

Ahmed Draia University – Adrar Faculty of Economic and Commercial Sciences and Management Sciences Department of Economic Sciences Specialization in monetary and banking economics



The effect of COVID-19 pandemic on the performance of Small and Medium Enterprises in Algeria

A case study of IBACHE Public Works Corporations in Algeria

Thesis submitted in partial fulfillment of the requirement for the master's degree

Presented by:Abdelghaní Roumaíssa

Supervised by: Dr.Sidamor Zeyneb

Board of Examiners:

President: Dr: Lamtaouache Latifa

discussant: Dr: Mastfaoui Soufiane

supervisor: Dr: Sidamor Zeyneb

Academic Year: 2020 – 2021

الجمهورية الجزائرية الديمقراطية الشعبية République algérienne populaire et démocratique

وزارة التعليم العالي والبحث العلمي

Ministère de l'enseignement supérieur et de la recherche scientifique

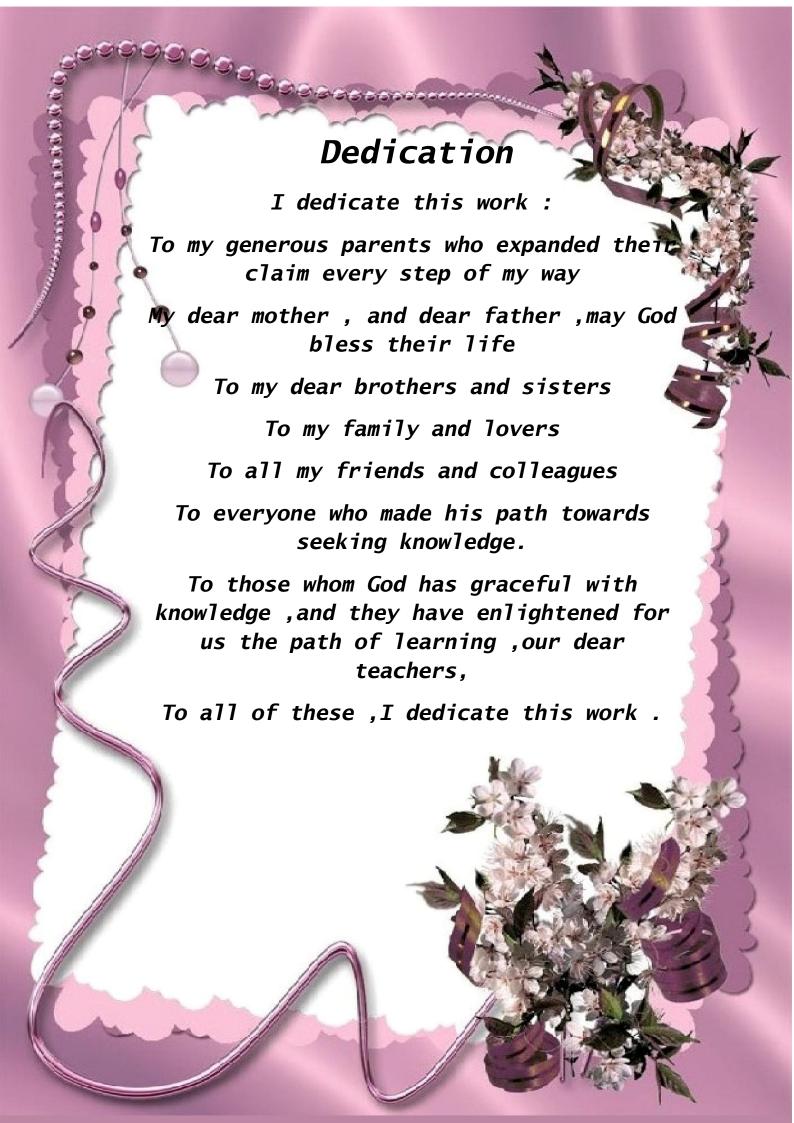
Karaka .	
Alumnia Santa	
and stands and the stands	افي
2021/1.7/	ا ب.
	2021/1.7/

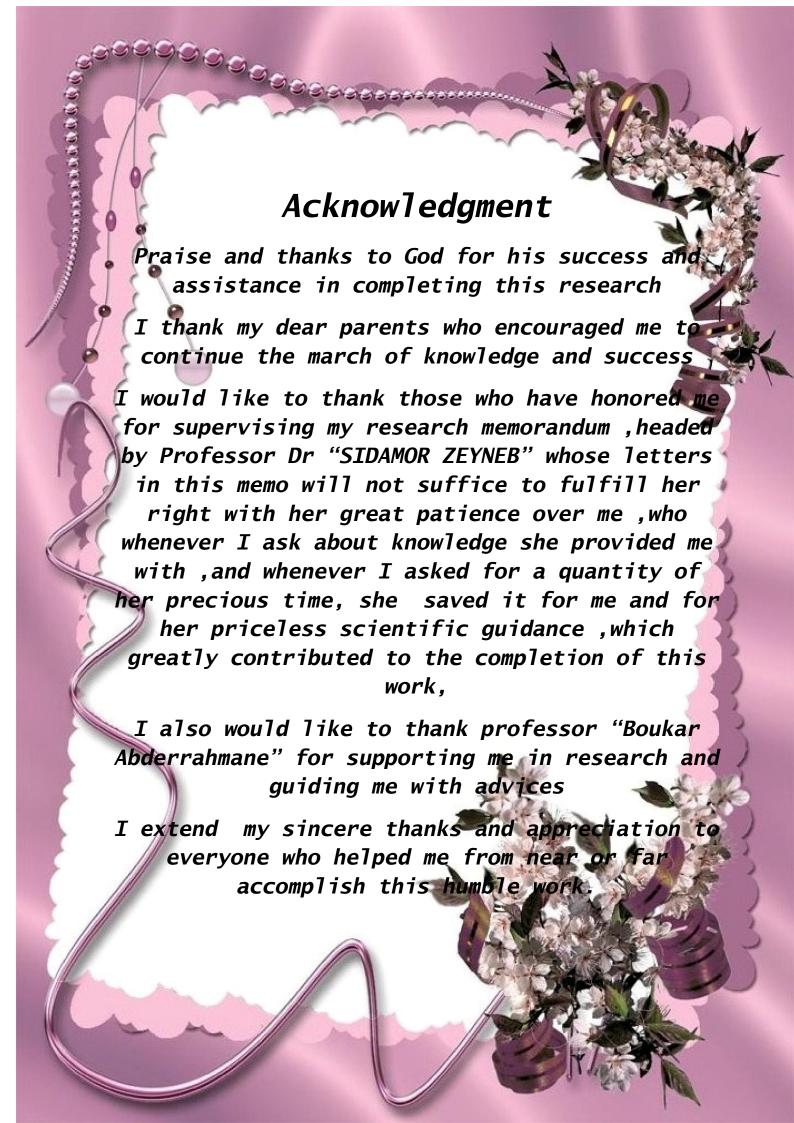
جامعة احمد دراية - ادرار المكتبة المركزية مصلحة البحث الببليوغرا

الرقم.....م .م/م.ب شهادة الترخيص بالإيداع انا الأستاذرة): سيد أعير زبين المشرف مذكرة الماستر. The impact of Covid-19 pandemic on the performance :- 1 of Small and Medium Enterprises in Algeria من إنجاز الطالب(ة): عبدالماتي روطيسة و الطالب(ة): كلية: العلوم الاقتصادية , التجارية وخلوم التسيير القسم: العلوم الاقتصادية التخص : اقتماد نقدي وينكى تاریخ تقیم / مناقشة: 4 / 66 / 2024 أشهد ان الطلبة قد قاموا بالتعديلات والتصحيحات المطلوبة من طرف لجنة التقييم / المناقشة، وإن المطابقة بين النسخة الورقية والإلكترونية استوفت جميع شروطها. وبإمكانهم إيداع النسخ الورقية (02) والاليكترونية (PDF).

ادرار في 2021/06/23 مساعد رئيس القسم: المركور فسم علوم الإقتصادية

- امضاء المشرف: المسلم





List of contents

CHAPTER 01: The theoretical side of the study
1. Corona pandemic and its global economic repercussions 5
1-1-Corona pandemic definition and causes of spread 5
1-2-precautionary measures of corona virus:6
3-Corona pandemic effects on the economies of the world countries
2.Concepts about small and medium enterprises: 10
2.1-Definition of SME's: 10
2.2-The role of SMEs in supporting the national economy: 11
CHAPTER 02: Literature Review
Literature Review 13
01-English studies : 14
I.02-Foreign Studies 15
CHAPTER 03: The practical side of the study
1-Definition of the institution under study 18
2-methodological procedures
3-Presentation and discussion of results 25
Chapter Summary31
Conclusion33
LIST OF REFERENCES35
SUPPLEMENTS 36

List of tables

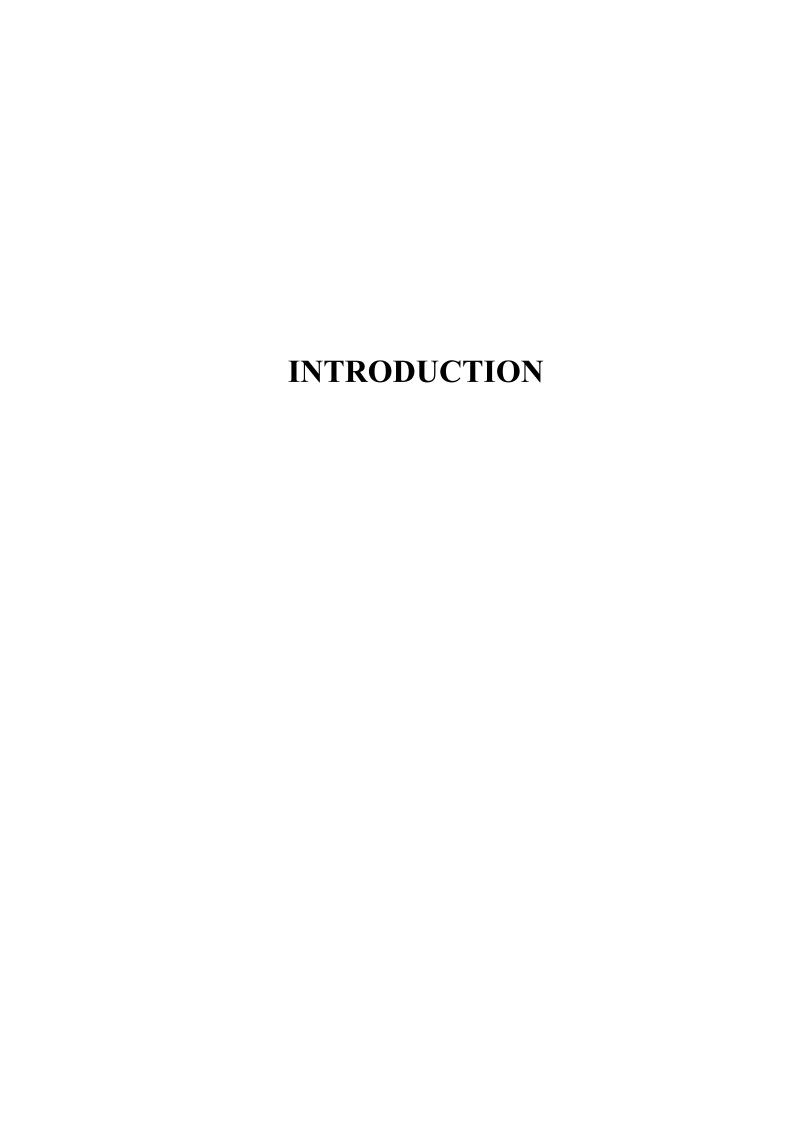
Tableau 1 GENDER	25
Tableau 2 AGE	25
Tableau 3 EDUCTION	25
Tableau 4 JOBTYPE	26
Tableau 5Cronbach's Alpha	
Tableau 6 Man power	
Tableau 7The level of the production in the institution	
Tableau 8 The institution's income	
Tableau 9 Evolution of the performance of the institution	28
Tableau 10Correlation coefficient	29
Tableau 11 Contrast test ANOVA	29
Tahleau 12 Simple Regression Equation	30

List	of	fig	ur	es
~~				~

List of Abbreviations:

-SMEs :Small and Medium Enterprises

-COVID-19: Corona Virus Disease



Introduction

In recent years, the world has witnessed various crises that have affected many countries of the world, such as the "Influenza", "Ebola" and others. and the Corona virus is only a living example of this at the present time, as this hidden virus has terrified many countries of the world due to its rapid spread among countries and its negative repercussions on the economic and social sector and on humanity as a whole.

This emerging health crisis has led to shocks to supply and demand that differ from previous crises in their severity, it has plunged the world into a cycle of global stagnation. What required the development of different policies in the affected economies that reduced the spread of this epidemic while maintaining the integrity of the network of economic and financial relations between economic dealers in each country and the need to give the highest priority to the human element in maintaining its health and safety as much as possible unless an effective vaccine is available to stop the spread of this virus that appeared in China and spread to most of the different countries of the world because of the contagion of crises, including Algeria, due to its commercial, financial and economic openness to the outside world and Given the importance of small and medium enterprises in the economies of countries such as the Algerian state and its effective role in creating job opportunities and reducing unemployment, these institutions have been greatly affected by the pandemic, which is what made us address this topic, and Showing the extent to which small enterprises are affected by the emerging pandemic and trying to find solutions to ensure their continuity and avoid their closure.

-Problem:

Before detailing the topic, we raise the following problem: To what extent is the performance of Algerian small and medium enterprises affected by the pandemic?

-sub questions:

- 1/ How has this pandemic affected the economies of countries around the world?
- 2/ What are the most important measures and policies taken to confront the emerging corona virus-19 ?
- 3/ Did the pandemic have a role in affecting the work of small and medium enterprises?

-Hypotheses:

- 1- In a short time, the Corona pandemic has plunged the world into an economic crisis
 - 2- The precautionary measures to confront the virus were not feasible
 - 3- Small and medium enterprises have flexibly dealt with the epidemic

-Reasons for choosing the topic:

Choosing this topic is due to a number of personal and objective considerations, which we summarize as follows:

Personal aspect: The student's interest in modern topics that match his specialization in economics and the student's desire to understand the aspects of this topic and know the extent to which small and medium enterprises are affected by the Corona pandemic

-substantive aspect: The novelty of the subject under study, as the performance evaluation of small and medium enterprises in light of the Covid-19 pandemic is still in its preliminary stages in the countries of the world in general and Algeria in particular. The lack of theoretical and applied studies on this subject

-research aims:

This study seeks to achieve the following objectives: The global health crisis and the identification of the most important and most dangerous type of event in human history Corona virus crisis.

Introduction

- Clarify the repercussions of the emerging corona virus on the global economic situation
- -Clarify the most important measures and policies taken to confront the epidemic

-Study method:

In order to answer the problem posed in the study as well as test

the hypotheses, we relied on the theoretical side on the descriptive approach in presenting and describing the concepts of the study variables. In the practical aspect, we also relied on the analytical method in interpreting the information about the questionnaire.

CHAPTER 01:

The theoretical side of the study

1. Corona pandemic and its global economic repercussions

- 1-1-Corona pandemic ... definition and causes of spread
- A. Definition of Corona pandemic

*About COVID-19:

-COVID-19 is a dangerous disease caused by a virus discovered in December 2019 in Wuhan, China. It is very contagious and has quickly spread around the world.

-COVID-19 most often causes respiratory symptoms that can feel much like a cold, a flu, or pneumonia, but COVID-19 can also harm other parts of the body.

- Most people who catch COVID-19 have mild symptoms, but some people become severely ill.
- Older adults and people who have certain underlying medical conditions are at increased risk of severe illness from COVID-19.
- Hundreds of thousands of people have died from COVID-19 in the United States.
 - Vaccines against COVID-19 are safe and effective

*About the name:

On February 11, 2020, the World Health Organization <u>announced</u> an official name for the disease: corona virus disease 2019, abbreviated COVID-19. 'CO' stands for 'corona,' 'VI' for 'virus,' and 'D' for disease. The virus that causes COVID-19, SARS-CoV-2, is a corona virus. The word corona means crown and refers to the appearance that corona viruses get from the spike proteins sticking out of them.¹

¹ <u>https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/how-covid-spreads.html</u> seen on 14:30,15/12/2020

B. Causes of spread:

COVID-19 spreads when an infected person breathes out droplets and very small particles that contain the virus. These droplets and particles can be breathed in by other people or land on their eyes, noses, or mouth. In some circumstances, they may contaminate surfaces they touch. People who are closer than 6 feet from the infected person are most likely to get infected.

COVID-19 is spread in three main ways:

- Breathing in air when close to an infected person who is exhaling small droplets and particles that contain the virus.
- Having these small droplets and particles that contain virus land on the eyes, nose, or mouth, especially through splashes and sprays like a cough or sneeze.
 - Touching eyes, nose, or mouth with hands that have the virus on them.

1-2-precautionary measures of corona virus:

-WASH

Wash hands with soap and water often and particularly before eating and before and after visiting the bathroom

-AVOID

Don't touch your face with your hands. Hands touch many surfaces which can be contaminated with the virus. If you touch your face with unclean hands, you can transfer the virus from the surface to yourself

-ATTENTION

Keep physical distance of at least 2 meters from other people (if possible) and avoid non-essential physical contact, particularly if the person is coughing, sneezing or has fever

-CAUTION

If you cough or sneeze, do so into the bend of your elbow, not your hand. another way is to cover your cough or sneeze with a tissue, then throw the tissue in the trash. In both cases, wash your hands with soap and water immediately

-PROTECT

If you have any symptoms of COVID-19 or observe others with symptoms, inform the prison administration immediately and seek medical care²

3-Corona pandemic effects on the economies of the world countries01 The impact of the Corona pandemic on the global economy:

The Corona pandemic has caused dire effects on the global economy, as the Asian Development Bank estimated the cost of the repercussions of the Corona virus outbreak on the global economy, according to its latest update in mid-May, between \$ 5.8 trillion and \$ 8.8 trillion in losses. Equivalent to 6.4% to 9.7% of global GDP, The losses of the People's Republic of China have ranged between \$ 1.1 trillion and \$ 1.6 trillion and since the repercussions of the pandemic extended to many aspects of economic life in the world, we will try to summarize the most important of these repercussions as follows:

1-2 The impact of the pandemic on global trade: The Asian Bank, in its latest update on the global economic impacts of the outbreak of the Covid-19 epidemic, indicates that in light of the measures taken by countries, imposing restrictions on travel and closure measures aimed at stopping the spread of the epidemic, it is likely that Global trade decreases by 1.7 trillion dollars to 2.6 trillion dollars, and the United Nations has estimated that the global export sector has incurred losses as a result of the Corona epidemic estimated at 50 billion dollars

1-3- The impact of the pandemic on the prices of primary commodities and supply lines in the world: The prices of primary commodities in the world have fallen greatly, as the pandemic has directly affected the supply and demand of primary commodities, and the reason for this is due to the measures of total and partial closure of workplaces adopted by 187 countries. As well as because of the disruption of supply chains that transport these goods from producers to

7

² https://peacekeeping.un.org/sites/default/files/hq_04_02_20_covid-19_poster_02_unitar.pdf ,seen on 17:55,15/01/2021

consumers around the world, and this effect was exacerbated by the decline in economic growth in this regard, the World Bank expected that the pandemic would lead to permanent changes in demand and supply of primary commodities, Especially at the level of emerging market economies and developing countries that depend on primary commodities, the World Bank considered them among the countries most vulnerable to the economic impacts of the pandemic. However, the full impact of the pandemic on primary commodity markets in general depends on the future of the crisis, and how countries and the international community respond to it.

1-4 The impact of the pandemic on global employment: The International Labor Organization estimated the number of those affected by total or partial closures of workplaces to be more than four-fifths of the global workforce of 3.3 billion people as of April 7 However, this percentage decreased to 61 percent due to the gradual lifting of the lockdown measures during the second and third weeks of April

1-5 The impact of the pandemic on employment in the organized sectors:

Among the most vulnerable organized sectors in the world are the accommodation and catering services sectors, And the manufacturing industries, retail trade, business and administrative activities, which are sectors that are now facing a sharp decline in production, in addition to the high risk of laying off the workforce and reducing wages and working hours, and the number of workers in these sectors has reached more than 1.35 billion people, which constitutes 38% From global employment,

More than others, workers in these sectors are now feeling the severity of the pandemic's impact on them, given that many of them work in low-wage and low-skilled jobs, and thus the sudden loss of income is devastating to them For its part, the World Bank has classified the tourism and retail sectors as one of the most affected sectors .

1-6 The impact of the pandemic on employment in informal sectors:

The International Labor Organization has estimated that there are 1.6 billion people in the world working in the informal sector, i.e. nearly half of the world's workers, most of whom are concentrated in emerging and developing economies and they are more vulnerable than other groups Significantly the longer the lockdown measures continue. A previous study by the organization also warned that the Africa region has higher levels of the informal economy, which, in conjunction with the lack of social protection, high population density and weak capacities, poses severe health and economic challenges for governments The International Labor Organization also forecasts a 60 percent decrease in the profits of informal workers worldwide. It also expected a further decline in Africa and Latin America .

1-7- The impact of the pandemic on global unemployment:

The report of the International Labor Organization stated that at the beginning of the year, before the outbreak of Covid-19, there were 190 million people in the world suffering from the specter of unemployment, but the outbreak of the Corona virus caused another shock in the world of employment, which made employment suffer. From an unprecedented decline due to the impact of the pandemic and the measures taken to deal with it The global decline in employment was estimated between 158 million and 242 million jobs, and it was estimated that employment income around the world decreased by \$ 1.2 trillion to \$ 1.8 trillion based on preliminary estimates made by International Labour Organization due to the impact of the health crisis on work, an increase in global unemployment is expected by the end of 2020 by 25 million unemployed The decline in total working hours in the world will also lead to forced unemployment.

1-8 The impact of the pandemic on world oil prices:

Global oil prices have decreased significantly, as OPEC indicated in its monthly report issued in March 2020 that the markets for oil products in the

United States and the European Union were negatively affected by the outbreak of the epidemic, This is due to the decline in demand for oil products, especially jet fuel, which decreased as a result of the disruptions in the air transport sector after restricting global movement, and the net revenues of oil refineries in a number of regions around the world, especially in Asia, were affected, in addition to the oil transport sector being negatively affected. Of developments related to the Corona pandemic, which led to, it is worth noting here that we refer to the historical level of the decline in oil prices in April 2019, similar to what was traded for some benchmarks at negative levels, similar to the Texas South crude in the United States of America, which reached minus, as well. The International Energy Agency has forecast that global oil demand will decline at a record rate of 8.6 million barrels per day year-on-year in 2020. ³

2. Concepts about small and medium enterprises:

2.1-Definition of SME's:

Definitions of SMEs vary among countries in the world, different countries use different standard and different criteria to measure the size of firms to define SMEs. According to some institutions number of employee has more importance, for the others enterprises turnover have more importance in SMEs definition

- **a. World Bank's:** definition of SMEs is that micro scale; less than 50 employee, small scale; 50 employees, medium scale; 50-200 employees.
- **b. b. European Union**: Following the first SMEs definition of EU in 1996, the SME definition which is related with personal numbers is required to revised because of increases in inflation and productivity.

10

قبولعراس صلاح الدين، الاقتصاد الجزائري في ظل التداعيات العالمية لجائحة كورونا بين الاستجابة الآنية و المواكبة البعدية، مجلة العلوم الاقتصادية، جامعة سطيف،2020/09/30، 2020/09/30

c. Definition of small and medium enterprises (SMEs):

-The SME is defined in the old directive Law 01-18 as follows: "The SME, regardless of its legal nature, is defined as a producer of goods and/or services. It operates from 10 to 250 persons and does not exceed its annual turnover 2 billion dinars, or does not exceed the total annual revenue (budget) 500 million dinars, and meet the criteria of independence.

-New Law No. 17-02 was issued on 11 January 2017 which amends and supplements the 2001 Law, which includes The new guiding law for the development of small and medium enterprises, this law came to amend the financial limits between small, medium and large enterprises in line with the economic development and the state's goals to develop this sector.

-The definition of small and medium enterprises in accordance with article 5 of the SME Promotion Act 2017 is as follows: "The SMEs, regardless of its legal nature, is defined as the enterprise for the production of goods and / or services. It operates from 10 to 250 persons and does not exceed 4 billion dinars or does not exceed the total annual budget 1 billion Algerian dinars, and meet the criteria of independence

2.2-The role of SMEs in supporting the national economy:

Small and Medium Sized Enterprises (SMEs) have always taken significant roles in the world economy. SMEs, which are the driving force of economic growth, have an important effect on the economic activity. In European Community, every three people out of 25 (12%) in 1985 were free from business. Therefore, a research has been made to achieve an important increase in employment in Europe. The results of the research show that one solution to achieve this rise is Small and Medium Size Enterprise (SMEs). It is noted that SMEs, the significance of which become clearer for resolving employment problem, have gained importance also in Europe after 1970s.It is seen that SMEs form a major part of total enterprises in the countries in Table 3 in the period between 1945 and 1970, emphasizing large size

enterprises, economic growth and rehabilitation activities are implemented in the world. However, in this period, it is understood that SMEs have superior features compared to large size enterprises. In several countries, SMEs' role in creating employment and enabling competitive atmosphere, have gradually increased. In 1970s, the conjuncture on economic crisis has become effective in such a case. On the other hand, after the economies of scale have begun to decrease, SMEs have begun to construct the basis of macro economies' policies in many countries because SMEs have contributed to the usage of sources economically, the employment and income distribution after the depression in 1970. Contrary to the large enterprises focusing on the manufacturing of products the demand of which have showed high or low income elasticity, are the units affected least by the economic crisis. Once the economies of developing and developed countries are analyzed, indicators of SMEs disclose the significance of this sector clearly. Although SMEs show agricultural and structural differences country to country, an invariable fact is that these enterprises have great contribution to the economies of whole world countries⁴

_

⁴ Hidayet Keskin.Canan Senturk,The importance of SMEs in developing Economies,International symposiumonsutionable development,Sarajevo,june8-9-2010,p188

CHAPTER 02 Literature Review

01-English studies:

1-1-(Mane Beglaryan ,Gayane Shakhmur2020):

This study aimed to assesses the impact of COVID-19 pandemic on small and medium-sized enterprises in Armenia. The analysis of representative nationwide survey data reveals that as compared with large-company employees, SME employees are more affected by the crisis, having laid off or having reduced work hours and pay. Logistic regression results show that being employed by an SME doubles the likelihood of layoff and pay reduction. There is also support for the hypotheses that employees in sectors which allow for remote work,⁵

e.g., education and information and communication services, as well as those who have medium to high professional qualifications, have been less affected by the crisis.

The findings call for more targeted government assistance to SMEs and low-skilled workers.

1-2-(Mohsin Shaf, Junrong Liu2020):

This article aims to assess the impact of the COVID-19 outbreak on these businesses and provide policy recommendations to help SMEs reduce business losses and survive the crisis. The researcher adopted three exploratory methodology with a comprehensive review of the available literature, including policy documents, research papers, and reports in the relevant field. Furthermore, to add empirical evidence, he collected data from 184 Pakistani micro and small businesses by administering an online survey. Then he analyzed the data through descriptive statistics. The results indicate that most of the participating companies have been severely affected and are facing many

_

⁴-(Mane Beglaryan ,Gayane Shakhmur),The impact of COVID-19 on small and medium-sized enterprises in Armenia: Evidence from a labor force survey ,Small Business International Review, ISSUE 2,Armenia,2020/09/15

problems such as finances, supply chain disruptions, reduced demand, reduced sales and profits, among others. Besides, more than 83% of the companies were not prepared and had no plan to deal with such a situation. Moreover, more than two-thirds of participating companies reported that they could not survive if the shutdown lasted more than two months. These actions to weather the storm.⁶

1-3-(Ruochen Dai, Junpeng Hu, and Xiaobo Zhang, et al. 2020) the paper provides first-hand information about the impact of COVID-19 on SMEs and their related challenges of reopening. it found that COVID-19 has landed a heavy blow on Chinese SMEs, with huge differential effects across sectors and regions.

As COVID-19 is largely under control in China, resuming production has become high on the country's policy agenda. Understanding the challenges of reopening is essential for designing appropriate policies to help SMEs find solutions to the issues that hamper

them and navigate this tough time⁷

I. 02-Foreign Studies

-This study aims to clarify the implications of the emerging Corona virus for the global economy in general and the Algerian economy in particular, and to clarify the seriousness of this virus which entered the world in an economic financial and social crisis, whose dire consequences worsened in a very short time beginning with the real economic sector and then moved to the sector Financial and social after that, which led to slowing economic growth rates and many countries entered the global recession due to its impact on the movement of trade and supply chains, prices of assets and commodities and even future

⁵(Mohsin Shaf Junrage Liu,Impact of COVID-19 pandemic on micro,small and –sized Enterprises operating in Pakistan,Journal ELSEVIER.Pakistan,30july2020

⁶Ruochen Dai, Junpeng Hu, and Xiaobo Zhang, et al. 2020. "The Impact of COVID-19 on Small and Medium-sized Enterprises (SMEs): Evidence from Two-wave Phone Surveys in China." CGD Working Paper 549. Washington, DC: Center for Global Development. https://www.cgdev.org/publication/impact-covid-19-small-and-mediumsized-enterprises-evidence-two-wave-phone-surveys-china

decisions of investors amid the scarcity of information and the future outlook on the development of the spread of this epidemic.

03-Study Contribution:

*The differences between the studies Our study differs from previous studies in that it is very recent compared to them And these studies did not allocate their orientations towards institutional performance only, so we find in the first study a comparison between the impact of the pandemic on large, medium and small institutions While in the second study, we find that it focused only on assessing the impact of this pandemic Finally, the Arab study focused on the reflection of the pandemic on the global economy in general and Algeria in particular

16

CHAPTER 03 The practical side of the study

1-Definition of the institution under study

The "IBACHE" company for public works is considered one of the most economic institutions, especially in the Adrar region, due to the activity in carries out at the level of major walks, in this context this institution will be presented

1.1-Origination and submission of the institution

was established under a founding contract NO.98 B 0882023,drawn up in 1998.

The company started its main contracting activity with a capital of 10,000,000 DZD wich was increased to become on 31/12/2013 with an amount of 400,000,000 DZD announced in the decision of the GENERAL ASSEMBLY in 2014/06/24.

The company has gone through three stages, which are as follows:

- *The contracting stage: it is the stage in which the corporation started capital formation by completing many government projects in various sectors.
 - * Completion stage: in this stage, the industrial project has been completed
- *Exploitation stage: at this stage, the company began to exploit their own projects contracting.

And in the year 2002, the company expanded the idea of producing electric grid poles, and after the company obtained a certificate of accreditation from the National Laboratory of the * Sonelgaz * Corporation in Algiers and approved it on 10/18/2003, it began to manufacture electrical grid poles to cover the needs of the region and Neighboring cities. And in September 2012, the company expanded by starting to practice the secondary activity of metal constructions, as it started producing school equipment and then manufacturing iron doors, and in

the same year the production line increased by manufacturing electrical lighting poles of all kinds.⁸

1.2-Presenting the institution

* IBACHE * Company for Public Works is considered a limited liability company, established on 02/02/1998 for a period of 99 years. Its main activity is construction works contracting. its secondary activity is industrial production represented in metal constructions.

The company is located in the industrial zone of the Adrar region at * Bida Mohamed * Street, with a working mass of 30 workers, which is increased according to the company's needs, surrounded by commercial establishments, including the * Poburnus * Corporation for Industrial Vehicles * Toyota *

* IBACHE Company is an industrial company as it buys materials that go into the production process and then transforms them to get a final product (iron doors, electric poles), and at the same time it is considered a commercial company because it sells various products represented in (school products from tables and chairs, metal doors, pillars of public lighting), in addition to some products according to the demands of customers and other services imported from China.⁹

- 2- The institution's nature of activity and goals
- 2-1- The nature of the institution's activity

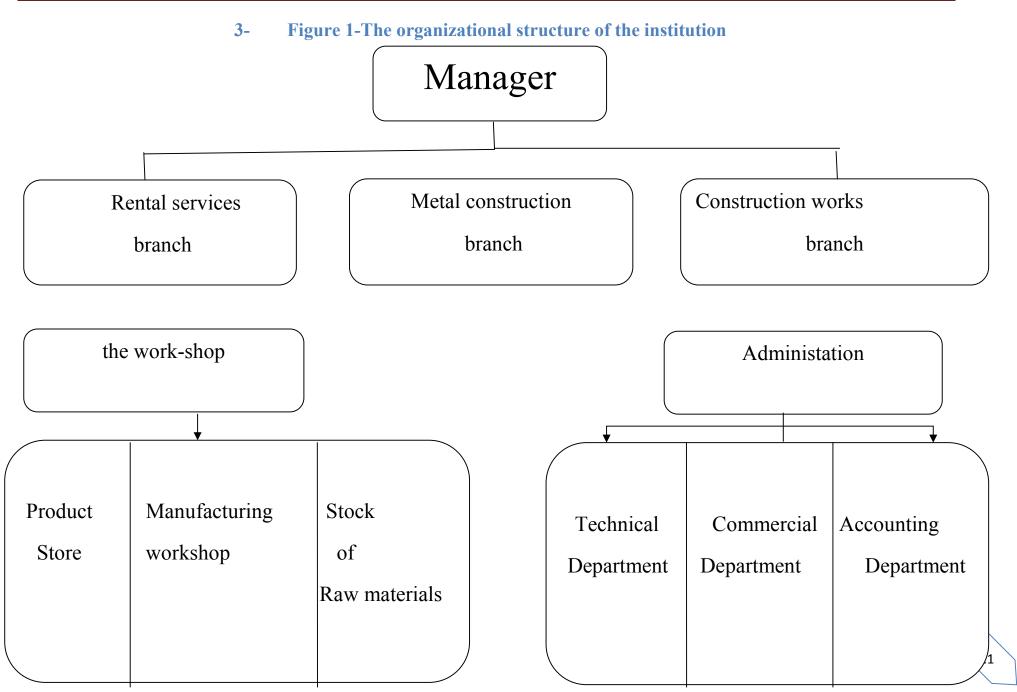
On the one hand, the activity of the institution is of an industrial nature, as it purchases the materials that enter the production process and then transforms

⁸ Documents of the institution under study

⁹ Documents of the institution under study

them in order to obtain a complete final product, On the other hand, it has an Entrepreneurial nature, as it carries out various construction works

- 2-2- The institution's goals
- Achieving large additional income and thus increase in yield and profit
- Meet the needs of customers, and achieve national sufficiency
- Investment expansion by opening other productive branches and thus eliminating the problem of unemployment locally



Source: Made by the student

*Organizational structure analysis

Manager: As the owner of the institution, it is he who has the responsibility to define the administrative tasks, as he is the one who chooses the pricing policy and the type of organization, and no operation takes place without his approval, and the organizational structure of the institution contains the following elements:

-The commercial Department: it is considered a meeting point between the customers and the producer, where customers are dealt with a bond, 50% of the commodity amount is paid upon request and 50% upon delivery, and it is divided into the following interests (forecasting interest, selling department, transport authority, catering interest)

-Technical Department: divided into two parts, the first part monitors the Entrepreneurial projects, And the other part analyzes and diagnoses the manufacturing process represented in the purchased ferrous materials, as well as gives all the numerical standards and measures necessary for the uses of those materials in order to manufacture the required product according to the customers

-Accounting Department: it is concerned with the financial aspect of the institution, from preparing and executing the budget and communicating with customers, debtors and banks, and it is a link between the interests of the company, any operation or financial flow carried out by the owner of the establishment registered in the authority

-The first store: in which the raw materials that the establishment buys from various sources are stored at the beginning of any production process

-Manufacturing workshop: It is the important stage in the production process, where raw materials are extracted and entered into the conversion stage that contains executives and technicians, as well as transferred to the converted machines to get the ready products

-The second store: it is the store for storing the products obtained in order to save them before sale and arrange them according to the orders obtained.

2-methodological procedures

*Data collection methods: First, the sources of data collection In order to be able to reach the objectives of this study, the questionnaire was used as a basic tool, and we also relied on the interview in order to obtain more information and data that would help us in analyzing and interpreting the workers' answers to the questionnaire's paragraphs

*The questionnaire: is the main tool, which we used to obtain a set of information about the variables of the study, as well as to know the personal and functional characteristics of the sample (IBACHE Company).

The design of the questionnaire: When designing it, we tried to review the previous studies of the subject and also rely on the theoretical side of the study and who built the questionnaire shown in Appendix 1

consisted of:

- 1- The personal data of the employees of the establishment represented in: gender age year educational level type of job
- * Axis 1: It is related to the work of the institution in light of the crisis. It contains 9 phrases, divided into two dimensions:
 - a- Manpower: has 4 phrases

b-the level of production in the enterprise has 5 phrases

- * Axis 2: It is related to the performance of the institution. It contains 11 phrases and has two dimensions:
 - a- The institution's income has 5 phrases
 - b- Evaluation of the performance of the institution has 6 phrases

consisted of: 1- The personal data of the employees of the establishment represented in: gender - age - year - educational level - type of job * Axis 1: It is related to the work of the institution in light of the crisis. It contains 9 phrases,

divided into two dimensions: + Manpower: has 4 phrases And + the level of production in the enterprise has 5 phrases * Axis 2: It is related to the performance of the institution. It contains 11 phrases and has two dimensions: a-The institution's income has 5 phrases

b-Evaluation of the performance of the institution has 6 phrases

*study population: The study population is represented by the "IBACHE" Corporation for Public Works in Adrar, where the sample size is 30 workers, where the opinions of workers and occupying various positions in the institution were surveyed by distributing a questionnaire to them to know their attitudes about the impact of the Corona pandemic on the performance of the institution

*Study sample: The sample is considered to be a representative part of the original community, and it is required to have the same characteristics of the community from which it was taken

3-Presentation and discussion of results

First: Description of the study sample

Table 1: GENDER

		Frequency	Percent	Valid Percent	Cumulative
					Percent
Valid	Male	17	85,0	85,0	85,0
	Female	3	15,0	15,0	100,0
	Total	20	100,0	100,0	

sorce: Prepared by the student based on the SPSS V23 program.

From the table, most of the respondents are males, at 85%, compared to the percentage of females, which amounted to 15%, and this indicates that most of the employees in the institution are males.

Table 2: AGE

		Frequency	Percent	Valid Percent	Cumulative
					Percent
Valid	20-30	7	35,0	35,0	35,0
	31-40	12	60,0	60,0	95,0
	41-60	1	5,0	5,0	100,0
	Total	20	100,0	100,0	

sorce: Prepared by the student based on the SPSS V23 program.

Through the table, we note that the largest percentage is for a group of 31-40 years old at 60%, and this is due to the fact that this group is the youth stage, and the last group is from 41 to 60 years old at 5%, which is the stage of elders, and this is because the institution depends on young people more than old

Table 3: EDUCTION

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Seconday	10	50,0	50,0	50,0
	University	9	45,0	45,0	95,0
	Postgraduate	1	5,0	5,0	100,0
	Total	20	100,0	100,0	

sorce: Prepared by the student based on the SPSS V23 program.

From the table, we note that the educational level in the institution is the most secondary level by 50%, followed by 45% for the university level, and this is because the institution depends on competencies in the first place

Table 4: JOBTYPE

	Frequency	Percent	Valid Percent	Cumulative
				Percent
ployee	18	90,0	90,0	90,0
tracting	2	10,0	10,0	100,0
Γotal	20	100,0	100,0	
	nployee tracting Fotal	aployee 18 tracting 2	pployee 18 90,0 tracting 2 10,0	pployee 18 90,0 90,0 tracting 2 10,0 10,0

sorce: Prepared by the student based on the SPSS V23 program.

From the table, it is clear that most of the employees of the institution are employees by 90% compared to the contractors by 10%, and this indicates that the institution is working to retain workers

Second: The validity and reliability of the form

Table 5: Cronbach's Alpha

Reliability Statistics				
Cronbach's Alpha	N of Items			
,692	3			

sorce: Prepared by the student based on the SPSS V23 program.

Through the table, we notice that the alpha stability coefficient was 0.69, or 70%, which explains the validity of the questionnaire, which makes the questionnaire stability qualified to work with.

Third: the standard deviation and the arithmetic mean

axis1: the work of the institution

Table 6: Man power

	Descriptive Statistics		
	Mean	Std. Deviation	N
Q1- The Corona pandemic has had an impact on your organization	1,1500	,36635	20
Q2-Your employees are affected by the pandemic	1,3500	,48936	20

Chapter three:

The practical side of the study

0 ,75915	20
00000	20
,00000	20
0 .82558	20
)	,00000

sorce: Prepared by the student based on the SPSS V23 program.

Through the table, we note that the arithmetic averages ranged between 1.15 for the first paragraph, and this, according to Descartes, is not in agreement with 1.35 for the second paragraph. It is also not in agreement with the same thing for the third paragraph, 1.95. As for the fourth paragraph, it reached 3, which is the degree of neutral according to Descartes.

Table 7: The level of the production in the institution

Descriptive Statistics							
	Mean	Std. Deviation	N				
Q1-Due to the Corona virus, the production	1,3500	,48936	20				
level of your organization has changed							
Q2- The company has dispensed with some	1,5500	,60481	20				
products that are not in great demand							
Q3- The organization has developed a plan	2,3000	1,03110	20				
for the levels of productivity to be reached							
Q4- Total enterprise revenue for the year	1,2500	,44426	20				
2020 is less for the total enterprise revenues							
for the year 2019							
Q5- The ability of the institution to expand	1,7500	,44426	20				
investment decreased due to the crisis							
2-The level of the production in the	8,2000	1,05631	20				
institution							

sorce: Prepared by the student based on the SPSS V23 program.

From the above table, we note the arithmetic means for this dimension ranged between 1.35 and 2.30, which according to Descartes does not agree, which indicates that the productivity is low in the light of the crisis

axis2: the performance of the institution

Table 8: The institution's income

Descriptive Statistics							
	Mean	Std. Deviation	N				
Q1- The cash reserve of the Corporation has decreased due to the Corona pandemic crisis	1,6000	,50262	20				
Q2- The institution's ability to self-finance has decreased due to the pandemic	1,7000	,73270	20				
Q3- There was a delay in the payment of workers' salaries	1,2000	,41039	20				
Q4- There was aid provided by the state to compensate for the losses	4,5500	,60481	20				
Q5- The work brings me an income that dispenses with the traditional job	3,3500	,81273	20				
1-The institution's income	12,4000	1,95744	20				

sorce: Prepared by the student based on the SPSS V23 program.

From the table that contains the arithmetic mean of this dimension, it is clear that there is a discrepancy in its paragraphs, where the highest degree of the arithmetic average reached 4.55, which according to Descartes strongly agrees, followed by the fifth paragraph with a degree of 3.35, which is approval.

Table 9: Evolution of the performance of the institution

	Descriptive Statistics		
	Mean	Std. Deviation	N
Q1- You had to change your operating plans	1,5000	,51299	20
Q2- The organization uses control methods that optimize the use of resources	2,6000	1,39170	20
Q3- The organization facilitates the use of remote work	3,6000	1,31389	20
Q4-The health crisis contributes to highlighting the efficiency of the employee through remote work	3,3000	1,38031	20

Q5- The institution is keen on the health and safety of its employees while providing the service	1,7500	,55012	20
Q6-The management of the organization takes into account the conditions of the worker during the performance appraisal	1,7000	,73270	20
2-Evolution of the performance of the institution	14,4500	2,16370	20

sorce: Prepared by the student based on the SPSS V23 program.

Fifth: Discussing the hypotheses

1- Correlation coefficient

Table 10: coefficient

Model Summary							
Model	R	R Square	Adjusted R Square	Std. Error of the			
				Estimate			
1	,173 ^a	,030	-,024	1,44131			
a. Predictors: (Constant), aa2							

sorce: Prepared by the student based on the SPSS V23 program.

Through the table, we notice that the correlation coefficient amounted to 0.173, which is a value close to zero, which explains that there is a positive relationship between work in the time of Corona and performance within the institution. In light of the crisis, the performance of the institution is very weak.

2- Contrast test ANOVA

Table 10: Contrast test ANOVA

ANOVA	a						
	Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	1,157	1	1,157	,557	,465 ^b	
	Residual	37,393	18	2,077			
	Total	38,550	19				
a. Dependent Variable: aa1							
b. Predictors: (Constant), aa2							

<u>sorce</u>: Prepared by the student based on the SPSS V23 program.

We note that the value of F amounted to 0.557, which is a position ratio close to 0, which means that the average level of significance reached 0.45, which is greater than 0.05, which indicates that it is not statistically significant between the degree of freedom 1 and 18 with a

positive t value for both axes, i.e. 1.15 and 2.07, which shows that the relationship is the degree of variance The relationship is also weak

3-Simple Regression Equation

Table 12: Simple Regression Equation

Coefficients ^a								
	Model	Unstandardized Coefficients		Standardized	t	Sig.		
				Coefficients				
		В	Std. Error	Beta				
1	(Constant)	17,862	2,981		5,992	,000		
	aa2	-,082	,110	-,173	-,746	,465		
a. Dependent Variable: aa1								

sorce: Prepared by the student based on the SPSS V23 program.

Through the table, it shows that the value of α amounted to -0.082 and the value of β amounted to -0.173, which is a negative value that shows that the relationship between the variables is completely inverse, as the higher the crisis, the lower the performance in the organization with -0.173 with a very simple standard error estimated at 0.110, which results in the simple regression equation out of shape

y=-0.082x-173 where

y: performance in the organization

x: work during a crisis

 α : -0.082

β: -0.173

Which shows that the relationship between work in light of the crisis is inversely consistent with performance within the institution at a significance level of 0.46, which is not significant, which confirms the validity of the hypothesis

The performance of the institution is negatively affected in light of the Corona health crisis

Chapter Summary

The current crisis has created conditions that have a negative impact on production within the institution, especially small and medium enterprises, and this is what was extracted from this chapter after shedding light on the "IBACHE" institution, it became clear that the institutional performance was negatively affected by the current health crisis Corona.

CONCLUSION

Conclusion

. The Corona pandemic had negative repercussions on the level of small and medium enterprises in Algeria. Through this research paper, we reached several results, which we highlight as follows:

Results

- Small and medium enterprises have been greatly affected by the Corona pandemic
- -The performance of the institution is negatively affected in light of the Corona health crisis
- The continuation of the Corona pandemic for a long time will undoubtedly lead to an increase in the unemployment rate due to the layoffs of workers from their jobs and the closure of many institutions -Due to the limited financial resources of small and medium enterprises and in light of the Corona pandemic, they are unable to withstand and have proven their failure to pay workers' wages.

In order to enrich this study, we wanted to present suggestions and recommendations that might be enough to revive small and medium enterprises and allow them to practice their performance and reduce the problem of unemployment, which is represented in:

Recommendations:

- -Prepare well before falling into a crisis.
- -Qualification and training of workers in the field of information technology Providing mechanisms and techniques to communicate with customers to maintain them

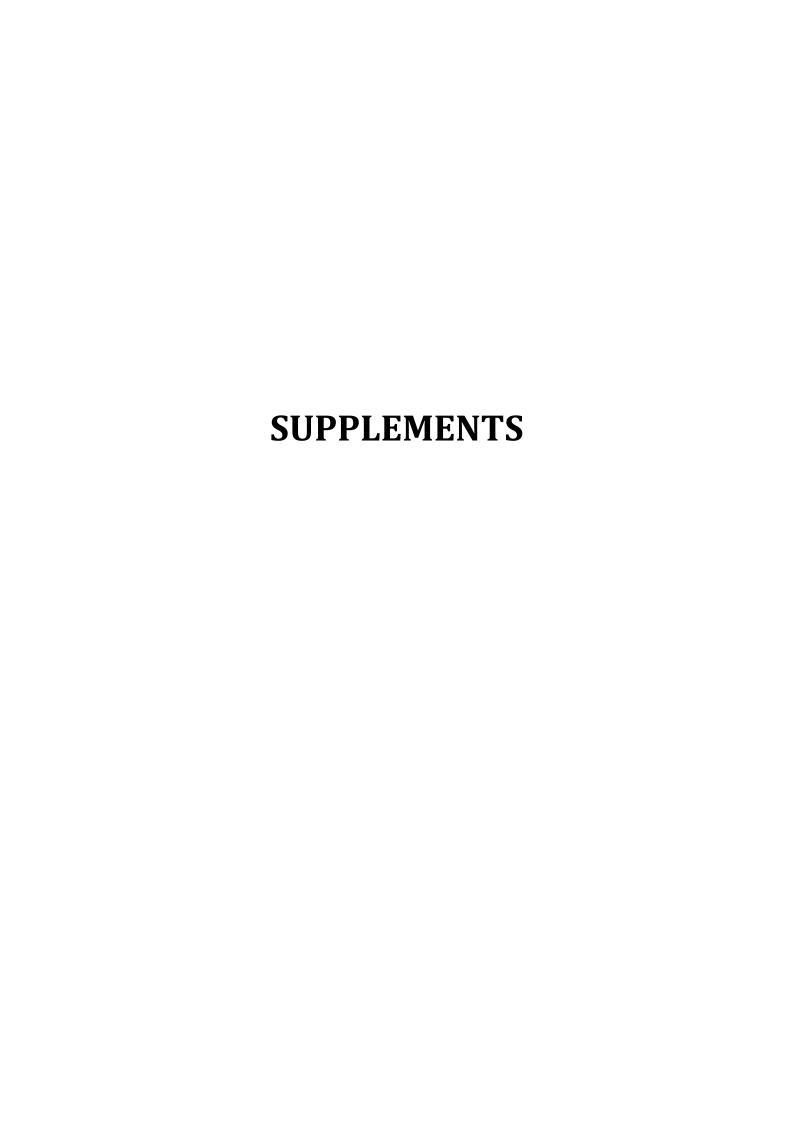
And in order to enrich this study, we wanted to make recommendations that might be enough to revive small and medium enterprises and allow them to carry out their performance and reduce the problem of unemployment, which is represented in the

Studies Suggestions

- -Providing assistance by the state in the form of tax exemptions and facilities so that these institutions devote themselves to paying the wages of workers
- -Supporting the financing of small and medium enterprises to enable them to maintain the continuity of their activities and employment

LIST OF REFERENCES

- 1. (Hidayet Keskin.Canan Senturk), The importance of SMEs in developing Economies, International symposiumon sutionable development, Sarajevo, june 8-9-2010, p188
- 2. (Mane Beglaryan ,Gayane Shakhmur),The impact of COVID-19 on small and medium-sized enterprises in Armenia: Evidence from a labor force survey ,Small Business International Review, ISSUE 2,Armenia,2020/09/15
- 3. Ruochen Dai, Junpeng Hu, and Xiaobo Zhang, et al. 2020. "The Impact of COVID-19 on Small and Medium-sized Enterprises (SMEs): Evidence from Two-wave Phone Surveys in China."
- 4. (Mohsin Shaf Junrage Liu,Impact of COVID-19 pandemic on micro,small and –sized Enterprises operating in Pakistan ,Journal ELSEVIER.Pakistan,30july2020
- 5. https://peacekeeping.un.org/sites/default/files/hq_04_02_20_covid-19 poster 02 unitar.pdf seen on 15/03/2021
- 6. https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/how-covid-spreads.html seen on 14:30,15/12/2020
- 7. بولعراس صلاح الدين، الاقتصاد الجزائري في ظل التداعيات العالمية لجائحة كورونا بين الاستجابة الأنية و المواكبة البعدية، ،مجلة العلوم الاقتصادية،جامعة سطيف،2020/09/30، 168-169
 - 8. كرامة مروة ،رحال فاطمة)، تأثير الأزمات الصحية العالمية على الاقتصاد العالمي :تأثير فيروس كورونا كوفيد-19 على الاقتصاد الجزائري أنموذجا ،العدد 20،الجزائر،06/30،2020،ص 332-310



Ahmed Draia University – Adrar Faculty of Economic and Commercial Sciences and Management Sciences Department of Economic Sciences Specialization in monetary and banking economics



A Questionnaire

Presented by:

Abdelghani Roumaissa

Supervised by:

Dr.Sidamor Zeyneb

We put in your hands this questionnaire related to a study (the impact of the Covid-19 pandemic on the performance of Small and medium enterprises in Algeria, a case study), through which we seek to know your valuable and useful opinions and suggestions about the paragraphs included in the questionnaire.

We ask you to kindly fill in this questionnaire accurately and objectively, because it is important in completing the requirements of the study with an assurance that the answers will be dealt with in complete confidentiality and for the purposes of scientific research.

* Personal Information:								
1/Gender: Male Female								
2/Age: (20-30) (31-40) (41-60) (
3/Education level: Secondary 🔾 Ur	niversity (OPostg	raduate (C				
4/ Job type: Employee Contract	ing \bigcirc Ot	her 🔘						
sentences	l totally agree	l agree	neutral	I do not agree	I absolutely Do not agree			
Axis 1 :the	e work of	the inst	itution					
I. The w	orkforce	in the in	stitution					
Q1- The Corona pandemic has had an impact on your organization								
Q2-Your employees are affected by the pandemic								
Q3- Due to the pandemic, there has been a change in your plan for the workforce in the organization								
Q4- The company was forced to lay off workers due to the pandemic								
II. The level o	f produc	tion in th	ne enterp	rise				
Q1-Due to the Corona virus, the production level of your organization has changed								
Q2- The company has dispensed with some products that are not in great demand								
Q3- The organization has developed a plan for the levels of productivity to be								

Q4- Total enterprise revenue for the					
year 2020 is less for the total					
enterprise revenues for the year 2019					
Q5- The ability of the institution to					
expand investment decreased due to					
the crisis					
Axis 2: to the po	erforman	ce of the	institutio	on	
I. incomes	of worke	ers in the	enterpris	se	
Q1- The cash reserve of the					
Corporation has decreased due to the					
Corona pandemic crisis					
·					
Q2- The institution's ability to self-					
finance has decreased due to the					
pandemic					
Q3- There was a delay in the payment					
of workers' salaries					
Q4- There was aid provided by the state					
to compensate for the losses					
Q5- The work brings me an income					
that dispenses with the traditional job					
,					
Evaluation of th	ne institu	tion's ne	rformano	`P	
270.000.01		о ре			
O1 Vov had to share a vove a section					
Q1- You had to change your operating					
plans					
00.71					
Q2- The organization uses control					
methods that optimize the use of					
resources					
Q3- The organization facilitates the use					
of remote work					
Q4-The health crisis contributes to					
highlighting the efficiency of the					
employee through remote work					

Q5- The institution is keen on the health and safety of its employees while providing the service			
Q6-The management of the organization takes into account the conditions of the worker during the performance appraisal			

Statistics							
		GENDER	AGE	EDUCTION	JOBTYPE		
N	Valid	20	20	20	20		
	Missing	0	0	0	0		

Frequency Table

			GENDER		
		Frequency	Percent	Valid Percent	Cumulative
					Percent
Valid	Male	17	85,0	85,0	85,0
	Female	3	15,0	15,0	100,0
	Total	20	100,0	100,0	

AGE								
		Frequency	Percent	Valid Percent	Cumulative			
					Percent			
Valid	20-30	7	35,0	35,0	35,0			
	31-40	12	60,0	60,0	95,0			
	41-60	1	5,0	5,0	100,0			
	Total	20	100,0	100,0				

EDUCTION					
Frequency	Percent	Valid Percent	Cumulative		

					Percent
Valid	seconday	10	50,0	50,0	50,0
	university	9	45,0	45,0	95,0
	pstgraduate	1	5,0	5,0	100,0
	Total	20	100,0	100,0	

			JOBTYPE		
		Frequency	Percent	Valid Percent	Cumulative
					Percent
Valid	Employee	18	90,0	90,0	90,0
	contracting	2	10,0	10,0	100,0
	Total	20	100,0	100,0	

Scale: ALL VARIABLES

Case Processing Summary						
		N	%			
Cases	Valid	20	100,0			
	Excluded ^a	0	,0			
	Total	20	100,0			
a. Listwise deletion based on all variables in the						
	proce	dure.				

Reliability Statistics					
Cronbach's Alpha N of Items					
,692 3					

Item-Total Statistics						
	Scale Mean if	Scale Variance if	Corrected Item-	Cronbach's Alpha		
	Item Deleted	Item Deleted	Total Correlation	if Item Deleted		
aa1	69,3500	34,976	,065	,942		
aa2	58,1500	14,134	,666	,365		
total	42,5000	9,526	1,000	-,310 ^a		

a. The value is negative due to a negative average covariance among items. This violates reliability model assumptions. You may want to check item codings.

Scale Statistics						
Mean	Variance	Std. Deviation	N of Items			
85,0000	38,105	6,17295	3			

CORRELATIONS

/VARIABLES=Q1 Q2 Q3 Q4

axis1: the work of the institution

	Descriptive Statistics		
	Mean	Std. Deviation	N
Q1- The Corona pandemic has had an impact on your organization	1,1500	,36635	20
Q2-Your employees are affected by the pandemic	1,3500	,48936	20
Q3- Due to the pandemic, there has been a change in your plan for the workforce in the organization	1,9500	,75915	20
Q4- The company was forced to lay off workers due to the pandemic	3,0000	,00000	20
1- Man power	7,4500	,82558	20

	Descriptive Statistics		
	Mean	Std. Deviation	N
Q1-Due to the Corona virus, the production level of your organization has changed	1,3500	,48936	20
Q2- The company has dispensed with some products that are not in great demand	1,5500	,60481	20

Q3- The organization has developed a plan for the levels of productivity to be reached	2,3000	1,03110	20
Q4- Total enterprise revenue for the year 2020 is less for the total enterprise revenues for the year 2019	1,2500	,44426	20
Q5- The ability of the institution to expand investment decreased due to the crisis	1,7500	,44426	20
2- The level of the production in the institution	8,2000	1,05631	20

CORRELATIONS

/VARIABLES=Q10 Q11 Q12 Q13 Q14 axis3

/PRINT=TWOTAIL NOSIG

/STATISTICS DESCRIPTIVES

/MISSING=PAIRWISE.

Axis2:: the performance of the institution

	Descriptive Statistics		
	Mean	Std. Deviation	N
Q1- The cash reserve of the Corporation has decreased due to the Corona pandemic crisis	1,6000	,50262	20
Q2- The institution's ability to self-finance has decreased due to the pandemic	1,7000	,73270	20
Q3- There was a delay in the payment of workers' salaries	1,2000	,41039	20
Q4- There was aid provided by the state to compensate for the losses	4,5500	,60481	20
Q5- The work brings me an income that dispenses with the traditional job	3,3500	,81273	20
1 -The institution's income	12,4000	1,95744	20

	Descriptive Statistics		
	Mean	Std. Deviation	N
Q1- You had to change your operating plans	1,5000	,51299	20
Q2- The organization uses control methods that optimize the use of resources	2,6000	1,39170	20
Q3- The organization facilitates the use of remote work	3,6000	1,31389	20
Q4-The health crisis contributes to highlighting the efficiency of the employee through remote work	3,3000	1,38031	20
Q5- The institution is keen on the health and safety of its employees while providing the service	1,7500	,55012	20
Q6-The management of the organization takes into account the conditions of the worker during the performance appraisal	1,7000	,73270	20
2- Evolution of the performance of the institution	14,4500	2,16370	20

Variables Entered/Removed ^a						
Model	Variables Entered	Variables	Method			
		Removed				
1	aa2 ^b		Enter			
a. Dependent Variable: aa1						
b. All requested variables entered.						

Model Summary

Model	R	R Square	Adjusted R	Std. Error of the	
			Square	Estimate	
1	,173ª	,030	-,024	1,44131	
a. Predictors: (Constant), aa2					

			ANOVA ^a			
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1,157	1	1,157	,557	,465 ^b
	Residual	37,393	18	2,077		
	Total	38,550	19			
a. Dependent Variable: aa1						
b. Predictors: (Constant), aa2						

Coefficients ^a							
Model		Unstandardized Coefficients		Standardized	t	Sig.	
				Coefficients			
		В	Std. Error	Beta			
1	(Constant)	17,862	2,981		5,992	,000	
	aa2	-,082	,110	-,173	-,746	,465	
a. Dependent Variable: aa1							

Abstract

The Corona pandemic had a negative impact on most sectors, especially the economic sector, which was severely affected in all countries of the world in which the epidemic spread, similar to the Algerian state whose economy was affected greatly by the Corona pandemic.

At the forefront of the affected economic institutions are the small and medium enterprises that were greatly affected by this health crisis as a result of the Corona pandemic, which negatively affected their incomes, employees and performance

Key words: Corona pandemic - COVID-19 - Small and Medium Enterprises – Economy.

Résumé

La pandémie de Corona a eu un impact négatif sur la plupart des secteurs, en particulier le secteur économique, qui a été durement touché dans tous les pays du monde dans lesquels l'épidémie s'est propagée, à l'instar de l'État algérien dont l'économie a été fortement touchée par la pandémie de Corona. Au premier rang des institutions économiques touchées se trouvent les petites et moyennes entreprises qui ont été fortement touchées par cette crise sanitaire à la suite de la pandémie de Corona, qui a affecté négativement leurs revenus, employés et leurs performance.

Mots clés : Pandémie de Corona - COVID-19 - Petites et Moyennes Entreprises – Économie.