"Businesses and COVID-19 impact, liquidity issues and failure perceptions: The case of Albania"

AUTHORS	Bitila Shosha (iD) Romeo Mano (iD) Armela Anamali (iD)

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Bitila Shosha (Albania), **Romeo Mano** (Albania), **Armela Anamali** (Albania)

BUSINESSES AND COVID-19 IMPACT, LIQUIDITY ISSUES AND FAILURE PERCEPTIONS: THE CASE OF ALBANIA

Abstract

This paper aims to analyze business liquidity perceptions during the Covid-19 lockdown and how the lockdown affected businesses. The research methodology used in this paper consists of a literature review on businesses in the lockdown and an analysis of data collected through a survey conducted in the second quarter of 2020, immediately after the Covid-19 restriction measures were imposed. The sample used contains 180 businesses from a population of 166,386 businesses in Albania, providing a 7.30% error according to the Raosoft calculator. A more in-depth analysis was made by comparison, using box-plots for liquidity issues and problems faced by small, medium and large businesses (SMLEs) during the pandemic. The degree of significance of factors taken into consideration in this study is expressed by Pearson's Correlation Coefficient (PCC) and an econometric model. The processing and analysis of data was made using SPSS V21. From the analysis of the factors considered and the size of the business, two important conclusions emerge: (1) the exercise of activity for Albanian businesses is closely related to the payments and the business perspective (bankruptcy risk); (2) the fear of bankruptcy was felt more by big business, while medium business had fewer problems referring to all the factors taken into consideration. The econometric model determined the most important factors for assessing the level of impact of Covid-19: Failure Perception, Support from Solidarity Packages, and Cash Reserves Usage. Surprisingly, it is noticed that businesses attribute the use of cash reserves (C.R.U) to different expenses/liabilities compared to the traditional ones treated in this study.

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Bitila Shosha, Dr., Faculty of Business, Department of Finance and Accounting, University "Aleksander Moisu", Albania. (Corresponding author)

Romeo Mano, Dr., Faculty of Natural Sciences, Department of Mathematics, Informatics and Physics, University "Eqrem Çabej", Albania.

Armela Anamali, Dr., Faculty of Business, Department of Finance and Accounting, University "Aleksander Moisu", Albania.

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INTRODUCTION

Covid-19 can be qualified as a shocking experience, the consequences of which exceeded all forecasts that countries could ever make in similar emergencies. The Covid-19 situation obliged states to take immediate measures to cope with the problems emerging day after day. Firstly, a global health concern, the Covid-19 pandemic did not only infected people, but all forms of undertakings, relationships and agreements established on the basis of a socio-economic "normality". The health issue was primary for people as it was a threat to life. However, the very existence of businesses was also endangered by a threat that demonstrated not to be temporary: *liquidity shortage*. According to Gourinchas et al. (2021), liquidity shortages arise when firms cannot withstand the drop in cash flow due to a combination of low cash buffers and high financial expenses. A firm's ability to continue operating under liquidity shortfalls depends on whether it can increase additional funds and/or adjust operating expenses (Kroeger et al., 2020). In developing countries, firms face difficulties to provide for additional funding in normal times and challenging in times of crises, therefore, managing operating expenses is crucial to cope with a crisis.

Fortunately and badly, Albania has a close relationship with the countries of the region and Italy, reflected in trade exchanges and tourism sector. In July 2020, the number of foreign tourists decreased by 61.5% compared to the previous year. This was a negative figure considering that tourism sector accounts for 20% of domestic GDP (OECD, 2021). In economic terms, the first impact of the pandemic was the reduction of production rate because of (1) labor stopping, (2) decrease of demand and (3) problems caused by supply companies (Leka, 2020).

1. LITERATURE REVIEW

For the COVID-19 Recession, week (0) is defined as week 10 of 2020 (the week ending March 13, 2020) (Haltiwanger, 2021). With the spread of the pandemic, four outbreaks were created, among which Italy (Craven et al., 2020), the first European country to impose lockdown measures to stop the uncontrollable wave of Covid-19 infections (Anker, 2021). Albania, as physically located very close to the neighboring country and with a similar probability of infection (Niehus et al., 2020), achieved to manage the situation quickly (Dauti & Dauti, 2020). The government banned a series of public and private services immediately after the first case of Covid-19 was noticed and on March 24 declared the country's complete lockdown (Skendaj et al., 2021). This severe lockdown measure disrupted the normal functioning of the economy as people could not go to work, important industries disrupted their operations, and borders were closed to with all countries (OECD, 2021). The lack of customers and liquidity shortages due to the Covid-19 outbreak were among the most problematic issues faced by all businesses, despite their size. Small business faced more challenges in observing the tax deadlines, whereas large companies had difficulties in making the salary payments (AIC, 2020). The government mitigated the situation by means of an unemployment packages and immediate payments to families affected by the lockdown of businesses and the collapse of tourism, as well as the postponement in paying the tax liabilities (OECD, 2020; Mucha, 2020).

Businesses need people, and people need businesses, and government needs both of them. The study of Blondel and Vranceanu (2021) is interesting. Based on the results obtained from empirical data, they suggest that governments try to invest in urgent measures to strengthen their hospitals, rather than imposing new lockdowns, which are less efficient and much more damaging to the economy. In addition to strengthening the health system, it is important to achieve an extensive immunization of the population. This is true in particular for small developing countries that are characterized by weak economies and a poor health system. Businesses in these countries cannot afford further lockdown or austerity measures that force them to close or reduce their operating activity. These countries have a high presence of small and medium enterprises which feed the population and push the country's economy to move forward.

According to Cortez and Johnston (2020), the situation created by Covid-19 was more complicated to deal than the traditional crises. Hao et al. (2020) described Covid-19 as a disaster, because it was neither predictable nor avoidable. Studies published from the onset of the pandemic show that this crisis had a heterogeneous effect in different sectors, businesses and countries (Gourinchas et al., 2021; Cowling et al., 2021; Cepel et al., 2020; Guerini et al., 2020; Bartik et al., 2020; Amore et al., 2020). What we can understand is whether businesses, just like humans, are able to survive a phenomenon that will remain for a long period.

The shock experienced on both market demand and supply curves implied a reshaping of the countries' lifestyle and socio-economic development. During the pandemic period, consumers avoided unnecessary purchases (Pratama et al., 2021) and decreased the demand of many goods and services. On the other hand, the supply shrank only for essential goods and services, which were limited at local and national level (Kumar et al., 2020). The shrinking of demand and supply created a lack of liquidity for the majority of businesses. According to Schivardi and Romano (2020), the liquidity shortage was unaffordable, yet a second lockdown would have major impacts on liquidity needs. The results of Zimon and Taraghi (2021) on financial indicators of firms before and during

Covid-19 showed the evident differences between large business and SMEs in liquidity issues.

The literature dealing with explaining the firms' perceptions of the Covid-19 pandemic is new and mixed (Meyer et al., 2020). According to Carracedo et al. (2020), the effects of the pandemic were mostly felt by SMEs, in particular SMLEs in developing countries (Ncube, 2020). While Liu et al. (2021) and Ding et al. (2020) conclude that the firms in countries with relatively high incomes are most likely to survive this era.

Fasth et al. (2021) say that there are arguments that SMEs may be particularly vulnerable to situations similar to those that have followed in the wake of Covid-19, but there are also arguments that SMEs may be more resilient and better equipped to manage the situation than their larger counterparts. Tsilka et al. (2020) go further by considering SMEs as most resilient in times of crisis. Guerini et al. (2020) conclude that micro and large firms are more likely to have problems in settling liabilities compared to small and medium-sized businesses. One year later, other authors proved the power of large businesses.

Large businesses can not only cope with the crisis, but can also grow in the pandemic period (Liu et al, 2021; Bloom et al., 2021; Yeganeh, 2021), whereas small businesses will face a series of challenges, including closure, layoffs and limited available money (Brown et al., 2021; Kumar & Ayedee, 2021). Small businesses have a higher dependence on location compared to large businesses (Ratten, 2021). The impact of Covid-19 on small businesses has been more prominent between sectors than between countries (Buffington et al., 2021).

Business survival depends on the strategies businesses will implement to overcome the sharp decline of orders and the costs not only of rent, salaries and taxes, but also incurred due to the increase of raw materials price, considering the significant decrease of supply (Ween et al., 2020)[1]. This is a result of difficulties in obtaining particular resources due to travel restrictions during the crisis (Ratten, 2021).

Albanian businesses have, in particular, a high dependence on employees and customers. This is due to the nature of activities in the country and the low level of ICT usage by the population and businesses. Given the characteristics of the development of these businesses in Albania, the paper aims to analyze the impact of early isolation from Covid-19. The study investigates the following questions:

- Do businesses of different sizes perceive liquidity issues in the same way?

- What are the factors that determine the impact of Covid-19 on Albanian businesses?

2. METHODOLOGY

This paper identifies the effects of the Covid-19 lockdown from different perspectives. The methodological framework presents the type of research and the respective reasons why it was chosen, the research strategy, the sampling strategy and the data collection method. Next the method used in this paper is explained.

The literature review, and to compare the results of this study with similar studies, referred mainly to articles (i) of a similar nature and (ii) a wide impact (high number of citations) in the field of businesses and Covid-19.

The main instrument used to collect data was the survey distributed electronically. The reason why it was decided to distribute the questionnaire electronically was to observe the social distancing measure due to Covid-19. The survey was randomly sent to 200 businesses in the country that have an official email address. The number of active businesses in 2020 was 166,386. Referring to the sample size calculator by Raosoft, the sample of 200 businesses provides an error margin of 6.93%, which enables a statistical evaluation with 95% certainty. However, out of 200 businesses, only 180 businesses respond due to technical or other reasons, thus increasing the error margin from 6.93% to 7.30% (sample size calculator by Raosoft).

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1   Cited from Wang et al. (2020).

To draft the questions of the survey (Appendix, Table 1), this study referred to similar foreign and domestic studies, different statistics and personal experience in meetings with representatives of the private sector. The questions of the questionnaire aimed at measuring businesses' perception of their current situation during the Covid-2019 lockdown, as well as the challenges they were facing for their survival. The empirical phase of this paper consisted in collecting and processing data from the various distributed questionnaires. The processing and analysis of data in this study is made by SPSS version 21. A more in-depth analysis has been carried out using the causality method, which is based on two main axes:

- statistical relations using Pearson's Correlation Coefficient (PCCs, Appendix, Table 2);

- econometric relationships represented by the coefficients of the linear regression (UC) model (Appendix, Tables 3 to 5).

Moreover, this study made a summary of the determining factors in *the perceived impact of Covid-19 on businesses* through a combination of statistical and econometric relationships (see Figure 1).

This paper has given a particular importance to the comparison of factors depending on the size of businesses. This was achieved using graphical box-plots. The paper also analyzed the factors that represented liquidity issues and problems faced by small, medium and large enterprises during the Covid-19 pandemic.

One of the major issues of research in Covid-19 pandemic is the lack of data and the short period that can be analyzed. This is a weakness in any article made on the pandemic (Zimon & Tarighi, 2021). Other limitations of this paper include the exclusion of micro-businesses, other liquidity-related factors such as taxes, business lending, and the short period covered by the questionnaires.

Micro-units are not included in the sample studied, although they constitute a very high number in Albania. Based on INSTAT (2020) data, 149,742 are micro-units out of 166,386 active economic units. Despite their small size, they are considered an important part of the country's economic engine. It is important to include them in future studies.

An important factor not included in the study is also the tax liabilities that businesses have to pay regularly. It is considered a limitation of this paper not to include them, although the Government took an immediate intervention by postponing such payments for a second moment, after "new normality" would be established in the post-Covid period. Postponing payments of tax liabilities does not imply a tax evasion; therefore, we suggest including them in future empirical surveys.

This survey was conducted in the third quarter of 2020. During the same year and up to the date of this paper, the pandemic has mostly aggravated the socio-economic situation of countries individually and globally. The conditions improved in the summer of 2020, but deteriorated by the end of 2020 (Buffington, 2021). Therefore, this study limited in time could be extended to longer periods.

3. RESULTS AND DISCUSSION

Businesses are the basic units of national economies and their functioning is key to the country's macro-economic development. Therefore, it is crucial to understand the status of firms, their strategies for coping with the situation, and the need for government policies to tackle the impacts Covid-19 has and will have on businesses (Zou at al., 2020). The ability of businesses to cope with this crisis, like any other crisis, is embedded in the way they respond to the crisis (Coombs & Holladay, 2002). This paper makes an analysis of business liquidity perception in lockdown period imposed due to Covid-19 and how this measure affected upon businesses. The analysis is divided into two parts: The Albanian business and the problems induced by lockdown; and the determining factors at the level of impact perceived by Covid-19 during this period.

3.1. Business perceptions according to their size

Referring to Table 2 (Appendix) and graphs below, it is noticed that bivariate correlations with Pearson's coefficients show mainly a moderate $(0.3 < PCC < 0.5)$ but statistically significant relation between a significant portion of independent variables.
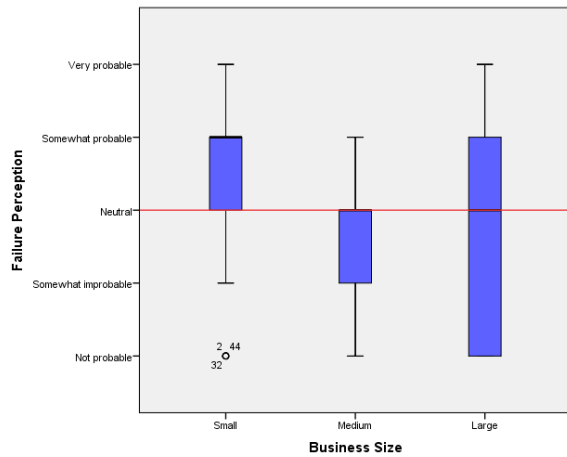
Figure 1. Failure perceptions
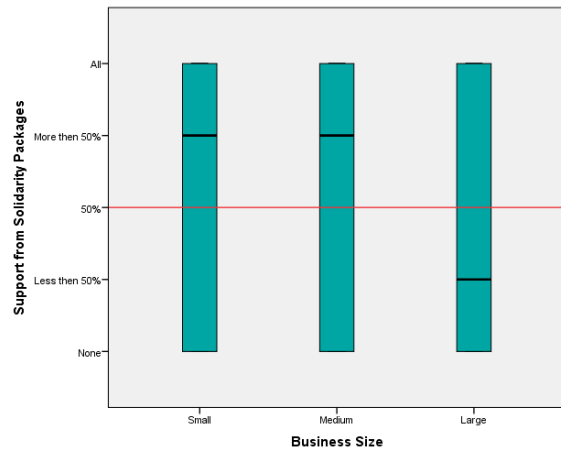
Figure 2. Support from solidarity packages
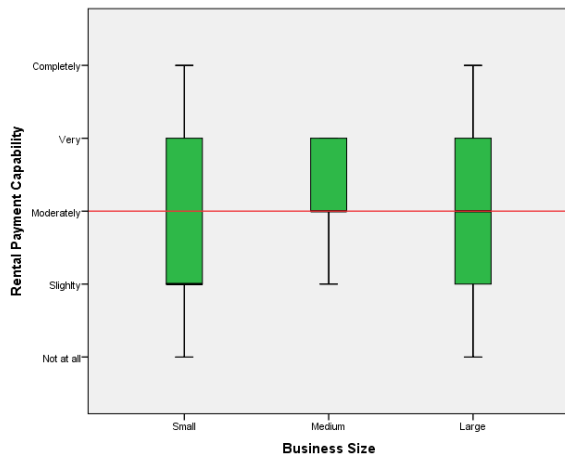
Figure 3. Rental payment capacity
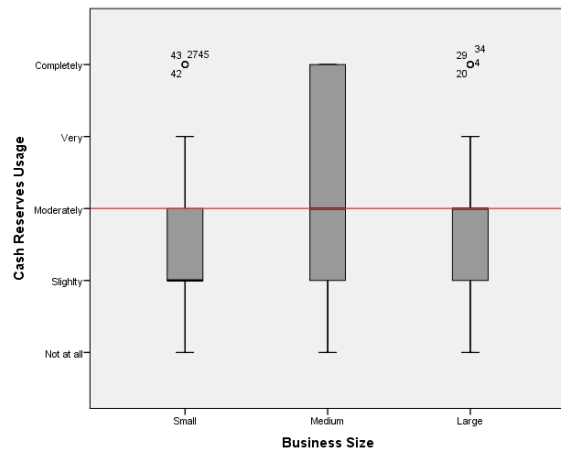
Figure 4. Cash reserves usage
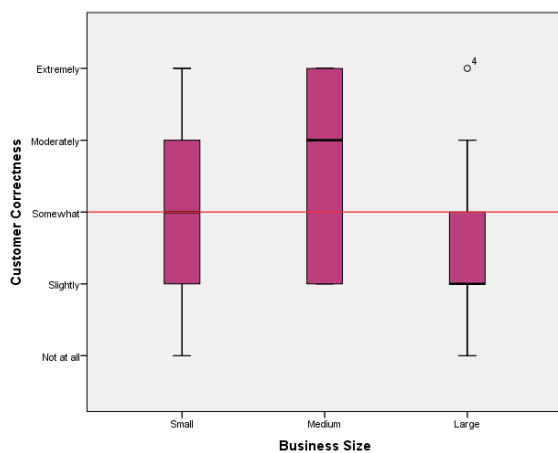
Figure 5. Costumer correctness
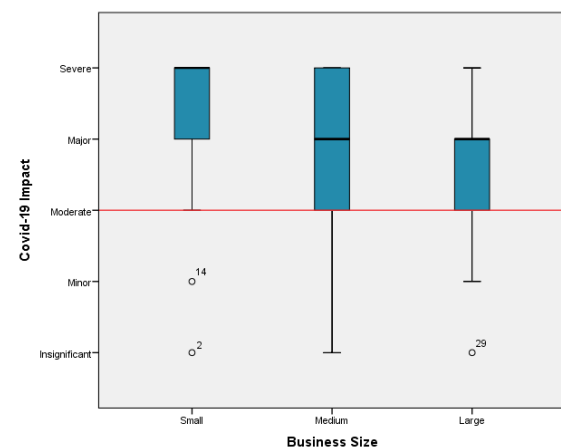
Figure 6. Covid-19 impact

The ability to pay the business rent and running operating activities during the lockdown period have a strong correlation (PCC = 0. 511**). This indicates that the closure of business during lockdown period was accompanied by the creation of difficulties to pay the rent for these businesses. The negative correlation with the level of perception on the risk of bankruptcy (PCC= -0.338**) indicates that the closure of business not only created difficulties in business relations with third parties (les-

sors) but also was accompanied by an increased fear of a business failure. Figure 1 makes an interquartile comparison by business size and it shows that about 75% of small business has felt above average fear of failure, medium business seems more resistant to failure risk (75% of them have a lower-than-average perception of the presence of failure risk). It is interesting though that nearly half of large businesses (50%) have an above-average perception in terms of increased failure risk.

The negative correlation between the operating activities during lockdown and the benefit from the war salary shows (PCC= -0.326) that the perception of Albanian businesses for the state intervention in the survival of businesses has been in the right direction, although the level of this intervention measure remains to be discussed. The same conclusion is reached also by the significant-negative and strong relation (PCC= -0.432) between the capacity of business to pay the salaries of its employees and to benefit from Solidarity Packages. Referring to the interquartile distribution box in Figure 2, it is noticed that about 70% of small and medium enterprises have benefited from the solidarity packages (in our country known as "the War Wage"), dedicated to payment for job loss and business support (Leka, 2020), in more than half of their employees total. About 30% of large business was subsidized for over half of its workforce.

The shortage of liquidity among businesses during the lockdown period and the mandatory payment of employees' salaries were accompanied by an increase in the level of perception on failure risk. The negative correlation between these two latter factors (PCC= -0.339) is a significant indicator of this conclusion. The box plot in Figure 3 shows that 75% of the medium-size businesses demonstrated to have an above the average capacity to pay the salaries of their employees. Where as small and large businesses have been in default with payment of salaries of their employees. Only half of these businesses have an above the average perception of their capacity to pay salaries. The intervention in business cash reserves, which are mainly accumulated funds for business investments, is accompanied by an increased fear of failure (PCC=0.360).

In developing countries, the economic slowdown caused by Covid-19 continues to manifest its dam-

age to SMLEs, because most of them have limited cash reserves (Ncube, 2020). Because of the significant-negative relationship between the level of use of cash reserves and the benefit from Solidarity Packages (PCC= -0.243), it can be concluded that Albanian businesses have used their cash reserves to tackle their incapacity to pay the salaries of their employees. 50% of small businesses seem to be highly affected from this phenomenon by using 50% of their cash reserves. 25% of large and small businesses have spent more than 50% of their cash reserves to survive during the lockdown period. (Kalogiannidis, 2020) reaches a similar conclusion arguing that business not only used almost all cash reserves, but also had a much-reduced amount of such reserves compared to other forms of business organization at the onset of the pandemic.

An effective and efficient management of accounts receivable (cash flow) has a significant positive relationship with the two factors representing the direct business liabilities, i.e., to the lessors (PCC= 0.425) and to their own employees (PCC=0.236). During the lockdown period, a significant part of businesses had to close their doors. This created serious problems with collection of payments from sales of products, causing by consequence a serious shortage of liquidity and being unable to pay their liabilities.

In terms of business size, large businesses seem to have been mostly hit by problems in managing the accounts receivable. 75% of large businesses think their customers have been less compliant than average in paying off their debt to large business. The contrary seems to be true for mid-size business, where 75% of them say to be more than average satisfied with the management of accounts receivable from sales.

Referring to the comparative interquartile distribution depending on business size, it is noted that the small business is fully positioned in the area of safe sensitivity of Covid-2019 effects on its operating, while 75% of the medium and large business show an above the average sensitivity to this phenomenon.

This paper tried to measure the impact of the above-mentioned factors, treated as independent variables, on the level of perception of the pan-

demic impact and its effects on businesses operating in Albania. A linear regression model was used where the level of impact of the situation created by Covid-19 was measured by means of perception scale from 1 – not at all to 5 – very much.

3.2. Overall Covid-19 impact

The scale of significance of factors taken into consideration in this study is expressed by the econometric model coefficients (see Table 3, Appendix). The independent variables that provide sufficient statistical significance to be included in the econometric model give the equation:

$$Covid\text{-}19\ Impact = 0.333 \cdot (F.P) + \\ + 0.400 \cdot (Sol.P.S.) + 0.283 \cdot (S.P) + \\ + 0.303 \cdot (C.R.U) + \varepsilon.$$

Referring to the econometric equation, one can see that not all independent variables provide sufficient statistical significance, consequently only four of them are part of the econometric equation, while the rest of variables are excluded from the equation. On an overall analysis of all variables, it is clear that even the variables excluded from the model contribute indirectly to the level of impact that Covid-19 had on businesses during lockdown period (Figure 1). It was noted that the "Business Operating" factor, expressed in the frequency of operation during lockdown, shows evidently the fear of failure, problems with the payment of salaries and rent liabilities. The partial or complete

closure of operation prompted the need for governmental support to cover the costs of salaries through the so-called "Solidarity Packages". Seen in two directions "give-and-take", the liquidity demonstrates the importance of a good management of accounts receivable, i.e., collecting payments from customers, in order to cover the indispensable monthly expenses of Albanian businesses.

In Figure 1, the absence of a statistically significant relationship between the use of cash reserves and the three factors excluded from the econometric model is interesting. It seems that cash reserves were used to cover some of the costs not included in the study, which may or may not be legitimized. This study did not take into consideration the liabilities, i.e., bank loans and taxes. The Bank of Albania in cooperation with the Albanian government announced the postponement of the repayment of the loans in two cases, first until May 31 – June and then August 31, 2020 (Xhajanka, 2020). This facility relieved the businesses from the financial burden during this period. However, the nature of the use of these reserves remains questionable.

A general climate of confusion is eminent among businesses concerning to the effects of Covid-19 on their future survival and fear of their business failure. The perception of most of businesses is unclear as they are not able to forecast their revenues, costs, management of liabilities to third parties, etc. The lack of a back-up plan in case of crisis, like
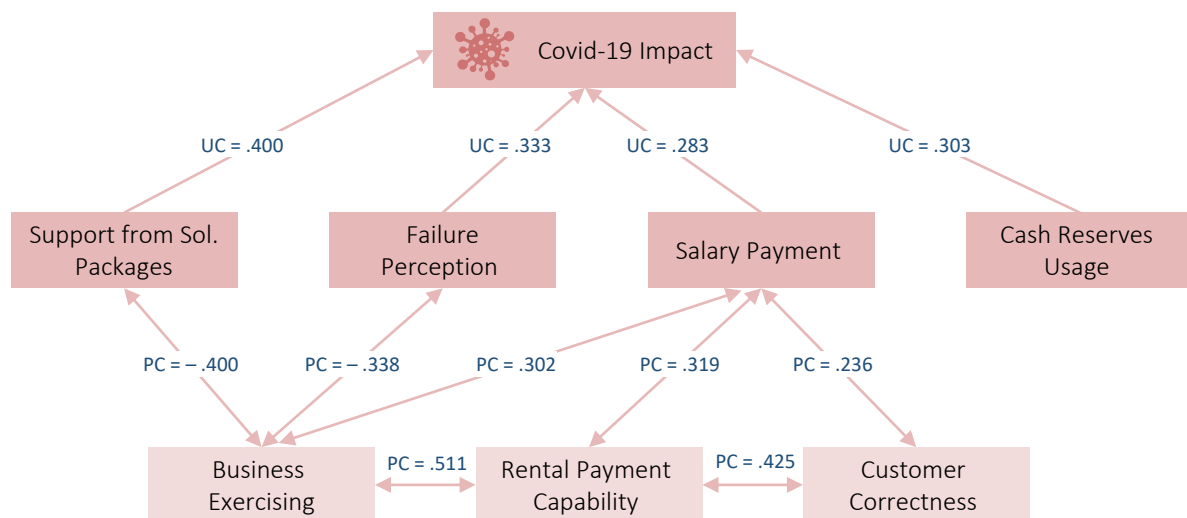

Figure 7. Impact of Covid-19 from the point of view of Econometric and Statistical Relationships

Covid-2019, is a serious problem for businesses, as their future is accompanied by a great fears and uncertainties. Moreover, the failure of one business can put other businesses at risk.

Referring to the literature review on this phenomenon, and also to the results and findings of this study, businesses consider as most important problems faced during the pandemic the increase of costs, the lack of customers and the liquidity issues. Moreover, the payment of liabilities due to the state or banks is also considered as important. In 2020, a part of businesses experienced an increase of cash flow from sales, compared to the onset of pandemic, when they were forced to suspend their operating activity due to lockdown measure.

The immunization of population increases the safety of people and relaxes businesses. Businesses, in general, and SMEs, in particular, are looking for reduction of taxes and other forms of government grants. However, any form of assistance they can get will not be effective unless businesses reinvent themselves (Kumar & Ayedee, 2020) and implement strategies considering that there is no going back to where we were, but they should continue their operating activities under the presence of Covid-19.

It is still unclear and it will take a long time to understand who will resist/survive this pandemic. The government's intervention cannot be endless and there is still no study whether its interventions were effective. It is time for businesses to formalize information about their real status and situation, in order to take effective measures to support them. In addition to business, financial institutions are important partners in this fight, which shows successive battles in the form of mutations that this virus is expected to appear in at least the next 5-10 years. Creating the most flexible financial products in cooperation with businesses would create the possibility of supply in emergencies.

CONCLUSION

This paper aimed to analyze how SMLEs perceived the effects of Covid-19 isolation on various factors. The second part of the study focuses on the factors that emerged as determinants of the impact of Covid-19 on the private (non-financial) sector in Albania.

From the interpretation of box-plots for the comparative interquartile distribution depending on business size, it is noted that the small business is fully positioned in the area of safe sensitivity of Covid-2019 effects on its operation, while 75% of the medium and large business show an above the average sensitivity to this phenomenon. Their features, in particular their size, make them more flexible to react and adapt to new situations such as the situation created by the Covid-19 pandemic.

The results show that failure perception was felt by all businesses regardless of size. Determinants of Covid-19's impact on businesses include labor costs, fear of failure, and the use of cash reserves. The Cash Reserve Usage variable is uncorrelated with any of the variables, including liquidity (Costumer Correctness, Rental Payment Capacity, and Salary Payment). This result indicates that there are other costs not included in the study caused by Covid-19, which have forced businesses to cover this cost my using their cash reserves.

AUTHOR CONTRIBUTIONS

Conceptualization: Bitila Shosha.
Data curation: Romeo Mano.
Formal analysis: Bitila Shosha, Armela Anamali.
Investigation: Romeo Mano, Armela Anamali.
Methodology: Bitila Shosha, Armela Anamali.
Project administration: Bitila Shosha.

Resources: Armela Anamali.
Software: Romeo Mano.
Supervision: Romeo Mano.
Validation: Romeo Mano.
Visualization: Romeo Mano, Armela Anamali.
Writing – original draft: Armela Anamali.
Writing – review & editing: Bitila Shosha.

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APPENDIX

Table 1. Variables, respective questions in the questionnaire and answers with their ordinal values

Variable	Question	Answer option
Business Size	How do you classify your business?	{Small Enterprise; Medium Enterprise; Large Enterprise}
Business Exercising	How much did you exercise your business activity during the quarantine period?	5-point Likert scale: {1, Not at all; 2, Rarely; 3, Sometimes; 4, Often; 5, Always}
Failure Perception (F.P)	How much did you consider the risk of bankruptcy, due to the situation created by the Covid-19 virus?	5-point Likert scale: {1, Not probable; 2, Somewhat improbable; 3, Neutral; 4, Somewhat probable; 5, Very probable}
Customer Correctness	How correct were the customers in payments during the quarantine period?	5-point Likert scale: {1, Not at all ; 2, Slightly; 3, Somewhat; 4, Moderately; 5, Extremely }
Rental Payment Capability	How capable has your business been of paying the rent for the facility during the quarantine period?	5-point Likert scale: {1, Not at all; 2, Slightly;3,Moderately; 4, Very; 5, Completely}
Salary Payment (S.P)	How much were the employees paid during the quarantine period?	5-point Likert scale: {1, Nothing; 2, Very little; 3, On average; 4, Above average; 5, Fully}
Support from Solidarity Packages (Sol.P.S.)	How many of the business employees have benefited from the war wage.	5-point Likert scale: {1, No employee; 2, Less than 50%; 3, About 50%; 4, More than 50%; 5, All employees}
Cash Reserves Usage (C.R.U.)	How many of the business cash reserves did you use during the quarantine period and beyond?	5-point Likert scale: {1, Not at all; 2, Slightly; 3,Moderately; 4, Very; 5, Completely}
Covid-19 Impact	How much has (complete and partial) isolation due to Covid-19 affected your business?	5-point Likert scale: {Insignificant; 2, Minor; 3, Moderate; 4,Major; 5, Severe}

Table 2. Correlative bivariate relationships between the variables included in the study

Variables		Business Exercising	Failure Perception	Customer Correctness	Rental Payment Capability	Salary Payment	Support from Solidarity Packages	Cash Reserves Usage
								Correlations
Business Exercising	PC	1						
	Sig. (2–t)							
Failure Perception	PC	−.338**	1					
	Sig. (2–t)	.001						
Customer Correctness	PC	.170	−.083	1				
	Sig. (2–t)	.116	.440					
Rental Payment Capability	PC	.511**	.008	.425**	1			
	Sig. (2–t)	.000	.954	.002				
Salary Payment	PC	.302**	−.339**	.236*	.319*	1		
	Sig. (2-t)	.005	.001	.026	.020			
Support from Solidarity Packages	PC	−.326**	.056	.052	−.129	−.432**	1	
	Sig. (2-t)	.002	.599	.627	.355	.000		
Cash Reserves Usage	PC	.057	.360**	−.019	−.021	.155	−.243*	1
	Sig. (2-t)	.603	.001	.861	.883	.147	.022	

Note: * Correlation is significant at the 0.05 level (2-tailed).** Correlation is significant at the 0.01 level (2-tailed).

Table 3. Linear regression coefficients with the dependent variable "Covid-19 Impact"

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std.Error	Beta			LB	UB
6	Failure Perception(F.P.)	.333	.113	.250	2.962	.005	.107	.560
	Support from Solid. Packages(Sol.P.S.)	.400	.063	.343	6.314	.000	.273	.527
	Salary Payment(S.P.)	.283	.069	.249	4.131	.000	.145	.421
	Cash Reserves Usage(C.RU)	.303	.115	.211	2.646	.011	.073	.533

Note: a. Dependent Variable: Covid-19 Impact. b. Linear Regression through the Origin.

Table 4. Statistical evaluation table of the suitability of the linear regression model

Model Summary									
Model	R	R Square[b]	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
6	.979[g]	.958	.955	.95237	−.002	2.805	1	48	.100

Note: g. Predictors: Failure Perception, Support from Solid. Packages, Salary Payment, Cash Reserves Usage.

Table 5. The selection of significant variables by *F*-test

Variables Entered/Removed[a,b]			
Model	Variables Entered	Variables Removed	Method
1	Failure Perception	−	Stepwise (Criteria: Probability-of-F-to-enter <= .050, Probability-of-F-to-remove >= .100).
2	Customer Correctness	−	−
3	Support from Solid. Packages	−	−
4	Salary Payment	−	−
5	Cash Reserves Usage	−	−
6		Customer Correct.	−

Note: a. Dependent Variable: Covid-19 Impact. b. Linear Regression through the Origin.