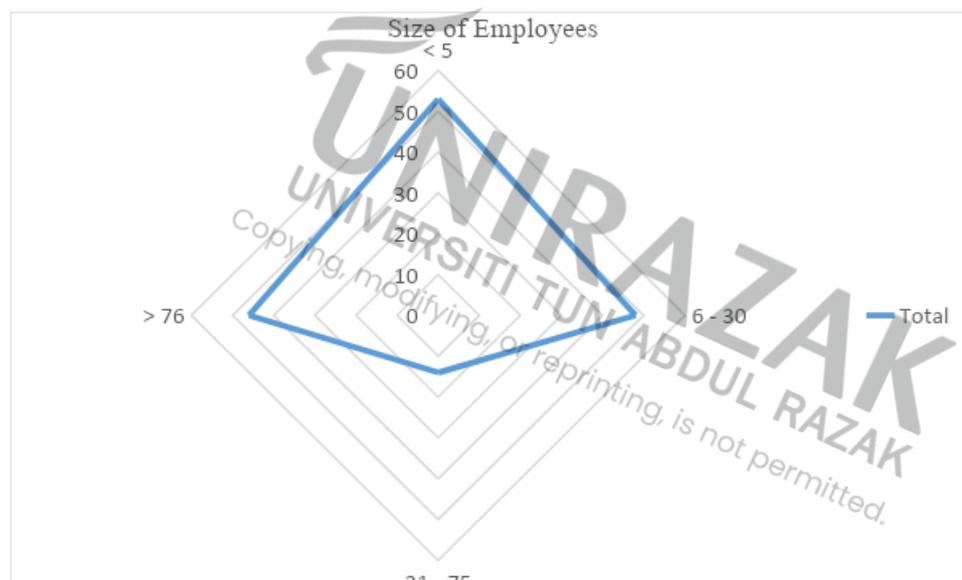


Figure 11: Size of Employees

4.2.11 Size (Annual Income)

The highest frequency of respondents of SMEs for the Annual Income group of less than RM300,000 coming from 59 (36.6%), followed by the category group of above RM10,000,000 of annual income of 40 respondents (24.9%), RM2,000,001-RM5,000,000 with 20 (12.4%), RM800,001-RM2,000,000 of 18 (11.2%), RM300,001-RM800,000 with 14 (8.7%) and RM5,000,001-RM10,000,000 of 10 (6.2%) respectively as shown in the Table 17 and Figure 18.

Annual Income	Number of respondents	Percentage
< RM300,000	59	36.6
RM300,001 – RM800,000	14	8.7
RM800,001 – RM2,000,000	18	11.2
RM2,000,001 – RM5,000,000	20	12.4
RM5,000,001 – RM10,000,000	10	6.2
> RM10,000,000	40	24.9
Total	161	100.0

Table 11: Annual Income of SME

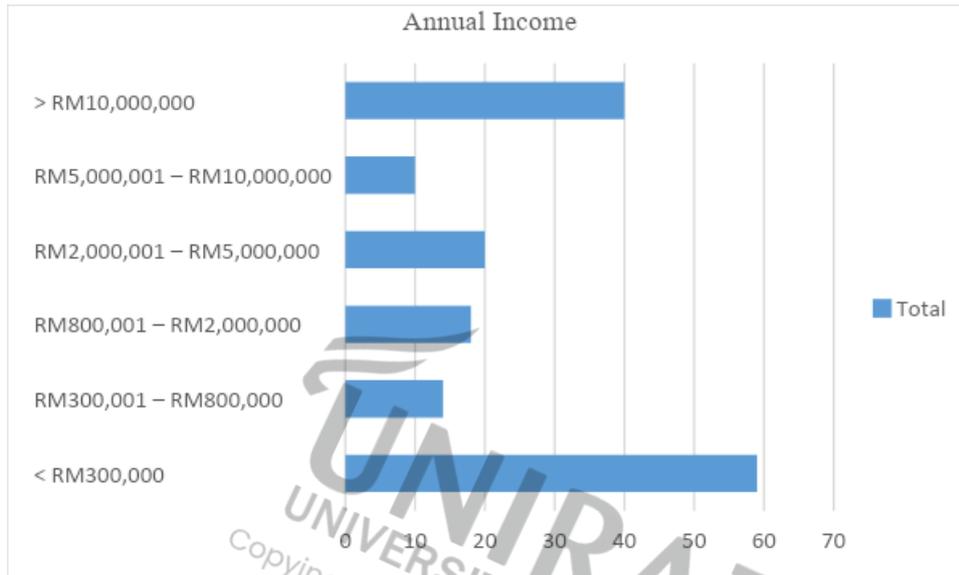


Figure 12: Annual Income of SMEs

4.3 Coding

In order to comprehend the results using SPSS when analysing data and measuring any ordinal or nominal scale, a dummy variable is required. This is because nominal and ordinal independent variables cannot be simply entered for analysis as categorical independent variables. The coding for demographic profile, SMEs, and other characteristics is shown below.

General Information		Code
Gender	Male	0
	Female	1
Age	21-30	0
	31-40	1
	41-50	2
	51-60	3
	> 60	4

Education	SPM	0
	STPM	1
	Diploma/ Higher Diploma	2
	Undergraduate (Degree)	3
	Postgraduate (Master/ PhD)	4
	Others	5
Position	Owner	0
	Director	1
	Manager	2
	Assistant Manager	3
	Executive	4
	Non-Executive	5
Income	RM1,200-RM1,800	0
	RM1,801-RM2,500	1
	RM2,501 – RM4,000	2
	RM4,001 – RM8,000	3
	RM8,001 – RM12,000	4
	RM12,001 – RM20,000	5
	> RM20,000	6
Organisation Segment	SME	0
	PLC	1
	GLC	2
	NGO	3
	Government	4

SME Profile		Code
Years of incorporation	< 2years	0
	2 – 5 years	1
	6 – 9 years	2
	10 – 13 years	3
	14 – 17 years	4
	> 17 years	5
Category	Service Industry	0
	Manufacturing Industry	1
	Non Specified	2
SME size (employees)	< 5	0
	6-30	1
	31 - 75	2
	> 76	3
Annual revenue	< RM300,000	0
	RM300,001 – RM800,000	1
	RM800,001 – RM2,000,000	2
	RM2,000,001 – RM5,000,000	3
	RM5,000,001 – RM10,000,000	4
	> RM10,000,000	5

Table 12: Coding for Demographic and SMEs Data

Leadership and SMEs Assessment		Code
Likert scale	Strongly Disagree	0
	Disagree	1
	Neutral	2
	Agree	3
	Strongly Agree	4
Leadership Skills	Leader's communication in the organisation	LS1
	Leader is a good financial planner, budget well	LS2
	Listen and appreciate views of other	LS3
	Leader negotiate wisely	LS4
	Leader manage risk	LS5
	Act fast when the need arises	LS6
Leadership Styles	Open with other stakeholders	LSS1
	Foster unity at work	LSS2
	Leader is authoritative	LSS3
	Delegate work responsibly	LSS4
	VMO clearly defined in the organisation	LSS5
Ethical Leadership	Observe and adhere to policy	EL1
	Exhibits integrity and honesty	EL2
	Record are open to scrutiny	EL3
	Ethical in operation and business deals	EL4
Gov. Policy - Covid19	Covid-19 impact on business	GP1
	Introduced pay cut to maintain manpower	CP2
	Wage Subsidiary - PENJANA	GP3
	SMEs Grant/ Loan – PENJANA	GP4
	Benefited from moratorium	GP5
	Government initiatives, Covid-19	GP6

Table 13: Coding for Variables

4.4 Internal Reliability

Cronbach's alpha coefficients are used to determine the data's dependability. Any coefficients greater than 0.6 are considered acceptable and indicate a fair level of reliability and consistency. Cronbach's alpha was calculated for each factor. Cronbach's alpha is a value that runs from 0 to 1, with a higher number indicating more internal dependability. Internal reliability is measured as a number between 1 and 0, with 1 indicating complete internal dependability and 0 indicating no internal reliability. Reliability reflects the degree to which a research method provides steady and consistent outcomes, and it is critical to assess the credibility of research findings.

The multiple item measure, which is a model made up of four separate elements, is being used to measure Entrepreneurial Leadership in SMEs in this research study. The whole reliability scale is used to evaluate internal consistency, and the study's total reliability scale is 0.898. Given that the highest reliability that can be reached is 1.0, this dependability score for our study is significant, indicating that the items of the four factors for analysis are reliable.

The reliability scale for all four components is presented in Table 21, which includes the reliability scale for each dimension as well as the reliability when each item is removed from the dimension to assess the item's genuity. When Cronbach's alpha for a dimension rises after an object is removed, it indicates that the item is not genuine in that dimension.

Dimension	Number of items	Cronbach alpha for factors	Cronbach alpha if item deleted	Items
Leadership Skills	6	0.885	0.860	LS1
			0.866	LS2
			0.856	LS3
			0.880	LS4
			0.856	LS5
			0.870	LS6
Leadership Styles	5	0.73	0.657	LSS1
			0.640	LSS2
			0.823	LSS3
			0.619	LSS4
			0.641	LSS5
Ethical Leadership	4	0.894	0.851	EL1
			0.861	EL2
			0.899	EL3
			0.845	EL4
Government Policy	6	0.706	0.728	GP1
			0.727	GP2
			0.614	GP3
			0.613	GP4
			0.615	GP5
			0.675	GP6

Table 14: Reliability Scale for Entrepreneurial Leadership Factors

From Table 21 above, it can be realised almost all the items showed a lower value of reliability when deleted except for LSS3, EL3, GP1 and GP2 which are showing higher value. Looking at the reliability coefficients of all four factors on Table 21, some items in some of the factors have coefficients of approximately 0.7, which is the Leadership Styles and Government Policy. This could as a result that some items under each factors seemed too similar. Other factors, Leadership Skills and Ethical Leadership showed coefficients higher than 0.8 meaning these factors comprising of various items show a true measure of an Entrepreneurial Leadership quality.

4.5 The Influence of Leadership on Crisis Management

To determine the association between leadership and SMEs performance and contributions, a multiple regression model was used. The direction and amplitude of the association were deduced from the regression coefficients. The responsiveness of the dependent variable as a result of unit change in each of the independent variables was demonstrated by the eta coefficients. Three dimensions of leadership were assessed: leadership skills, style, and ethics. Table 22 shows the summary results of the model. The correlation coefficient was 0.296, while the coefficient of determination was 0.088. Leadership had a considerable positive effect on SME performance and contribution, with a coefficient of correlation of 0.298. This meant that greater leadership would result in a boost for SMEs. With a coefficient of determination of 0.088, leadership was shown to be responsible for 8.8% of changes in government policy, with the rest explained by factors not included in the model. As a result, government policy at SMEs varies depending on the leadership of the company.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.296 ^a	.088	.070	.94462

a. Predictors: (Constant), MeanEL, MeanLSS, MeanLS

b. Dependent Variable: MeanGP

Table 15: Model Summary

The results obtained from the variance analysis are presented in Table 23. The p-value obtained of 0.002 indicated that leadership has significant effect on debt management at 95% confidence level. This is because the p-value is less than 0.05. Hence, government policy has significant positive effect on SMEs performance and contribution.

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	13.456	3	4.485	5.027	.002 ^b
1 Residual	140.093	157	.892		
Total	153.549	160			

a. Dependent Variable: MeanGP

b. Predictors: (Constant), MeanEL, MeanLSS, MeanLS

Table 16: ANOVA

The model coefficients obtained are presented in Table 24. Leadership skills had a coefficient of 0.019, leadership styles 0.444 and leadership ethics 0.023. The positive coefficients indicated that increase in the coefficients would increase debt management. All the coefficients were significant at 95% confidence level hence they could not be left out in predicting debt management. Leadership skills had a p-value of 0.906, leadership style 0.029 and ethical leadership 0.884. The model developed by the study that could be used to predict SME performance level was $Y = 3.551 + 0.019X_1 + 0.444X_2 + 0.023X_3$, where Y= Entrepreneurial Leadership of SMEs, X_1 = leadership skills, X_2 =Leadership Style and X_3 Leadership Ethics.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.551	.505		7.031	.000
1 MeanLS	.019	.165	.015	.118	.906
MeanLSS	.444	.202	.272	2.201	.029
MeanEL	.023	.158	.018	.146	.884

a. Dependent Variable: MeanGP

Table 17: Model Coefficients

Normality

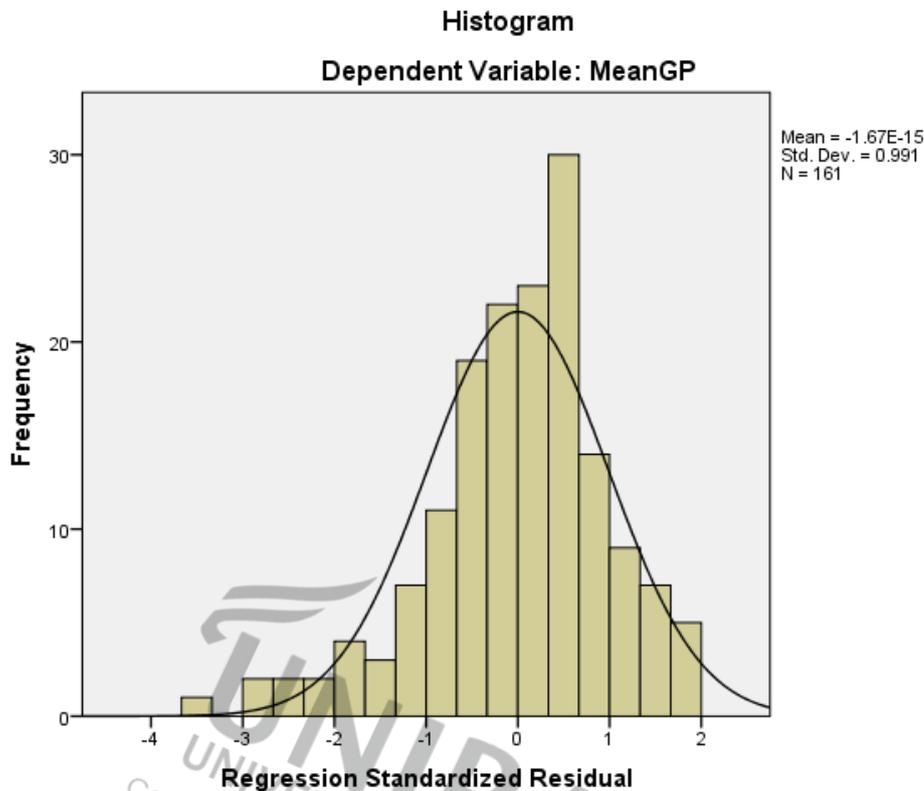


Figure 13: Frequency Normality

The histogram is a frequency graphic created by dividing the data into equally spaced cells and graphing each cell's frequency against the cell core. A calibration process model provided a normal distribution of residuals in Figure 25. The histogram has a normal density function placed on it, according to the analysis. Because residual sample sizes are tiny (six), and studies have few treatment combinations, a histogram is not the best choice for evaluating residual distribution. A more sensitive graph is the conventional probability plot.

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: MeanGP

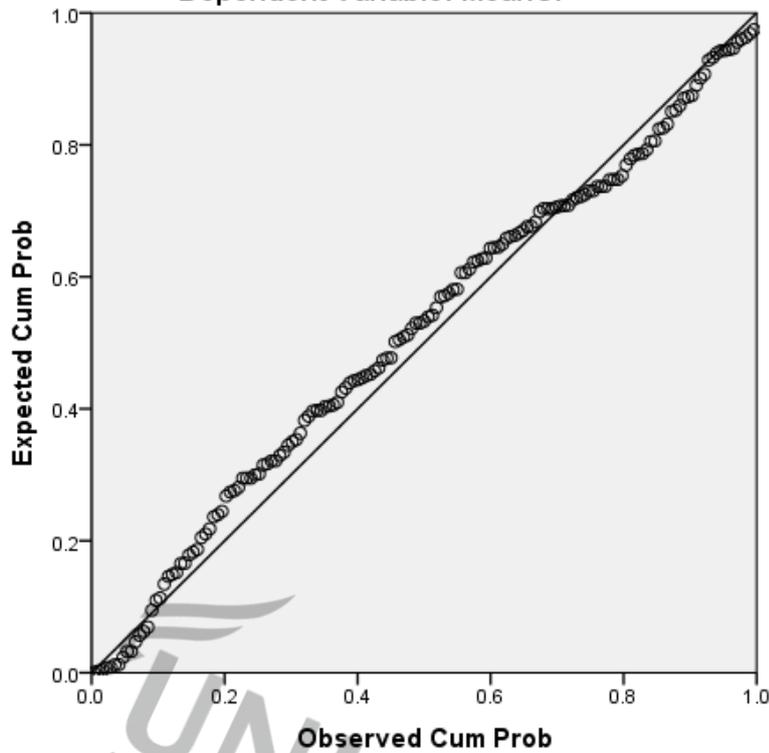


Figure 14: Probability Graph

This graph contains a dot plot; the dot track is the point collection along the left axis. These are the qualities that endure. The dot plot's purpose is to display how the residuals are dispersed. Small deviations from the right line's regular probability track are common, but a simple S-shaped curve in this graph implies a bimodal distribution for residues. Anomalies in the residual distribution are frequently shown by breaks in the graph's centre.

4.6 The Structural Equation Modeling

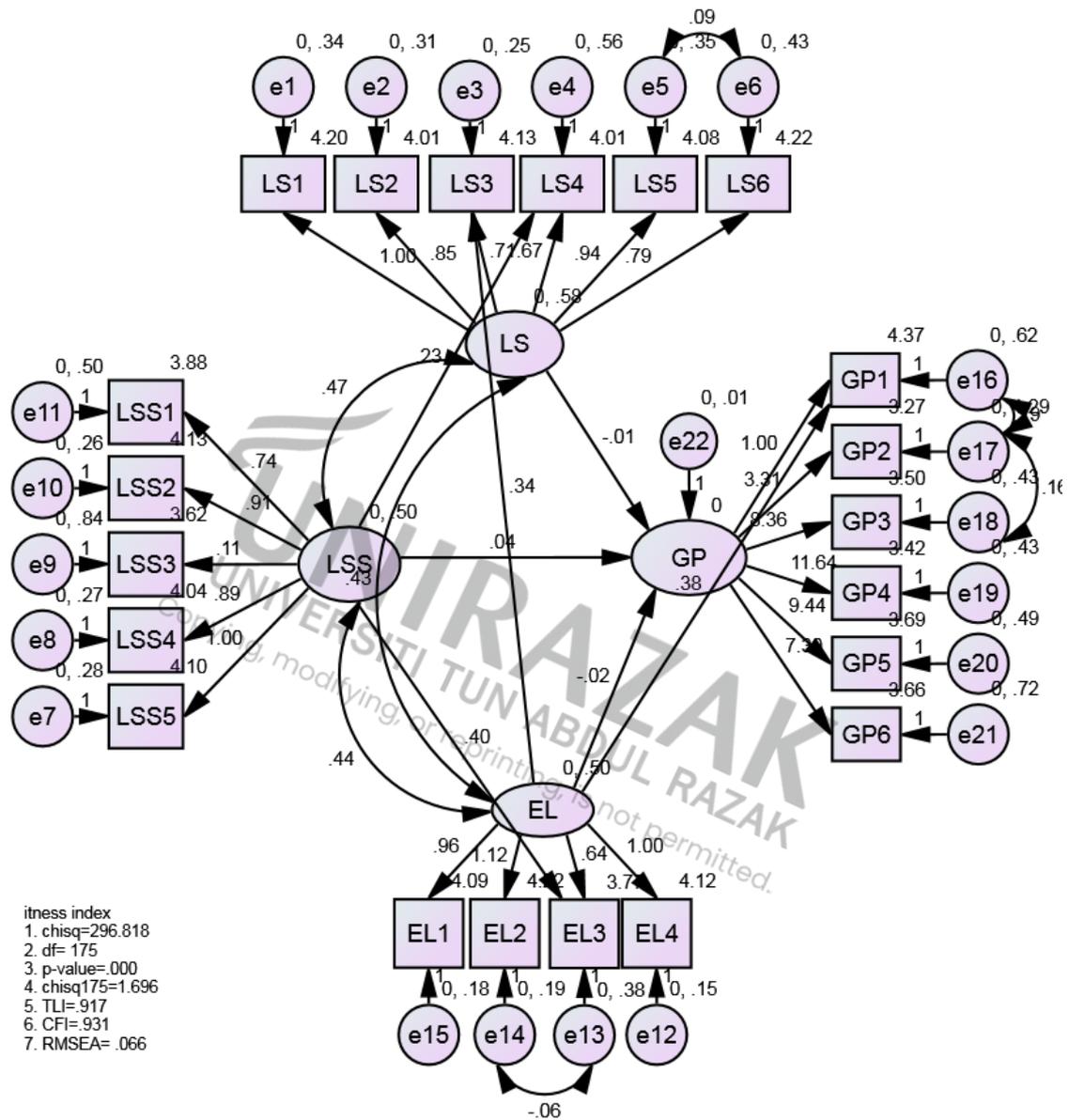


Figure 15: Structural Equation Model

A multiple regression is a relationship model in which all potential predictors are treated equally and their relationships are not investigated. The capacity to get interpretable findings from such models, as well as how well their structure reflects the underlying relationships among variables, determines how we see. Figure 27 depicts a multiple regression model that relates to administration, leadership, ethical leadership, and governance, respectively. The maximum probability estimation method was used to measure parameter estimations using the SPSS programme. Figure 27 shows several sorts of coefficients extracted from analyses, each with a different perspective on the interactions between variables.

4.7 Conclusions

In this chapter, the data and outcomes of the questionnaire in this study were presented. The goal of the study was to determine the impact of leadership skills on crisis management, leadership skills, leadership style, ethical leadership, and government policy in the Klang Valley of Malaysia, as well as the impact of leadership on SMEs. The correlation coefficient was 0.296, while the coefficient of determination was 0.088. Leadership had a considerable positive effect on SME performance and contribution, with a coefficient of correlation of 0.298. This meant that greater leadership would result in a boost for SMEs. With a coefficient of determination of 0.088, leadership was shown to be responsible for 8.8% of changes in government policy, with the rest explained by factors not included in the model. As a result, government policy at SMEs varies depending on the leadership of the company. Leadership skills were also necessary to ensure that SMEs were capable of dealing with crises, which helped the organisations perform better.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This final chapter summarises the findings of the report, as well as the researcher's conclusions and suggestions. The chapter concludes by recommending a few more areas for further research.

5.2 Summary of The Study

The goal of the study was to determine the impact of entrepreneurial leadership on SMEs. Regression coefficients were utilised to understand the direction and magnitude of the association in order to attain this goal. The responsiveness of the dependent variable as a result of unit change in each of the independent variables was demonstrated by the eta coefficients. Three dimensions of leadership were assessed: leadership skills, style, and ethics. The correlation coefficient was 0.296, while the coefficient of determination was 0.088. Leadership had a considerable positive effect on SME performance and contribution, with a coefficient of correlation of 0.298. This meant that greater leadership would result in a boost for the SME industry.

With a coefficient of determination of 0.088, leadership was shown to be responsible for 8.8% of changes in government policy, with the rest explained by factors not included in the model. As a result, government policy at SMEs varies depending on the leadership of the company. At a 95% confidence level, the p-value of 0.002 suggested that leadership has a substantial impact on debt management. Because the p-value is less than 0.05, this is the case. As a result, government policy has a considerable positive impact on the performance and contribution of small businesses.

5.3 Conclusions

Some assumptions are made in the analysis, such as leadership skills having a positive impact on SME success and contribution to national economic growth. The more talents a SME's leader possesses, the more efficient the SME's operations become. Communication, financial planning, listening, and negotiation are all skills that SME leaders must have. According to this study, leaders have a favourable impact on the efficiency of SMEs. SME management would benefit from a dynamic leader who is responsive to stakeholders rather than a self-centered leader who is authoritative and does not involve stakeholders in the running of the SMEs.

SME's operations were also boosted by ethical leadership, according to the study. Following corporate policies, having honesty and fairness, being open to criticism, and conducting business in an ethical manner are all examples of ethical behaviour. Making judgments, maintaining transparency, and adhering to ethical norms are all part of the leadership role. The fourth goal was to determine the influence of leadership on the success and contribution of SMEs in the Klang Valley. SME efficiency will be improved by leaders who can lead. Strong leaders who comprehend the dynamics of the fast changing global climate are required in organisations. SMEs require leaders with specialised knowledge, experience, and the requisite education to govern the company.

5.4 Recommendations

The study concluded that leadership skills have a beneficial impact on SME performance, implying that SMEs' leaders should improve their leadership skills in order to improve business performance. Leaders who seek more leadership training, attend leadership seminars, and study extensively will increase their abilities. This will ensure that SMEs have suitable leadership and that their financial and non-financial performance is improved. The study discovered that leadership style had a beneficial impact on the performance of SMEs.

As a result, the study suggests that SMEs executives be more personable, attentive to stakeholders, build workplace unity, and delegate authority to junior employees.

This will assure worker continuity and improve SMEs' debt management. The study also recommends that SME leaders use ethical leadership practises in their company operations, such as debt management, to improve firm performance. Ethical behaviour includes, but is not limited to, leaders who follow or adhere to SMEs' policies, leaders who demonstrate integrity and fairness, records that are open to scrutiny, and company and business executives that act ethically. SMEs play a key role in the economy, including employment creation, with SMEs employing the bulk of workers in the Klang Valley.

The success of an organisation is critical to economic growth and development, and a study indicated that leadership may help SMEs succeed. As a result, the study recommends that the government and development partners offer leadership training seminars for SMEs leaders on a regular basis. This can be accomplished via the government's connected body/agency meeting with representatives from SMEs, as well as ongoing training that includes personal and financial management.

5.5 Limitations of The Study

The study had several flaws, for example, leadership was assessed based on ethical and motivational abilities. Leadership qualities, style, ethics, and social network were among the five variables assessed. However, leadership is more than just a set of traits and behaviours. The dependent variable was SMEs' performance and contribution, while the independent variables were leadership and government policies. While SME's must balance other elements such as their resources, other tactics, such as cash management, will have an impact on the organization's performance. To obtain its conclusions, the study relied on

primary data. Only other people can verify basic data, such as blood test results. Because data reflects the perspectives of decision makers, it is frequently subjective.

The researcher employed a likert scale and tried to be as objective as possible when creating the research questions. The survey was limited to SMEs in the Klang Valley and does not reflect all Malaysian SMEs. Organizations in a certain geographic location tend to share similar qualities. The outcomes of research in a single area, such as the Klang Valley, could not be generalised.

5.6 Suggestion for Further Research

It is suggested that a more in-depth research of leadership in crisis management be conducted. Leaders can be evaluated in a variety of ways, including leadership qualities, ethics, and leadership styles. The capacity to make decisions and provide the correct structure are two leadership qualities. Other elements may be considered when calculating the performance of SMEs. Secondary data will be analysed to assess if the leadership and performance of SMEs are in sync. This will increase the data's dependability, allowing for additional investigation. Because this research is only done for a few months, data for future research can be collected for a longer amount of time. An yearly leadership measuring study should be conducted to allow for comparison and analysis. More research on leadership is required in other towns, states, or possibly by regions, as this study was limited to SMEs in the Klang Valley. These findings will serve as an example of how sites within a geographical area tend to share similar traits, making it necessary to conduct a comparable study in other areas.

REFERENCES

- Allal-Chérif, O., Guijarro-García, M., Ballester-Miquel, J. C., & Carrilero-Castillo, A. (2021). Being an ethical leader during the apocalypse: Lessons from *the walking dead* to face the COVID-19 crisis. *Journal of Business Research*, 133, 354–364. doi:10.1016/j.jbusres.2021.05
- Centers for Disease Control and Prevention. (2012, May 18). *Section 11: Epidemic Disease Occurrence*. Retrieved from: <https://www.cdc.gov/csels/dsepd/ss1978/lesson1/section11.html>
- Choi, H., Cho, W., Kim, M.-H., & Hur, J.-Y. (2020). Public health emergency and crisis management: Case study of SARS-CoV-2 Outbreak. *International Journal of Environmental Research and Public Health*, 17(11), 3984. MDPI AG. <http://dx.doi.org/10.3390/ijerph17113984>
- Fontana, A., & Musa, S. (2017). The impact of entrepreneurial leadership on innovation management and its measurement validation. *International Journal of Innovation Science*, 9(1), 2-19. <https://doi.org/10.1108/IJIS-05-2016-0004>
- Fung, C., Tsui, B., & Hon, A.H.Y. (2020). Crisis management: A case study of disease outbreak in the Metropark Hotel group. *Asia Pacific Journal of Tourism Research*, 25(10), 1062-1070. <https://doi.org/10.1080/10941665.2020.1784245>
- Glynn, M.A., & De Jordy, R. (2010). *Leadership through an organizational behaviour lens: A look on the last half-century of research* (N. Nohria & R. Khurana, Eds.). Harvard Business Press.
- Gomez, O.C. (2020). *Financing Biz: An SME financing recovery for 2021?* The Edge Malaysia. <https://www.theedgemarkets.com/article/financing-biz-sme-financing-recovery-2021>

- Griffin, R. (2016). *Managing new venture formation and entrepreneurship*. In: *Management: Principles and practices, Management* (12th ed). Cengage Learning.
- Guo, L., Decoster, S., Babalola, M.T., Schutter, L.D., Garba, O.A., & Riisla, K. (2018). Authoritarian leadership and employee creativity: The moderating role of psychological capital and the mediating role of fear and defensive silence. *Journal of Business Research*, 92, 219-230. <https://doi.org/10.1016/j.jbusres.2018.07.034>
- Hamid, H. (2021, January 7). *MySay: The Uncertain Way Forward*. The Edge Markets. <https://www.theedgemarkets.com/article/mysay-uncertain-way-forward>
- Huynh, L. (2007). *A New Paradigm of Entrepreneurial Leadership: the meditating role of influence, vision and context* (200313971) [Honours Thesis, The University of Sydney]. CORE. <https://core.ac.uk/download/pdf/41233562.pdf>
- Indeed Editorial Team. (2020, December 4). Understanding the contingency theory of leadership. *Indeed*. <https://www.indeed.com/career-advice/career-development/contingency-theory-of-leadership>
- Khan, M.W.J., & Khalique, M. (2014). An overview of small and medium enterprises in Malaysia and Pakistan: Past, Present and Future Scenario. *Business and Management Horizon*, 2(2), 38-49. <https://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.671.4931&rep=rep1&type=pdf>
- Kim, J. Y., Choe, P. G., Oh, Y., Oh, K. J., Kim, J., Park, S. J., Park, J. H., Na, H. K., & Oh, M. D. (2020). The first case of 2019 novel coronavirus pneumonia imported into Korea from Wuhan, China: Implication for Infection Prevention and Control Measures. *Journal of Korean Medical Science*, 35(5), e61. <https://doi.org/10.3346/jkms.2020.35.e61>

- Kurschus, R., Sarapovas, T., & Cvilikas, A. (2015). The criteria to identify company's crisis in SME Sector. *Inzinerine Ekonomika-Engineering Economics*, 26(2), 152-158. <https://dx.doi.org/10.5755/j01.ee.26.2.8779>
- Liberto, D. (2020). *Small and Mid-size Enterprise (SME)*. Investopedia. <https://www.investopedia.com/terms/s/smallandmidsizeenterprises.asp>
- Mayo Clinic. (2021, April 7). *Infectious Diseases*. <https://www.mayoclinic.org/diseases-conditions/infectious-diseases/symptoms-causes/syc-20351173>
- Merriam-Webster. (n.d.). Leadership. In *Merriam-Webster.com dictionary*. Retrieved August 18, 2021, from <https://www.merriam-webster.com/dictionary/leadership>
- Mohd Sam, M.F., Tahir, M.N.H., & Abu Bakar, K. (2012). Owner-Managers of SMEs in IT Sector: Leadership and company performance. *International Journal of Business and Social Science*, 13(4), 195-205. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2254751
- Park, Y.E. (2021). Developing a COVID-19 crisis management strategy using news media and social media in big data analytics. *Social Science Computer Review*, 1-18. <https://doi.org/10.1177/08944393211007314>
- Public Health Education. (2021, February 19). *Epidemic, Endemic, Pandemic: What are the differences?*. <https://www.publichealth.columbia.edu/public-health-now/news/epidemic-endemic-pandemic-what-are-differences>
- Qalati, S.A., Li, W., Ahmed, N., Mirani, M.A., & Khan, A. (2020). Examining the Factors Affecting SME Performance: The Mediating Role of Social Media Adoption. *Sustainability*, 13(1), 1-24. <https://doi.org/10.3390/su13010075>

Qureshi, M. I., Khan, N. U., Rasli, A. M., & Zaman, K. (2015). The battle of health with environmental evils of Asian countries: promises to keep. *Environmental Science and Pollution Research*, 22, 11708–11715. <https://doi.org/10.1007/s11356-015-4440-8>

Renko, M., El Tarabishy, A., Carsrud, A.L., & Brännback, M. (2015). Understanding and measuring entrepreneurial leadership style. *Journal of Small Business Management*, 53(1), 54-74. <https://doi.org/10.1111/jsbm.12086>

Segal, S. (2020). *The Global Economic Impacts of Covid-19*. Center for Strategic and International Studies. <https://www.csis.org/analysis/global-economic-impacts-covid-19>

SME Corp Malaysia. (n.d.). *SME Definitions*. <https://www.smecorp.gov.my/index.php/en/policies/2020-02-11-08-01-24/sme-definition>

Sneader, K., & Singhal, S. (2020, March 2020). *Beyond coronavirus: The path to the next normal*. McKinsey & Company. <https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/beyond-coronavirus-the-path-to-the-next-normal>

Sneader, K., & Singhal, S. (2020, April 14). *The future is not what it used to be: Thoughts on the shape of the next normal*. McKinsey & Company. <https://www.mckinsey.com/featured-insights/leadership/the-future-is-not-what-it-used-to-be-thoughts-on-the-shape-of-the-next-normal>

The Arthur W. Page Center. (n.d.). *Crisis and crisis management*. PennState College of Communications. <https://www.pagecentertraining.psu.edu/public-relations-ethics/ethics-in-crisis-management/lesson-1-prominent-ethical-issues-in-crisis-situations/crisis-and-crisis-management/>

The Office of Chief Statistician Malaysia. (2017, September 27). *Output of Malaysia's SMEs Surged to RM1.0 Trillion for the First Time Since 2003*. Department of Statistics Malaysia Official Portal. https://www.dosm.gov.my/v1/index.php?r=column/cthemedByCat&cat=426&bul_id=T20rcEJyQmFENUUpRYThOSGRmdFIIZz09&menu_id=WjJGK0Z5bTk1ZEIVT09yUW1tRG41Zz09

Tsai, Y. (2011). Relationship between organizational culture, leadership behavior and job satisfaction. *BMC Health Services Research* 2011, 11(98), 1-18. <https://biomedcentral.com/1472-6963/11/98>

Valdiserri, G.A., & Wilson, J.L. (2010). The study of leadership in small business organizations: Impact on profitability and organizational success. *The Entrepreneurial Executive*, 15, 47-71.

Vidal, G. G., Campdesuñer, R. P., Rodríguez, A. S., & Vivar, R. M. (2017). Contingency theory to study leadership styles of small businesses owner-managers at Santo Domingo, Ecuador. *International Journal of Engineering Business Management*, 9, 1-11. <https://doi.org/10.1177/1847979017743172>

World Bank Group. (2019, September 16). World Bank group support for small and medium enterprises: a synthesis of evaluative findings. <https://openknowledge.worldbank.org/bitstream/handle/10986/32536/World-Bank-Group-Support-for-Small-and-Medium-Enterprises-A-Synthesis-of-Evaluative-Findings.pdf?sequence=5&isAllowed=y>

Yi, V.Z. (2020, May). *Struggle of Malaysian SMEs during the covid-19 pandemic- findings from webinar: SMEs beyond MCO-Lessons from PRIHATIN stimulus*. KCI Policy. <https://kasi.asia/wp-content/uploads/2020/05/KSI-Policy-Brief-Struggle-of-Malaysian-SMEs-During-the-COVID-19-Pandemic.pdf>

MTD Training Academy. (2010). Leadership skills. Retrieved from <https://bookboon.com/en/leadership-skills-ebook>

Ximenes, M., Supartha, W. G., Dewi, I.G.A.M., & Sintaasih, D.K. (2019).
Entrepreneurial leadership moderating high performance work system and
employee creativity on employee performance. *Cogent Business &
Management*, 6, 1-12. <https://doi.org/10.1080/23311975.2019.1697512>


UNIRAZAK
UNIVERSITI TUN ABDUL RAZAK
Copying, modifying, or reprinting, is not permitted.

APPENDICES

UNIRAZAK
UNIVERSITI TUN ABDUL RAZAK
Copying, modifying, or reprinting, is not permitted.

QUESTIONNAIRE

Leadership, SME and Corona Virus Covid-19 Pandemic in Malaysia

Dear Sir/ Madam,

My name is Chua Hock Kuan, student of Universiti Tun Abdul Razak (UNIRAZAK) and I'm in the midst of completing my programme, Master of Business Administration (Leadership). As part of fulfilment and requirement of my final subject GRES5316 (Research Project), I am currently conducting a research study on '*Leadership, SME and Corona Virus Covid-19 Pandemic in Malaysia*'.

- Please be assured that your identity will be kept anonymous and all information will be treated strictly confidential.
- Data is stored anonymously as I do not collect unique personal details such as name, IC number or any addresses.
- Thank you so much for your kind participation. Stay safe.

Summary: Leadership, SME and Corona Virus Covid-19 Pandemic in Malaysia

2020 is the year that many Malaysian have waited for, to witness Malaysia to become a developed nation. Not only we did not achieve the Vision 2020 set by our previous leader, 2020 was the year that our country was hit with the outbreak of corona virus Covid-19 which the pandemic has cause a domino effect to our economy. The Malaysian SMEs are currently struggling to sustain the business, many businesses have been downsized and quite a numbers of them eventually closed down.

The main purpose of this study is to explore and assess the leadership and SMEs, where leadership skills, leadership styles, leadership ethics and government policies introduced will benefits and thus keep SMEs to be sustainable and to stay afloat during this crisis of Covid-19 pandemic.

This questionnaire is divided into two sections:

- A. **Demographic Profile**
- B. **Leadership and SMEs Assessment**

SECTION A: DEMOGRAPHY PROFILE

In this section, we are interested in your demographic background. Please select your answer if the statement provided shows relevancy to you.

Part A: General Information

1. Gender

- a. Male
- b. Female

2. Age

- a. 21-30
- b. 31-40
- c. 41-50
- d. 51-60
- e. 61 and above

3. Educational level

- a. SPM
- b. STPM
- c. Diploma/ Higher Diploma
- d. Undergraduate (Bachelor degree)
- e. Postgraduate (Master degree/ PhD)
- f. Others (Please specify)

4. Position in the organisation

- a. Owner
- b. Director
- c. Manager
- d. Assistant Manager
- e. Executive
- f. Non-Executive

5. Monthly Income

- a. RM1,200 – 1,800
- b. RM1,801 – RM2,500
- c. RM2,501 – RM4,000
- d. RM4,001 – RM8,000
- e. RM8,001 – RM12,000
- f. RM12,001 – RM20,000
- g. >RM20,000

6. Organisation segment

- a. Small Medium sized Enterprises
- b. Public Listed Companies
- c. Government Linked Corporations
- d. Non-Government Organisations
- e. Government

Part B: Profile of Small Medium sized Enterprise

7. The incorporation of SME

- a. < 2 years
- b. 2 – 5 years
- c. 6 – 9 years
- d. 10 – 13 years
- e. 14 – 17 years
- f. > 17 years

8. Category of Small Medium sized Enterprises

- a. Service Industry
- b. Manufacturing Industry
- c. Non Specified

9. SME size (employees)

- a. < 5
- b. 6 - 30
- c. 31 - 75
- d. > 76

10. Annual revenue

- a. < RM300,000
- b. RM300,001 – RM800,000
- c. RM800,001 – RM2,000,000
- d. RM2,000,001 – RM5,000,000
- e. RM5,000,001 – RM10,000,000
- f. > RM10,000,000

UNIRAZAK
UNIVERSITI TUN ABDUL RAZAK
Copyright © 2019. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or reprinted, is not permitted.

SECTION B: LEADERSHIP AND ASSESMENT OF SMALL MEDIUM SIZED ENTERPRISE

11. Leadership skills

This section seeks to establish leadership skills in SMEs. Please indicate to rate the following statements using a scale of 1 to 5 where 1 is strongly disagree, 2 is disagree, 3 is neutral, 4 is agree and 5 is strongly agree.

Statement	1	2	3	4	5
Leader communicates well with others in the organisation					
Leader is a good financial planner and budgets adequately					
Leader listen to other and appreciate the views					
Leader negotiate wisely					
Leader manage risks					
Leader act fast should the need arises					

12. Leadership styles

This section seeks to establish leadership styles in SMEs. Please indicate to rate the following statements using a scale of 1 to 5 where 1 is strongly disagree, 2 is disagree, 3 is neutral, 4 is agree and 5 is strongly agree.

Statement	1	2	3	4	5
Leader is open with other stakeholders					
Leader foster unity as work					
Leader is authoritative					
Leader delegate work responsibly					
Vision, mission and objectives are clearly defined					

13. Ethical leadership

This section seeks to establish ethical leadership in SMEs. Please indicate to rate the following statements using a scale of 1 to 5 where 1 is strongly disagree, 2 is disagree, 3 is neutral, 4 is agree and 5 is strongly agree.

Statement	1	2	3	4	5
Leader observes/ adhere to the policies					
Leader exhibits integrity and honesty					
Leader record are open to scrutiny					
Leader deals business and operates ethically					

14. Government Policies during Covid-19 pandemic

This section seeks to establish the government policies in keeping SMEs afloat during crisis. Please indicate to rate the following statements using a scale of 1 to 5 where 1 is strongly disagree, 2 is disagree, 3 is neutral, 4 is agree and 5 is strongly agree.

Statement	1	2	3	4	5
Covid-19 pandemic has a great impact on business					
Company introduced pay cut to maintain current manpower					
Company benefited from wage subsidiary					
Company benefited from micro/ SME grant/ loan					
Company benefited from moratorium					
Government initiatives helps company to stay afloat during Covid-19 pandemic					

I truly appreciate the effort and time you have taken to assist in this analysis. Again, and indeed, I am extremely grateful for your valuable time, your honest information and your thoughtful feedback.

Thank you and stay safe!



APPROVAL PAGE

**TITLE OF PROJECT PAPER : LEADERSHIP, SME AND CORONA VIRUS
COVID-19 PANDEMIC IN MALAYSIA**

NAME OF AUTHOR : CHUA HOCK KUAN

The undersigned is pleased to certify that the above candidate has fulfilled the condition of the project paper prepared in partial fulfilment for the award of the degree of Master of Business Administration (Leadership).

SUPERVISOR

Signature : _____
Name : _____
Date : _____



ENDORSED BY:

Dean
Graduate School of Business
Date: