FACTORS THAT INFLUENCE SME BUSINESS PERFORMANCE IN KELANTAN DURING MCO

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MALAYSIA
KELANTAN

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by

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Date: 24 January 24, 2023

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LIST OF ABBREVIATIONS

MCO: Movement Control Order

SME: Small and Medium Enterprise

SPSS: Statistical Package for the Social Sciences
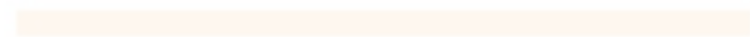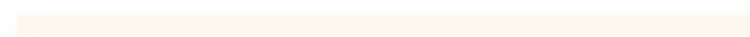
ABSTRACT:

Small and medium-sized businesses (SMEs) are increasingly finding new opportunities in both local and foreign markets as they are acknowledged as significant contributors to the economies of many nations. To stay competitive in this market, SMEs must expand. In this study, SMEs' business performance is examined to gauge its effects and potency. The purpose of this research is to demonstrate the development of SMEs' commercial performance, taking into account the challenges they have experienced and their potential for growth in Malaysia. There are numerous aspects that have been identified as affecting the effectiveness of business performance in the current market. This report offers a useful method for calculating how satisfied SMEs are with their company's performance. Besides, it explained government support as an important role in strengthening the relationship between the factor of business performance. The findings of the study will provide great help to improve SMEs' business in formulating business performance in Kelantan. On that basis, the article proposes some solutions to improve the performance of SMEs in Kelantan in the current period.

CHAPTER 1: INTRODUCTION

This chapter covers the study's introduction. This research was done to analyze the factors that influence SME business performance in Kelantan during MCO. The study's limits and scope are also covered in this chapter. The eight primary sections that make up this chapter are as follows. The section begins with the background of the study, the problem statement, the research objectives of the study, and the research questions. Scope of the study, the significance of the study, term definition, and proposal organization came next.

1.1 Background of The Study

The Covid-19 coronavirus epidemic is a global threat affecting billions of people. Additionally, the pandemic had detrimental effects on the global economy, industries, organizations, and small and medium-sized businesses (SMEs). As a result, economists anticipate a gradual deceleration of economic activity momentum beginning in March 2020 with no specified end date. In light of this, the purpose of this article is to examine the factors that influence SME business performance in Kelantan during MCO.

Small and medium-sized firms (SMEs) play key roles in the economic development of a country by creating jobs and contributing significantly to the gross domestic product. Entrepreneurship development and small and medium-sized enterprises (SMEs) are generally recognized as instruments for achieving economic growth and development as well as job creation. Micro-entrepreneurs are linked to small and medium-sized businesses, which are today the driving force behind the growth of Malaysia's sophisticated market economy. The micro and small business sector is considered as the entrepreneurship's natural habitat.

1.2 Problem Statement

In the year of March 18, 2020, until 31 December of 2021, the government of Malaysia has implemented the Movement Control Order (MCO) in order to maintain the daily activities of the Malaysia citizen. The implementation of MCO also help in preventing the spreading of COVID-19 virus among peoples during daily activities. However, MCO also bring a lot of impact to the society which including the negative impact on economic activity.

During MCO, the economic activities have decrease due to the citizen are restricted to purchasing as there is only one of the family members allowed to go out for purchasing. This causing the number of consumer decrease and thus affecting the income of merchant decrease.

Movement Control Order (MCO) can have a significant impact on business performance in Kelantan because it restricts movement and can disrupt supply chains, reduce customer demand, and lead to temporary or permanent closures of businesses. The extent of the impact will depend on the specific nature of the business, the duration of the MCO, and the effectiveness of the business's response to the situation. In general, the MCO can create economic challenges for businesses, especially those that rely on in-person interactions or have limited capacity to operate remotely.

1.3 Research Objectives

The objective of this study is to examine the factors that influence SME business performance in Kelantan during MCO. This research will precisely focus about:

1. To identify the relationship between government support towards SMEs business performance in Kelantan.

2. To identify the relationship between network development towards SMEs business performance in Kelantan.

3. To identify the relationship between economic policy towards SMEs business performance in Kelantan.

1.4 Research Question

The following research questions are made in order to accomplish the study objectives:

1. What is the relationship between the relationship between government support towards SMEs business performance in Kelantan.

2. What is the relationship between network development towards SMEs business performance in Kelantan.

3. What is the relationship between economic policy towards SMEs business performance in Kelantan.

1.5 Scope of the Study

The owners of SMEs business in Kelantan have created profitable prospects for small and medium-sized industrial (SME) performance. However, after the Covid-19 epidemic, the Malaysian government has introduced MCO in all states. This has impacted SMEs businesses performance in Kelantan. As a result, the purpose of this essay is to investigate how MCO give impact towards SMEs business performance in Kelantan. This study's goal is to establish the association between MCO implementation and SMEs business performance in Kelantan.

1.6 Significance of Study

This study was proposed to explore how MCO give impact on SMEs business performance in Kelantan. This study also proposed to measure the relationship between government support, network development and economic policy towards SMEs business performance in Kelantan during MCO period.

The results of this study may help SMEs business by improving their understanding of how to build a more appropriate strategy in strengthening their business. In conclusion, SMEs business can use the findings of this study to gain a better understanding of the how MCO implementation give impact on SMEs business performance in Kelantan. This research also assists marketing team in developing marketing strategies that will attract new customers to participate in their business.

1.7 Definition of term

- **Movement Control Order (MCO)**

  No mass gatherings are permitted during the Period. This limitation applies to all religious, social, cultural, and athletic activities. This means that all places of worship and commercial properties must be closed unless they provide "vital services" as specified by the Industrial Relations Act of 1967.

- **SMEs Business**

  Small and medium-sized enterprises (SMEs) are businesses that are typically smaller in size compared to large corporations or multinational companies. There are various definitions of SMEs, and the criteria used to classify a business as an SME can vary depending on the industry and other factors. Generally, SMEs are characterized by their relatively smaller size, limited resources, and relatively simple organizational structures. They may be privately owned and operated, and they often play a significant role in the local economy. SMEs are sometimes also referred to as small and medium-sized businesses (SMBs).

1.8 Organization of the Proposal

The first chapter provides context for the investigation. In this chapter, the research assistant also expressed the statement of matter formed during this study. The researcher knows the aims and questions of the study. The research also defined the terminologies utilized in this study and discussed the significance of doing this investigation. The researcher also analysed the title of the study topic.

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CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

In this chapter, this research was included an outline of background of study, problem statement, research questions, research objectives, scope of study and significant of study. The purpose of a literature review is to demonstrate that the researcher has read to a certain reader, and to provide a clear knowledge of the main published work on a specific subject or issue in a particular area. This work, including online sources, can be in any format. In specific, in the above situations, the researcher's research goal, issue, or claim will direct the analysis, which will provide the basis for the researcher's further work. Furthermore, the literature review in this chapter will address the concept of sustainability and service growth, prospects, core features, and the affect that SME Business facing during MCO.

2.2 BASIC ECONOMIC THEORY

The theory we apply in this study is Basic Economic Theory. For the advancement of all studies, including economic theory, this is a crucial prerequisite. The scientific approach aims to reveal the subject's essence in the most significant way possible. The economic theory conducts its research using a variety of methodologies and procedures, which specify the methodology's subject matter. The categories and laws governing the operation and growth of economic systems are investigated using the methodologies, tools, and principles of economic theory.

Economic modelling, whose structure abstractly depicts the true image of economic activity, is a structured description and quantitative depiction of economic processes and occurrences. Economic models provide for a more in-depth visual exploration of the primary characteristics and developmental patterns of a genuine cognitive object.

An economic experiment is the artificial replication of economic events and processes for the purpose of studying them under ideal conditions and for future practical application. In order to avoid mistakes and failures in the economic policy of the state, it is possible to verify the applicability of scientific ideas and suggestions through an economic experiment. Experiments have a crucial role during pivotal points in the evolution of the economy, such as crises, economic reforms, and stability.

2.3 PREVIOUS STUDY
2.3.1 CONCEPT OF BUSINESS

The creation or acquisition of goods and services with the goal of reselling them for a profit is referred to as business. An organized economic activity is business**.** The term business refers to an association or venturesome substance participated in business, modern, or expert exercises. The reason for a business is to coordinate a financial creation of some kind or another of labor and products. Organizations can be for-benefit elements or non-benefit associations satisfying a magnanimous mission or facilitating a social reason (Adam Hayes, 2022). According to Dr. Aremu M. A. (2015), with regards to an occupation, "business" alludes to the creation and offer of labor and products for pay. It is routinely led with the essential objective of delivering cash. Business activities including the part of assembling, exchanging, delivering, capacity, banking, and manufacturing. Business likewise can be characterized as a business venture or foundation that trades labor and products.

2.3.2 CONCEPT OF BUSINESS PERFORMANCE

Overall business performance can be defined as the ability of a business to implement a strategy to achieve organizational objectives and is considered as an important tool for businesses to analyze how effective management is at achieving business goals. Business performance is also an indicator for the merchant to estimate and predict their growth, earn, future development and so on.

2.3.3 SMALL AND MEDIUM ENTERPRISES SMES

According to Al-Herwi, S. (2019), SME stands for Small and medium-sized enterprises (SMEs) or small and medium-sized businesses are business whose personnel numbers fall below certain limits. The SME sector, which has developed as the most alluring and tremendously innovative system, is incredibly significant to the modern economy. SMEs have a range of employees depending on the industry. SME help major businesses produce goods and services more effectively by contributing to the supply of certain activities. Focusing on innovative business and technological processes is another key characteristic of SME. They contribute to a nation's GDP formation, national export growth, and social and political stability as an outcome. Normal categories of SME incorporate legitimate firms, dental specialist workplaces, restaurants, or bars (Liberto, 2022).

2.3.4 SMALL MEDIUM ENTERPRISE (SME) IN MALAYSIA

Malaysian economy has without a doubt gone through an extensive change throughout recent a long time from rural based to industry based. Presently the economy is moving from industry-based economy to accomplish the vision and to turn into a created economy. Malaysian SMEs, especially the assembling areas, are assuming a vital part in the improvement of economy.

According to Jamari Mohtar (2020), the SME play a significant and urgent, vital job in the turn of events and development of the Malaysian economy. They comprise around 98.5% or almost 1,000,000 of all business foundations. They had given 66.2% of all out work in 2018. To qualify as a SME in Malaysia, an organization should either have a business turnover of something like RM50 million or have 200 full-time representatives.

As per the authority site SME Corp Malaysia (2022), which shows on figure 1, the scene of MSMEs has become impressively well beginning around 2016 until 2021. In light of the most recent information in Malaysia Measurable Business Register (MSBR) distributed by the Division of Measurements, Malaysia (DOSM), there were by and large 1,226,494 MSMEs in 2021 which represents 97.4% of in general foundations in Malaysia. There has been an augmentation of around 140,000 firms when contrasted with a sum of 1,086,533 MSMEs in 2016, in this way enrolling typical development pace of 5.2% per annum during the six-year time frame.

Figure 2.3.4: SMEs in 2021 which accounts for 97.4% of overall establishments in Malaysia

Source: Official Website SME CORP Malaysia

2.4 HYPHOTESIS STATEMENT

H1: There is a relationship between the government support towards SME business performance in Kelantan during MCO.

H2: There is a relationship between the network development towards SME business performance in Kelantan during MCO.

H3: There is a relationship between the economic policy towards SME business performance in Kelantan during MCO.

2.5 CONCEPTUAL FRAMEWORK
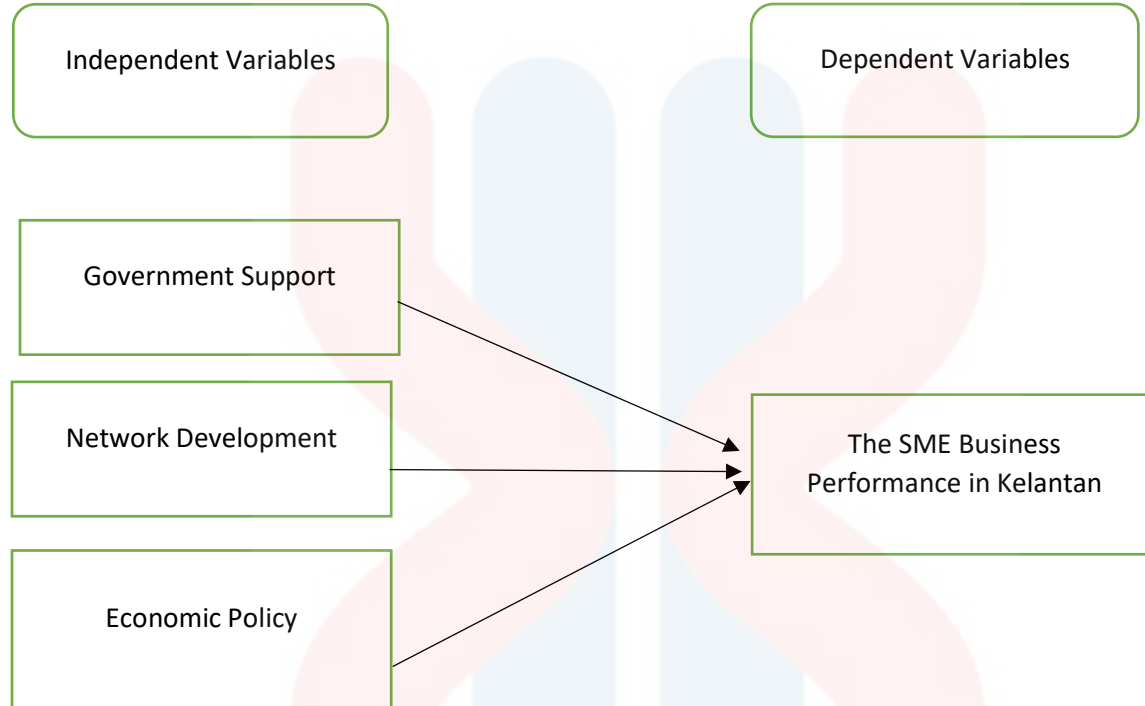
The figure illustrated the framework regarding to the effect of toward SME Business Performance during MCO period in Kelantan by three dimension such as government support, network development, and economic policy.

The effect of government support towards SME Business Performance in Kelantan during MCO

The success of small enterprises is crucial to the expansion of the economy, and the government must support them. Small business owners contribute significantly to the local economy by paying taxes, employing residents, and hiring locals. This results in more money being spent at neighborhood shops and eateries. Every ringgit spent at a small business remains in your neighborhood. However, it might be challenging for them to remain afloat at times. By offering loans, tax incentive schemes, and other forms of financial assistance that make it simpler for them to expand or continue operations, the local government can assist.

The importance of training employees in SMEs has grown as the majority of these companies have acknowledged the value of employee development for business expansion. Businesses must improve the knowledge, abilities, and attitudes of their staff members if they are to successfully manage the effects of technological, economic, political, and social change. Furthermore, according to Hashim and Wafa (2002) "training refers to a planned and systematic effort to modify or develop knowledge, skills and attitudes through the learning experiences, to achieve effective performance in an activity." Training typically incorporates learning that is directed toward the employee's current or existing occupations with the goal of enhancing job performance.

Small business owners are too risky for banks to lend money to, thus they frequently hesitate to do so. As a result, the majority of small enterprises rely on personal savings when they want money for growth or the purchase of equipment. By guarantying loans, the Small Business Administration aids in overcoming their funding shortfall.

Access to finance is important to SME business because according to Chan & Lin (2013), finance plays a vital role in small business survival and growth. This is because finance is a significant element for determining the growth and survival of SMEs (ACCA, 2009). Access can be determined by business support from government agencies to SME business.

2.5.2 INDEPENDENT VARIABLE 2 & DEPENDENT VARIABLE
The effect of network development towards SME Business Performance in Kelantan during MCO

Various researchers have found that SMEs promote entrepreneurship and competitiveness; as a result, they claim that direct government assistance can accelerate economic growth and development. Additionally, SMEs' labor-intensive nature and ability to utilize limited resources more effectively with little to no capital contribution to their development boost employment more than large companies. Hellberg (2000) also states that developing countries should be interested in SMEs because they account for large share of firms and development in these countries.

The usage of social media has brought numerous benefits to the firms. Some of these benefits eventually lead to better business performance in terms of online and offline sales volume and an increase in return on investment (Keath 2012). Based on Castronovo and Huang (2012), Hoofman and Fodor (2010), Trusov, Bucklin and Pauwels (2009), using social networks enables firms to more actively engage consumers than traditional communication approaches.

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Networking means having connection between entrepreneurs and government officers in charge of business assistance besides establishing networks with financial institutions and other usiness associations (Kader et al., 2009).Zhou, (2008) argued that the government related ties divided as those network ties between ost country firms and the local government, as well as firms owned by state.

2.5.3 INDEPENDENT VARIABLE 3 & DEPENDENT VARIABLE

The effect of economic policy towards SME Business Performance in Kelantan during MCO

Aside from that, small businesses employ about 47% of employees in the private sector, according to the 2017 Small Business Administration's economic profile. The SBA also stated that in 2019, small businesses contributed about 44% of the GDP. Kayanula and Quartey (2000) recognize them as the engines through which the growth objectives of developing countries can be achieved and are potential sources of employment and income in many developing countries.

2.6 SUMMARY

In the part of Literature Review. Our group analysist the literature review that consists of introduction, basic economic theory, previous studies, hypothesis statement, conceptual framework and summary. In literature review section, this study explained about the dependence variable, which is affect towards SME business performance in Kelantan during MCO.

The dependence variables significant these independence variables are the business performance in Kelantan. In general, the study between the independent variable and dependent variables is a blueprint of the presence of affect towards the business performance of Kelantan.

CHAPTER 3: METHODOLOGY

3.1 INTRODUCTION

In this chapter, the researcher will discuss on how to get this research analysis in detail. To find a good sample, the methodology needs to be good and accurate. Methodology is one of the aspects that are focusing to provide tools and technique for research. It is act as the guidelines for the researcher to complete and collect all the data that will be done in chapter four. Research Methodology is a tool to obtaining the information that needed on related aspect in which also related to the field of research study. The approach used to manage the research is an essential area where it requires direct interaction between the researcher, the environment, and the community. Additionally, technique is regarded as one of the methods for acquiring data that is grounded. Data collecting is essential for aiding in the generation of results, and there are various approaches available. In addition, both quantitative and qualitative methods are used in this study. Some of the questionnaire's questions were original, while others were derived from different sources. The sampling methods used to carry out this study were probability sampling. For this study, 384 respondents were selected randomly among SME business owner in Kelantan to answer the questionnaires.

3.2 RESEARCH DESIGN

In short, a research design is a study plan that specifies the methods that will be used by researchers. This study included both quantitative and qualitative research methods. The traditional approach to experimentation is quantitative. Quantitative experiments produced a hypothesis to be validated or rejected using a standard format. The hypothesis can be demonstrated using mathematical and statistical methods. Quantitative study design is a technique to conclude results and support or reject a theory. Quantitative in research design used a structures questionnaire to collect data from these participants. Primary data can be defined as a data that have compiled by a researcher for the purpose of the study and also as information that created to achieving by direct experiences. (Kenton, 2020)

During this research, data will be collected through questionnaire. In the process of gathering the total surveys, the response will be determined and decided the score. From the score, using some strategy, the researchers will figure out what the connection between the independent and dependent variable.(Smith, 2022)

3.3 DATA COLLECTION METHODS

Data collection is described as a systematic way of acquiring, observing, measuring, and analyzing precise information to support research undertaken by groups of specialists. In this review, the quantitative and qualitative analysis methods were used to collect the data. The main components were used to accomplish the goals of the approach. Data will be presented using a variety of methods, including questionnaire collections, library searches, and others.

3.3.1 PRIMARY DATA

Primary data sources are often selected and adjusted to satisfy the objectives or requirements of this research project (Formplus, 2022). Primary data is acquired directly from the source of the data and is considered the greatest type of data in research. Primary data method we are using for this research is questionnaire by using Google form.

In this study, the primary data are used to collect data about the factors that influence SME business performance in Kelantan during MCO. The primary data is the original data that the information is never been collected before. The sources are often selected and adjusted to satisfy the objectives or requirements of this research study. This research had used the survey and some other methods to acquire primary data from participants through the questionnaire by using Google form.

3.4 STUDY POPULATION

Population is a term used in statistics and other branches of mathematics. For the purposes of data collection and analysis, a defined group of individuals, animals, or objects counts as a common characteristic. (MOMOH, 2022) The purpose of this study is to determine factors that influence SME business performance in Kelantan during MCO. Additionally, the population concentrates on the quantity of responses from various backgrounds, including gender, age group and local authority area.

The target population for this study is the 357,541 citizens of Kelantan, who represent a 1.99% drop from 2021, according to the World Population Review (2022). One of Malaysia's major cities is Kota Bharu. There are various racial groups, including Bumiputera, Chinese, Indian, and others.

Table 3.4: Data population in Kelantan

Source: World Population Review, 2022

Other cities in Malaysia	
City Name	Population
Kuala Lumpur	8, 419, 566
Johor Bharu	*1,065,341*
Ipoh	842,281
Kuching	631,102
Kota Kinabalu	575, 880
Kuantan	525, 872
Seremban	494, 104
Kuala Terengganu	397, 729
Sandakan	385, 389
Alor Star	358, 738
Kota Bharu	**357, 541**

Negeri	Jumlah PKS	%
Selangor	179,271	19.8
WP Kuala Lumpur	133,703	14.7
Johor	98,190	10.8
Perak	75,140	8.3
Pulau Pinang	66,921	7.4
Sarawak	61,036	6.7
Sabah	55,702	6.2
Kedah	48,894	5.4
Kelantan	46,618	5.1
Pahang	37,573	4.1

(...Sambungan)

Negeri	Jumlah PKS	%
Negeri Sembilan	32,721	3.6
Melaka	31,361	3.5
Terengganu	29,324	3.2
Perlis	6,808	0.8
WP Labuan	2,567	0.3
WP Putrajaya	1,236	0.1
Jumlah PKS	**907,065**	**100.0**

Sumber: Banci Ekonomi 2016, Profil Perusahaan Kecil dan Sederhana (tahun rujukan 2015), Jabatan Perangkaan Malaysia

Figure 3.4.1: The total of SMEs in Malaysia

Source: **Banci Ekonomi 2016, SMEs Profile (2015), Jabatan Perangkaan Malaysia**

The population of this study consisted of the factors that influence SME business performance in Kelantan during MCO. According to the most recent 2015 SMEs profile on the figure 000 809, 126 businesses or 89.2%, were in the service industry. The second-largest contribution, with 5.3%, was the manufacturing sector 47, 698. Meanwhile, the construction sector accounted for 4.3% of SMEs which is 39, 158, agriculture accounted for 1.1% with the total is 10, 218, and for the lowest is mining and quarrying accounted for 0.1 which is 865. Hence, 400 questionnaires were distributed by researchers to employee and owner of SME in Kelantan.

Sektor	Bil. Pertubuhan PKS				% Bahagian PKS	Bil. Firma Besar	Keseluruhan Pertubuhan
	Mikro	Kecil	Sederhana	Jumlah PKS			
Perkhidmatan	649,186	148,078	11,862	809,126	89.2	9,185	818,311
Pembuatan	22,083	23,096	2,519	47,698	5.3	1,403	49,101
Pembinaan	17,321	17,008	4,829	39,158	4.3	1,400	40,558
Pertanian	4,863	4,143	1,212	10,218	1.1	1,410	11,628
Perlombongan & Pengkuarian	217	458	190	865	0.1	161	1,026
Jumlah	693,670	192,783	20,612	907,065	100.0	13,559	920,624

Figure 3.4.2: Number venture of SMEs based on sector and size
Source: **Banci Ekonomi 2016, SMEs Profile (2015), Jabatan Perangkaan Malaysia**

SME are frequently referred to the foundation of the economy since they are so significant for development. The employee and owner that involved with SME business in Kelantan were the total population on this report. According to the figure above, the total of SMEs in Kelantan is 46618 and the total amount of SMEs that available in Malaysia is 907, 065.

3.5 SAMPLE SIZE

Sufficiently many elements from the population are selected for the sample. In research, a "sample size" is the number of people surveyed or tested. Participants were selected by researchers based on age, gender, and location. Figure of people that were randomly selected to participate in the study; this number is meant to be representative of the entire population. It is the study's intended population that will serve as the basis for the sample size. (Omniconvert, 2022)

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—N is population size.   S is sample size.

Source: Krejcie & Morgan, 1970

Figure 3.5: Krejcie and Morgan Table

According to Krejcie and Morgan (1970), 384 samples would be needed to reliably represent the estimated population of over a million in Kelantan. The sample size is large enough to provide reliable results for this investigation. The owner of SMEs business in Kelantan are also included in the study's respondent sample.

3.6 SAMPLING METHOD/ SAMPLING TECHNIQUE

A probability technique is a sampling procedure in which the sample is selected based on well-defined mathematical guidelines whereby every member of the universe has equal chances of being selected (Noordzig et al. 2010). The types of probabilistic sampling techniques are simple random sampling, stratified sampling, cluster sampling, and multi-stage sampling. The sampling approach that will be using in this study is stratified sampling. In this review, the researchers decided to use Kelantan as the sampling unit for the study. To examine the objective, stratified sampling was used to divide the entire retail entrepreneurs in the population in Kelantan into subgroups of Small and Medium Enterprises (SMEs). This study uses stratified sampling because the collection of information is more accurate in the elements about the variables that want to be tested.
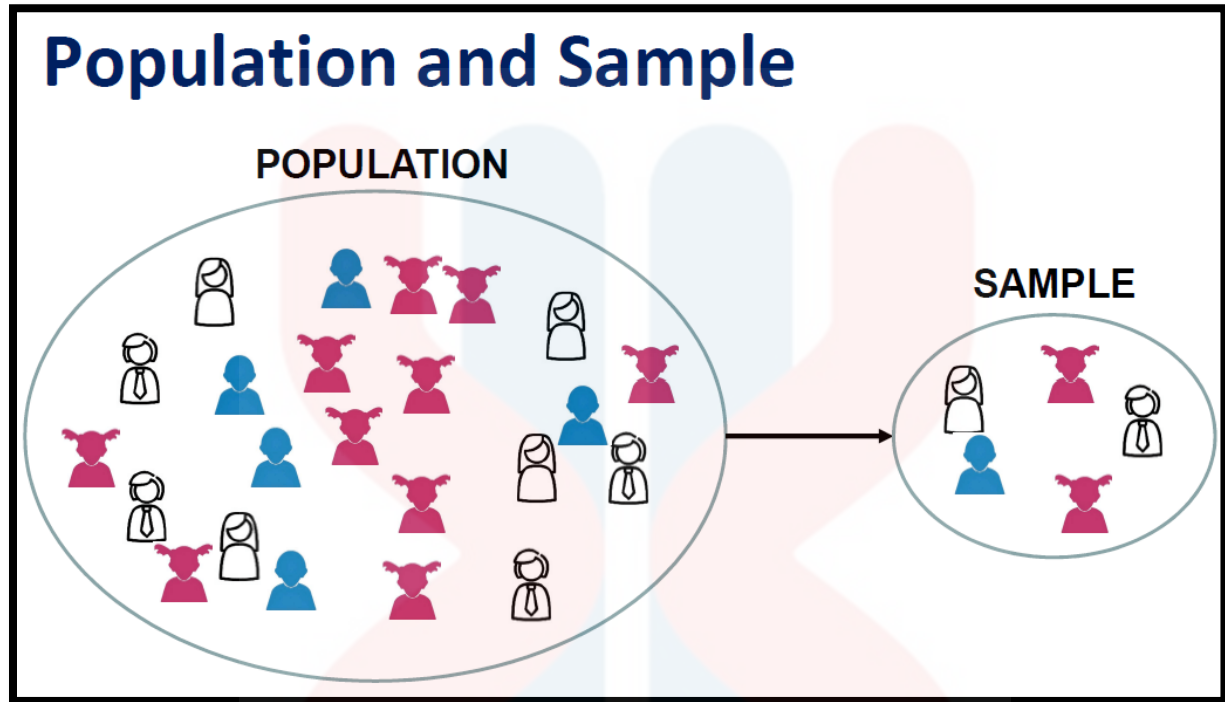
Figure 3.6 Sampling Method

3.7 RESEARCH INSTRUMENT

The major data for this study will be gathered using questionnaires. 384 respondents will receive the questionnaire. Scale-style questions were used to structure the questionnaire researcher. The researchers will also make use of secondary data, which is information gathered by earlier academics from their journals and publications that are related to the subject under study. The respondent will receive the questionnaire online.

3.7.1 PILOT STUDY

An important part of any research approach is the pilot study. According to Israr Ahmad, Shuhymee Ahmad (2018) mentioned that this research study intends to examine the validity of a study conducted using a questionnaire on the study conducted on respondents. The researcher can also benefit from the pilot study in terms of receiving valuable input and gaining recognition for successful completion of the research process.

One method of research is to conduct a pilot study, as described by Nashwa Ismail, Gary Kinchin, and Julie-Ann Edwards (2018). Pilot studies help researchers prepare and collect information in a more systematic and reliable manner. If a pilot study is carried out properly and in relation to the quantitative technique of a result, then the information and its validity can be comprehended and received as data. In addition, having this sort of pilot study would aid researchers in better understanding the motivations of SMEs company owners in Kelantan to answer the questionnaire thoughtfully and accurately.

Johanson and Brokk (2020) recommend recruiting at least 30 members of the general population for a pilot study designed as a preliminary survey. By administering a test run of the questionnaire, this study can gauge the extent to which respondents are familiar with its contents. When the 30 interviewers get to the questionnaire, they'll be able to answer any and all questions about factors that influence SME business performance in Kelantan during MCO.

3.7.2 QUESTIONNAIRE DESIGN

The respondent will have a set amount of time to complete the questionnaire, which they will administer themselves. The evaluation and interpretation of the findings as well as the data collection will be done using the questionnaire. The questionnaire is developed in the Malay and English language. The researcher develops closed-ended queries because its convenient to fill and saves time.

There are three sections in the questionnaire provided which are parts A, B, and C.

i.   Part A is the demographic part to collect details

ii.   Part B is the independent variable of factors that influence SME business performance in Kelantan during MCO.

iii.   Part C is the dependent variable which is SME business performance in Kelantan, Malaysia

The respondents were required to answer questions relating to each variable in order to collect the data in parts A and part B using the five-point Likert scale. The five-point Likert scale ranged from 1 to 5 which 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree

3.8 MEASUREMENT OF THE VARIABLES

There are a total of four different levels of measurements for variables, which including nominal, ordinal, interval and ratio (Statistic solution 2022). In this study, we will be using the nominal scale and ordinal scale only.

3.8.1 NOMINAL SCALE

This variable is only used to categorize the data at this level of measurement. (Question Pro, 2022) Words, characters, and alphanumeric symbols can all be using at this level of measurement. In this case, if there are three kinds of races, the symbol M can be use to represent the Malay respondent, while the symbol C can be use to represent Chinese respondent and symbol I can be use to represent Indian respondent.

3.8.2 ORDINAL SCALE

The second level of measurement, known as the ordinal scale, conveys the ranking and ordering of the data without determining the degree of variance among them (Question pro 2022) . An ordinal scale was using in this study to understand whether the variables are greater or lesser than one another using sorting. In the meantime, the central tendency of the ordinal scale is Median. For example, in this study, the linear scale will be indicated into Strongly agree =5, Agree =4, Neutral = 3, Disagree = 4, Strongly Disagree =5. The number will be indicated the level of agreement of the statement given to the respondent.

How would you rate the quality of the product? *

	1	2	3	4	5	
Horrible	○	○	○	○	○	Best ever

3.9 PROCEDURE FOR DATA ANALYSIS

The data analysis methods concerning the objectives of the study have been classified into a table below and the explanation of the other methods of data collection has been discussed as well. We will be using three form of data analysis to analyze the data which including descriptive statistic, reliability test, and Pearson correlation coefficient.

3.9.1 DESCRIPTIVE STATISTIC

Descriptive statistics is known as descriptive coefficients that summarize data set of a sample of population. (Hayes, 2022) Descriptive statistics are including the measurement of central tendency and measures of variability. In our study, we will do the measurement of central tendency by measuring the mean, median and mode of our data. Meanwhile, we will also calculate the variability such as the deviation, kurtosis and skewness.

In this part, the respondents are asked to specify their gender, age, education level. Through some reviews of the responses, the descriptive statistics will help to sort whether the difference preference of telecommunication service purchase decision are affected due to the demographic of respondent.

3.9.2 RELIABILITY TEST

In this research, the variable size of the independent variable and dependent variable internal consistency was determined by their alpha reliability. However, the acceptable Coefficient alpha should be equal to or more than 0.7 based on Nunnally (1967).

Cronbach's Alpha Score	Level of Reliability
0.0 – 0.20	Less Reliable
>0.20 – 0.40	Rather Reliable
>0.40 – 0.60	Quite Reliable
>0.60 – 0.80	Reliable
>0.80 – 1.00	Very Reliable

Figure 3.9.2: Reliability Test

3.9.3 PEARSON CORRELATION COEFFICIENT

In this research, the Pearson Correlation Coefficient was applied to verify the factors that influence SME business performance in Kelantan during MCO. We will also define which of the factors that is most significant in affecting the SME business in Kelantan Malaysia.

Correlation Coefficient Value (r)	Direction and Strength of Correlation
-1	Perfectly negative
-0.8	Strongly negative
-0.5	Moderately negative
-0.2	Weakly negative
0	No association
0.2	Weakly positive
0.5	Moderately positive
0.8	Strongly positive
1	Perfectly positive

Figure 3.9.3 Pearson Correlation Coefficient

3.10 SUMMARY

In this chapter, we conduct several parts to list out the procedure of data analysis for our study. There will be a data collection part which using qualitative method by interview with SME Business owner and quantitative method with google questionnaire. The question will be converted into nominal and ordinal scale to justify and analysis the collected data.   In the questionnaire, there will be three part which including part A with the demographic of respondent, part B with the independent variable of the study, and part C with the dependent variable of the study. The questionnaire will be generated into questions for Singaporean respondent to retrieve the data needed in the study.

In the part of data analysis, our group manage to use descriptive analysis to analysis the mean, mode and median of the data. Meanwhile, we will also run a reliability test to identify the reliability of the data from each statement. The last but not the least, we will also run a pearson correlation coefficient test to examine which is the most significant factors that affect the SME business performance in Kelantan, Malaysia.

CHAPTER 4: RESULT AND FINDINGS

4.1 INTRODUCTION

To arrive at the study's concluding conclusions, multiple research instruments assessed the data that had been gathered. SPSS software was used to analyses the data collected using questionnaires.A pilot test using 16 questionnaires was first carried out to verify the questionnaire's dependability. The reliability value had been set by more than 0.7 before the real collect technique was used. The reliability least of the independent and dependent variables was investigated. After the validity of the questionnaire was established, a sample of 384 questionnaires were distributed throughout Kelantan.

. In order to confirm the reliability of the questionnaire, a pilot test with 16 questionnaires was conducted first. Before the actual collect process was used, the reliability value had been established by more than 0.7. On the independent and dependent variables, the reliability least was examined. A sample of 384 questionnaires were delivered throughout Kelantan after the questionnaire's validity was confirmed.

Descriptive frequency analysis, which is a frequency table, was used to examine the many options in section A, which is a demographic profile. Gender, race, age, race, status, monthly income, year of operation and type of business were all considered while analyzing demographic data. In this study, descriptive statistics were utilized to summarize the information gathered from the questionnaire. The correlation between each independent variable and the dependent variable was then used to analyses the remaining data in Section B, which was based on Multiple Choose.

4.2 RELIABILITY TEST

The Cronbach's Alpha for dependent variable of a SMEs business performance is 0.829 which is "very good" of the result. Besides that, the independent variable which is the effect of government, the effect of network development and the effect of economic policy also gained "very good result. The highest result of Cronbach's Alpha is the effect of government support at value 0.831.

In this research, the reliability test was conducted with the number of 384 respondents from Small and Medium Enterprises (SMEs) perception in Kelantan. For both customer satisfaction, and marketing obtained "Very good" and the Cronbach's Alpha value is 0.831, and 0.818 respectively. Hence, Cronbach's Alpha can take a value between 0 and 1 whereas the value gets closer to I, which means a more reliable scale for a variable. Therefore, the result has showed a sufficient reliability.

Table 4.2: Reliability Test

Reliability	Cronbach's Alpha	N of Items
SMEs business performance (DV)	0.829	5
The effect of government support towards SMEs (IV1)	0.831	5
The effect of network development towards SMEs (IV2)	0.830	5
The effect of economic policy towards SMEs (IV3)	0.818	5

4.3 RESPONDENTS' DEMOGRAPHIC FREQUENCY ANALYSIS

Table 4.3.1 Gender of Respondents

1. Jantina/ Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Lelaki/Boy	1	.3	.3	.3
	Lelaki/Male	212	55.2	55.2	55.5
	Perempuan/Female	171	44.5	44.5	100.0
	Total	384	100.0	100.0	

According to Table 4.3.1, there are more male respondents than female respondents which are 213 male respondents and 171 female respondents out of total 384 respondents. Hence, male respondents are 55.5% and female respondents are 44.5% of the total respondents.

Table 4.3.2 Age of Respondents

2. Umur/Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20 - 29 tahun/years old	110	28.6	28.6	28.6
	30 - 39 tahun/years old	96	25.0	25.0	53.6
	40 - 49 tahun/years old	115	29.9	29.9	83.6
	50 - 59 tahun/years old	55	14.3	14.3	97.9
	60 - 69 tahun/years old	8	2.1	2.1	100.0
	Total	384	100.0	100.0	

According to Table 4.3.2, they are more respondent from 40-49 years old which is 115 respondents (29.9%) out of 384 respondents compared to others age group. The least are among 60-69 years old (8%). This can be concluded that most of SMEs business owners in Kelantan are among middle age group.

Table 4.3.3 Race of Respondent

3. Race/Bangsa

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Baba dan Nyonya	1	.3	.3	.3
	Cina/Chinese	103	26.8	26.8	27.1
	India/Indian	56	14.6	14.6	41.7
	Melayu/Malay	224	58.3	58.3	100.0
	Total	384	100.0	100.0	

According to Table 4.3.3, there are more Malay respondents than Chinese, Indian and Baba Nyonya respondents which are 224 Malay respondents, 103 Chinese respondents, 56 Indian respondents and 1 Baba Nyonya respondents out of total 384 respondents. Hence, Malay respondents are 58.3%, Chinese respondents are 26.8%, Indian respondents are 14.6% and Baba Nyonya respondents are 0.3% of the total respondents.

Table 4.3.4 Martial Status of Respondent

4. Status/Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Berkahwin/Married	243	63.3	63.3	63.3
	Bujang/Single	141	36.7	36.7	100.0
	Total	384	100.0	100.0	

According to Table 4.3.4, there are more married respondents than single respondents which are 243 respondents are married and 141 respondents are single out of total 384 respondents. Hence, married respondents are 63.3%, and single respondents are 36.7% of the total respondents.

Table 4.3.5 Monthly Income of Respondent

5. Pendapatan Bulanan/Monthly Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bawah/Below RM 1,000	49	12.8	12.8	12.8
	RM 1,000 - RM 2,999	82	21.4	21.4	34.1
	RM 3,000 - RM 3,999	85	22.1	22.1	56.3
	RM 4,000 ke atas/and above	168	43.8	43.8	100.0
	Total	384	100.0	100.0	

According to Table 4.3.5, there are more respondents from monthly income above RM 4000 which are 168 respondents out of 384 respondents. The least respondents are from monthly income below RM 1000 which is 49 respondents out of 384 respondents. There are 82 and 85 respondents from RM 1000 – RM 2999 and RM 3000 – RM 3999 respectively. Hence, the most respondents are 43.8% and the least respondents are 12.8% of the total respondents.

Table 4.3.6 Year of Business's Respondents

6. Tahun Perniagaan/Year of Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 - 5 tahun/Years	147	38.3	38.3	38.3
	11 - 15 tahun/ Years	76	19.8	19.8	58.1
	16 tahun ke atas/Years and above	47	12.2	12.2	70.3
	6 - 10 tahun/Years	114	29.7	29.7	100.0
	Total	384	100.0	100.0	

According to Table 4.3.6, there are more respondents from years of business 1-5 years which are 147 respondents out of 384 respondents. The least respondents are from above 16 years which is 47 respondents out of 384 respondents. There are 76 and 114 respondents from 11 – 15 years and 6 – 10 years respectively. Hence, the most respondents are 38.3% and the least respondents are 12.2% of the total respondents.

Table 4.3.7 Types of Business's Respondents

7. Jenis Perniagaan/Type of Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agrikultur/Agriculture	33	8.6	8.6	8.6
	Pembinaan/Construction	67	17.4	17.4	26.0
	Pembuatan/Manufacturing	105	27.3	27.3	53.4
	Perkhidmatan/Service	179	46.6	46.6	100.0
	Total	384	100.0	100.0	

According to Table 4.3.7, there are more respondents from type of business in services sector which are 179 respondents out of 384 respondents. The least respondents are from agriculture sector which is 33 respondents out of 384 respondents. There are 67 and 105 respondents from construction sector and manufacturing sector respectively. Hence, the most respondents are 46.6% and the least respondents are 8.6% of the total respondents.

4.4 Descriptive Analysis

Table 4.4 Descriptive Analysis

	MEAN	STD. DEVIATION
Government Support	4.0719	.76819
Network Development	4.2172	.69163
Economic Policy	4.1005	.73410
SMEs Business Performance	4.1078	.73434

Table 4.4 shows that the highest mean score for three independent variables is network development which is 4.2172. Meanwhile, the lowest mean score is government support which is 4.0719. The total mean of the combination of SMEs business performance are 4.1078.

4.5 Inferential Analysis

4.5.1 Relationship between government support towards SME business performance

H_1: There is a significant relationship between government support towards SME business performance in Kelantan during MCO.

Table 4.5.1 Correlation between government support towards SME business performance

		Business Performance
	Pearson Correlation	.751**
Government Support	Sig. (2-tailed)	.000
	N	384

Based on table 4.5.1, it showed up the value is 0.00 which is significant at level $p < 0.05$ between the network development towards business performance. Thus, the researcher accepts the alternative hypothesis (H_1), which there is a relationship between network development toward business performance. Besides, there was a strong relationship between network development toward business performance which r= 0.751, while the correlation $0.6 < r < 0.8$ is considered strong. Therefore, there is a significant relationship between network development toward SME business performance in Kelantan during MCO.

4.5.2 Relationship between network development towards SME business performance

H_2: There is a significant relationship between network development towards SME business performance in Kelantan during MCO.

Table 4.5.2 Correlation between network development towards SME business performance

		Business Performance
	Pearson Correlation	.747[**]
Network Development	Sig. (2-tailed)	.000
	N	384

According to table 4.5.2, it showed up the value is 0.00 which is significant at level p< 0.05 between the network development towards business performance. Thus, the researcher accepts the alternative hypothesis (H_1), which there is a relationship between network development toward business performance. Besides, there was a strong relationship between network development toward business performance which r= 0.747, while the correlation 0.6< r<0.8 is considered strong. Therefore, there is a significant relationship between network development toward SME business performance in Kelantan during MCO.

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4.5.3 Relationship between economic policy towards SME business performance

H₃: There is a significant relationship between economic policy towards SME business performance in Kelantan during MCO.

Table 4.5.3 Correlation between economic policy towards SME business performance

		Business Performance
	Pearson Correlation	.772**
Economic Policy	Sig. (2-tailed)	.000
	N	384

According to table 4.5.3, it showed up the value is 0.00 which is significant at level $p < 0.05$ between the network development towards business performance. Thus, the researcher accepts the alternative hypothesis (H₁), which there is a relationship between network development toward business performance. Besides, there was a strong relationship between network development toward business performance which $r = 0.772$, while the correlation $0.6 < r < 0.8$ is considered strong. Therefore, there is a significant relationship between network development toward SME business performance in Kelantan during MCO.

4.5.4 The contribution of critical success factors (CSFs) towards business performance

Research Objective:

To determine the most critical success factors (CSFs) that contribute toward business performance.

Multiple regression analysis is a powerful technique used for predicting the unknown value from the known value of two or more variables (Elzamly, 2014). The strength of the relationship between the independent variable and the dependent variable is determined by the coefficient of determination which is the squared correlation coefficient (r^2) as it measures the proportion of the variation in a dependent variable that can be explained by the independent variables. In multiple regressions, the researchers have used stepwise as our regression method.

Table 4.5.4 ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	140.570	3	46.857	278.525	.000[b]
	Residual	63.928	380	.168		
	Total	204.498	3830			

a. Dependent Variable: SME Business Performance
b. Predictors: (Constant), Government Support, Network Development, Economic Policy.

According to model 1 in table 4.5.4, the F-value is 278.525, which is significant ($p<0.05$). This model 1 indicates that the overall regression model with that three independent variables (Government Support, Network Development, Economic Policy) can somewhat explain the variation of the dependent variable (SME Business Performance)

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Table 4.5.5 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig
		B	Std. Error	Beta		
1	(Constant)	.350	.134		2.607	.010
	IV1	.229	.049	.239	4.637	.000
	IV2	.288	.052	.273	5.525	.000
	IV3	.392	.046	.394	8.579	.000

a. Dependent Variable: SME Business Performance

According to table 4.5.5, the model takes the form of an equation that contains a coefficient (b) for each predictor. The value b tells us about the relationship between each predictor and business performance. If the value is positive, there is a positive relationship between the predictor and outcome (Field, 2008). Table 4.5.5 analyzed that government support, network development, and economic policy have a significant and positive relationship with business performance and the b value of each predictor is positive.

Each of these beta values has an associated standard error which used to determine whether the b value differs significantly from zero. Therefore, if the t-test associated with a b value is a contribution to the model if $p<0.05$, then that predictor is making a significant contribution to the model. The smaller value of p and the larger the value of t, the greater the contribution of the predictor (Field, 2008). For model 1, government support, $t(384)=4.637$, $P<0.05$, network development, $t(384)=5.525$, $P<0.05$, and economic policy $t(384)=8.579$, $P<0.05$ are significant predictors of business performance. From the magnitude of the t-statistics, the researchers can see that the past network development and economic policy had more impact than government support.

CHAPTER 5: Conclusion

5.1 INTRODUCTION

In this chapter, our group will be presenting the discussion result in the previous chapter 4. All the collected data had been analyzed and the result outcome will be used to identify the factors affecting the SME business performance in Kelantan during MCO. Our research objective is to identify the relationship between government support towards SMEs business performance in Kelantan. To identify the relationship between network development towards SMEs business performance in Kelantan. To identify the relationship between economic policy towards SMEs business performance in Kelantan.

5.2 DISCUSSION

This study is conducted based on quantitative design where the questionnaires were distributed to 384 SME business owner or workers in Kelantan to see the factors affecting the business performance in Kelantan during MCO period. Based on the study, it was found that there is a positive relationship between government support, network development, and economic policy towards SME business performance. Most of the employee and SME business owner believe that the government support can help reduce their burden in cost such as fund support and debt repayment extended. The government support from government can also give the SME business owner confident to continue their business during the pandemic instead of winding up their business.

Besides, network development is also helping in the SME business performance in Kelantan, Malaysia. During the pandemic and lockdown, the rules to purchase at the supermarket and more become strict which there is one family member allowed to purchase outside. This will cause a lot of inconvenience as the purchaser is hard to carry too much by their own.

However, many SME business owner catch this trend and building their network, such as making their online website. This will benefit the purchaser to use least time to purchase outside, this can prevent the spreading of COVID-19 virus during the pandemic while also help in saving manpower, as some of the SME business will offer home delivery for their buyer.

Economy policy will also help in SME business owner. For example, the reduction of Overnight Policy Rate (OPR) will reduce the rent rate indirectly. Therefore, the financial burden of SME business owner will be reduced, and the fund can be use on other way such as wage and salary for their employee and operation expenses for their stall or shop.

In short, regarding to the data we collected and analyzed, most of the respondents agree that government support, network development, and economy policy can help in SME business performance in Kelantan during MCO. These factors are bringing positive impact to the business especially during the lockdown period, there are a lot of barriers that would lead the business into negative profit as known as financial loss.

5.3 LIMITATION

There are several limitations during the study. First of all, the SME business owners or workers are busy all the time. We appreciate those SME business owners and workers who willing to spend their time to answer our questions. However, we also found another alternative which is using google form to distribute the questionnaire through online and this help us to gather the data we need in a faster period.

Besides, the reliability barrier of our research is also a limitation in our study. We need to ensure the responses given by our respondent is objective and reliable. There might also be a low response from the respondents as they are not willing to spend their time on answering the questionnaire. The questionnaire contains a few questions which might need 5-10 minutes to answer the questionnaire.

The last but not the least, the respondent we chosen in our study is relatively specific as we required individual which are SME business owner and employee to answer our questions while the respondent would also need to be running their business in Kelantan. This become a barrier for us to retrieve data as the respondent we required is rare and uncommon.

5.4 RECOMMENDATION

The recommendation for future research is to use qualitative method as well in the study. This is because some of the SME business owner has experienced different type of crisis and pandemic that would lead to financial lose. For example, H1N1 pandemic, COVID-19 pandemic, 1997 Asian financial crisis, and so on. They can share their experience on how they survive the pandemic, and this would give a big understanding to the researchers about the factors that could or could not help in SME business. Meanwhile, the experience of how the SME business owner survive those crises will also be an example to prevent the worst situation in the future.

Furthermore, future researchers can also use other social media platform such as Facebook, Instagram and so on. In this study, we found that there are many social media users regardless to the age. Some of the social media have group in certain area such as "Kota Bharu Residents" group. This will help the researcher to retrieve their data in a faster period and prevent to bother those irrelevant respondents.

5.5 CONCLUSION

In conclusion, all the factors that influence SME business performance in Kelantan during MCO including government support, network development and economic policy towards SMEs business performance in Kelantan. All these three factors consider will be help in enhancing the SME business performance in Kelantan.

REFERENCES:

APPENDIX A:

SECTION A: RESPONDEN DEMOGRAFI / DEMOGRAPHIC RESPONDENTS

Sila tandakan (√) pada ruangan jawapan /Please tick (√) at the appropriate answer:

1.   Jantina/Gender :

☐ Lelaki/Male

☐ Wanita/Female

2.   Umur/Age:

☐ 20 – 29 tahun/years old

☐ 30 – 39 tahun/years old

☐ 40 - 49 tahun/years old

☐ 50 – 59 tahun/years old

☐ 60 – 69 tahun/years old

☐ 70 – 79 tahun/years old

3.   Bangsa/Race:

☐ Melayu/Malay

☐ Cina/Chinese

☐ India/Indian

☐ Lain-lain/Others

4.   Status/Marital Status:

☐ Bujang/Single

☐ Berkahwin/Married

5.   Pendapatan Bulanan/Monthly Income:

☐ Bawah/Below RM 1,000

☐ RM 1,000 – RM 2,999

☐ RM 3,000 – RM 3,999

☐ RM 4,000 ke atas/and above

6. **Tahun perniagaan/Year of business:**

☐ 1 – 5 tahun/years

☐ 6 – 10 tahun/years

☐ 11 – 15 tahun/years

☐ 16 tahun ke atas/years and above

7. **Jenis perniagaan/Type of business:**

☐ Pembuatan/Manufacturing

☐ Pembinaa/Construction

☐ Agrikultur/Agriculture

☐ Perkhidmatan/Service

PART II : INDEPENDENT VARIABLES/ PEMBOLEHUBAH BEBAS

IV : 1) Kesan sokongan kerajaan terhadap prestasi perniagaan PKS di Kelantan semasa PKP. / The affect of government support towards SMEs Business Performance in Kelantan during MCO.

Dalam bahagian ini, kajian ini dilakukan untuk mengetahui sama ada responden pernah menggunakan atau berpengalaman dengan perkhidmatan kurier di Kota Bharu, Kelantan. Soalan skala likert lima mata (1=Sangat tidak bersetuju sehingga 5=Sangat bersetuju). Skala jenis ini digunakan untuk mengenal pasti tahap setuju. Tahap perasaan dapat diukur dengan lima mata seperti:

In this section, this study would like to know if respondent have used or experienced with any courier delivery service in Kota Bharu, Kelantan. A five point Likert scale question (1=Strongly Disagree to 5=Strongly Agree). This type of scale is used to identify the level of agree. The level of feeling can be measures into five points as:

Skala Likert/Five Point of Likert Scale				
1	2	3	4	5
Sangat Tidak Bersetuju/Strongly Disagree	Tidak Bersetuju Disagree	Tidak Pasti Uncertainty	Bersetuju Agree	Sangat Bersetuju/Strongly Agree

Sila tandakan (√) pada ruangan jawapan/Please tick (√) at the appropriate answer:

SOALAN/QUESTION	1	2	3	4	5
1. Saya rasa PKS dapat meneruskan perniagaan mereka kerana kerajaan memberi pinjaman mudah lulus tanpa faedah kepada semua perusahaan kecil dan sederhana (PKS) yang memerlukan termasuk pengecualian semua jenis cukai bagi semua PKS yangberoperasi../ I think SMEs can continue their business because the government gives loans easily without interest to all small enterprises and medium (SMEs).					
3. Saya rasa PKS sentiasa kedepan walaupun dalam fasa PKP kerana kerajaan telah membuat pemberian Pakej Rangsangan Ekonomi Prihatin (PRIHATIN), dalam kerangka membantu rakyat @ PKS./ I think SMEs always going forward even in the MCO phase because the government has made giving a stimulus package Concerned Economy (PRIHATIN) in the framework of helping the people @ SMEs.					

4. Saya rasa PKS tidak akan berlaku bankrupsi kerana kerajaan telah melaksanakan Pakej Bantuan Khas Berkala bagi membantu rakyat dan peniaga yang terkesan dengan pandemik./ I think SMEs will not bankruptcy because of the government have been implementing Periodic Special Assistance Package for help people and traders affected by the pandemic.					
5. Saya rasa PKS Berjaya mendigitalkan perniagaan serta terbabit dalam kerjasama sector awam yang menjana jualan di platform e-dagang seperti platform Shopee./ I think SMEs are successful digitize business as well involved in sector cooperation public that generates sales on the platform e-commerce such as Shopee.					

IV : 2) Kesan pembangunan rangkaian terhadap Prestasi Perniagaan PKS di Kelantan semasa PKP./ The affect of network development towards SMEs Business Performance in Kelantan during MCO

In this section, will know about the situation of service quality, customer satisfaction and brand image information. A five point likert scale question (1=Strongly Disagree to 5=Strongly Agree). This type of scale is used to identify the level of agree. The level of feeling can be measures into five points as:

Skala Likert/Five Point of Likert Scale				
1	2	3	4	5
Sangat Tidak Bersetuju/Strongly Disagree	Tidak Bersetuju Disagree	Tidak Pasti Uncertainty	Bersetuju Agree	Sangat Bersetuju/Strongly Agree

Sila tandakan (√) pada ruangan jawapan /Please tick (√) at the appropriate answer:

SOALAN/QUESTION	1	2	3	4	5
1.Saya merasakan bahawa pemasaran memainkan peranan penting dalam mana mana organisasi./ I feel that marketing plays important role in any organization.					
2. Saya berpendapat bahawa media sosial dalam pemasaran telah menjadi bahagian penting dalam strategi PKS./ I think that social media in marketing has become part important in SMEs strategy.					
3. Saya merasakan bahawa penggunaan media sosial menarik minat syarikat PKS untuk mempromosikan barangan mereka. / I feel that use of social media for attract the interest of SMEs for promote their products.					
4. Saya merasakan pembangunan rangkain yang digunakan seperti media sosial lebih yakin untuk digunakan oleh PKS. /I feel that network development like social media more confident to use by SMEs.					
5. Saya berasa berpuas hati dengan pembangunan rangkain terhadap prestasi perniagaan PKS./ I feel satisfied with network development to SMEs business performance.					

IV : 3) Kesan dasar ekonomi terhadap Prestasi Perniagaan PKS di Kelantan semasa PKP.

The effect of economic policy towards SMEs business Performance in Kelantan during MCO.
In this section, this study would like to know about the e-commerce platform perception by using a five point Likert scale question (1=Strongly Disagree to 5=Strongly Agree). This type of scale is used to identify the level of agree. The level of feeling can be measures into five points as:

Skala Likert/Five Point of Likert Scale				
1	2	3	4	5
Sangat Tidak Bersetuju/Strongly Disagree	Tidak bersetuju Disagree	Tidak Pasti Uncertainty	Bersetuju Agree	Sangat Bersetuju/Strongly Agree

SOALAN/QUESTION	1	2	3	4	5
1. Saya berpendapat bahawa PKS tidak akan terkesan semasa PKP kerana kerajaan telah memperkenalkan pelbagai pakej seperti rangsangan ekonomi./ I think that SMEs will not be affected during the MCO because of the government has introduced various packages such as economic stimulus.					
2. Saya rasa pendapatan PKS sentiasa seimbang kerana kerajaan telah menjangkakan prospek pertumbuhan jangka sederhana bagi Malaysia kekal kukuh./ I think SME income always balanced because the government has anticipated the prospect medium term growth Malaysia remains strong.					
3. Saya berpendapat bahawa perkembangan PKS mendorong pertumbuhan pekerjaan yang menyumbang kepada pembangunan ekonomi berterusan./ I think that the development of SMEs encourages job growth that contributes to continuous economic development.					
4. Saya percaya bahawa PKS membantu dalam menjana pekerjaan, sekaligus mengurangkan kadar kemiskinan. / I believe that SMEs help in generating jobs, while reducing the poverty rate.					
5. Saya percaya kepada PKS menawarkan peluang pelaburan yang lebih murah dan membantu pertumbuhan ekonomi negara. /I believe in SMEs offers cheaper and helpful investment opportunities national economic growth.					

PART III DEPENDENT VARIABLES/ PEMBOLEHUBAH BERSANDAR

DV : 1) Prestasi Perniagaan PKS / SMEs Business Performance

In this section, this study discuss about the tool that use to promoting a SMEs business in Kota Bharu, Kelantan.This type of scale is used to identify the level of agree. The level of feeling can be measures into five points as:

Skala Likert/Five Point of Likert Scale				
1	2	3	4	5
Sangat Tidak Bersetuju/Strongly Disagree	Tidak bersetuju Disagree	Tidak Pasti Uncertainty	Bersetuju Agree	Sangat Bersetuju/Strongly Agree

Sila tandakan (√) pada ruangan jawapan /Please tick (√) at the appropriate answer.

SOALAN/QUESTION	1	2	3	4	5
1.Saya percava bahawa PKS dapat mengurangkan pengangguran dan mewujudkan peluang pekerjaan dalam sektor pekerjaan di kelantan./ I believe that SMEs can reduce unemployment and create job opportunities in employment sector in Kelantan.					
2.Saya berpendapat PKS dapat membuka peluang pekerjaan kepada pekerja kurang mahir dan separuh mahir untuk meraih pendapatan. / I think SMEs can open job opportunities to unskilled and semi-skilled workers adept at earning income.					
3. Saya berpendapat bahawa PKS juga dapat membantu saya melibatkan diri dalam pelbagai sektor perniagaan seperti sektor perkhidmatan, perindustrian, pertanian, pembuatan dan sebagainya. / I think that SMEs can also help me get involved in various business sectors such as the service, industry, agriculture, manufacturing and etc.					
4. Saya berpendapat bahawa PKS juga dapat berkembang seperti perniagaan yang termasyur kerana prestasi pertumbuhan PKS lebih kekal tinggi./ I think that SMEs too can grow like a business which is famous for its performance SMEs growth remains high.					
5. Saya berpendapat bahawa PKS lebih fleksibel dan pantas untuk berubah berikutan saiz firma yang dimiliki secara persendirian. / I think that SMEs are more flexible and quick to change due to the size of privately owned firms.					

APPENDIX B:

No.	Items	W1	W2	W3	W4	W5	W6	W7
	Selection of Research Title	■						
CHAPTER 1								
1.1	Background of Study	■						
1.2	Problem Statement	■						
1.3	Research Objective	■						
1.4	Research Question	■						
1.5	Scope of Study		■					
1.6	Significant of Study		■					
1.7	Definition of Term		■					
1.8	Organization of the Proposal		■					
CHAPTER 2								
2.1	Introduction			■	■			
2.2	Underpinning Theory			■	■			
2.3	Previous Study			■	■			
2.4	Hypothesis Statement			■	■			
2.5	Conceptual Framework			■	■			
2.6	Summary			■	■			
CHAPTER 3								
3.1	Introduction					■	■	
3.2	Research Design					■	■	
3.3	Data Collection Methods					■	■	
3.4	Study Population					■	■	
3.5	Sample Size						■	■
3.6	Sampling Technique							■
3.7	Research Instrument							■
3.8	Measurement of Variable							■
3.9	Procedure for Data Analysis							■
3.10	Summary							■

No.	Items	W8	W9	W10	W11	W12	W13	W14
CHAPTER 4								
4.1	Introduction	■						
4.2	Reliability Test		■					
4.3	Respondent Demographic Test		■					
4.4	Descriptive Analysis		■					
4.5	Inferential Analysis		■					
CHAPTER 5								
5.1	Introduction			■				
5.2	Discussion			■				
5.3	Limitation					■		
5.4	Recommendation					■		
5.5	Conclusion							■

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