



The Effects of Economic Crisis on Business Finance

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ABSTRACT

A crisis is a period associated with events that occur unexpectedly that have a negative impact on the organization. The economic crisis is caused by an unforeseen world situation so it must provide a fast, precise and accurate decision so as not to affect the organization's overall operations as a bold step to minimize unintended consequences. A crisis is an event that can destroy an organization and its employees, products, services, and the financial condition of a business enterprise like a corona outbreak. An economic crisis if left unchecked can cause a financial situation that is a concern, a crisis which is an event that has a broad scope of society. The crisis has the potential to cause long-term damage to the financial image of a business company will lose public trust in consumer confidence can weaken the morale of company employees who are experiencing a crisis, can pose the risk of increasing the intensity of the problem. Thus, the aim of this paper is to examine the effects of economic crisis on business finance. The data analysis technique uses the structural equation modeling technique, which involved 400 Indonesian small and medium entrepreneurs and 162 samples collected on employees. The results show that the effect of the economic crisis on the financial statements of Indonesian medium and small micro traders plays an important role in the economic crisis so that business finance business is very influential when there is uncertainty in the environment, the financial statements of small and micro business enterprises sweeping across the globe hit making bad changes in the financial statements of micro and small business entrepreneurs in Indonesia. This research was conducted on micro small and medium entrepreneurs in Indonesia.

Keywords: Economic Crisis, Business Finance, Financial Situation

JEL Classifications: F3, G01

1. INTRODUCTION

Crisis in a very dangerous situation that can have a big impact on everyone. Broughton (2015) states that crises can include: epidemics, natural disasters, technology, poor management, terrorism, warfare, scarcity. Crisis management is the process of an organization with major events that threaten to harm the organization, stakeholders or the general public. Then Rodriguez and Jantunen (2007) state that there are three elements that are most common for defining crises: threats to organizations, elements of surprise, and short time decisions. While crisis management deals with threats that have already occurred.

In crisis management there is crisis communication. Crisis communication is the key to success of crisis management. Crisis conditions must be conveyed to all elements of society, consumers, and also employees of the company itself (Daszak, et al., 2020; Hertati, 2015; Drake, 2006). Like when there is a Corona outbreak, companies must be able to provide information related to work regulations at the time of the outbreak and also steps to avoid contracting the virus. World Health Organization (2020) expressed viewed through the perspective of business, the crisis will cause things like the intensity of the problem will be even greater, the problem can be highlighted by the public, the problem will interfere with the smooth running of everyday business, the problem will interfere with the good name and image

of the company, Problems can damage the company's work system as a whole.

The phenomenon states that in the economic crises of 1998 and 2008, the micro small and medium business sector did indeed support the economy because the majority did not yet have financial and capital access and thus the crisis was affected (Okumura et al., 1998). Sean and Cherrie (2020) states that currently, the small and medium business sector is most vulnerable to the effects of the corona virus. Gostic data (2020) states that as many as 96% of micro, micro, small business owners in the United States have felt the effects of the COVID-19 pandemic and 75% of their businesses experienced a decline in sales.

While in the country, Lai et al. (2020) said, the turnover of Indonesian small and medium businesses has decreased by 70% in the past week. Lee (2020) states that in the present, the use of technology will be the best solution to help the wheels of the economy of small and medium businesses keep going. Li et al. (2020) states that in addition to capital assistance, marketing through social media and bookkeeping automation will facilitate small and medium businesses to develop strategies that are appropriate for the continuity of current and future businesses as a result of covid-2019 engulfing populations throughout the world.

Furthermore Deming (2005) and Hertati (2019) stated the presence of cloud-based online accounting software products that presents a number of tips that can be applied by small and medium businesses in dealing with economic pressures. Feng et al., (2020) stated that when the Corona virus crisis now triggers companies to carry out digital transformation and accelerate changes in the industry of learning and working at home that will become a habit after the corona virus subsides. The sluggish market due to the impact of Corona Virus is not able to boost sales figures of small and medium businesses. The impact of the income received was not as expected.

This causes the company's financial balance to be disrupted (Lin et al., 2020; Long et al., 2020; McCloskey, et al. 2014; Hertati, 2016). The worst impact, the business can run out of business as a result of existing funds run out before the business develops or returns on investment (Lestari and Hertati, 2020). The capital market can encourage openness and professionalism, thereby creating a healthy business climate and investment. The operation of the capital market can also accommodate labor, thereby reducing unemployment and as a source of income in society. In determining the company's capital structure many factors influence it, fundamental factors or internal factors, for example: company size, profitability, business risk, investment opportunities, company growth (Renn, 2008; Seale et al., 2011; Smith et al., 2004).

Running a small to medium sized business when the Indonesian economy is affected by the Corona Virus is very difficult. Even some business sectors all experience paralysis which ultimately affects the country's economy and causes a slowdown in global economic activity. In the end, micro small and medium business entrepreneurs must rack their brains to maintain the condition of the company in order to stay primed, without the need to

face-to-face and worry about contracting the Corona Virus. To overcome this problem, business people can carry out a number of strategies so that business continues to run smoothly amid the threat of economic recession due to Corona. Cash flow is one of the most important elements in doing business. A business must be able to manage cash optimally and well. If not, then the risk of running a bankrupt business. Kwok et al. (2020) and Papp (2020) state that it is important for micro small and medium businesses to maintain cash flow conditions to remain balanced. Cash flow management can determine the life and death of a business. For example, in a situation like this, business people are vulnerable to billing or payment directly to business partners. This can increase the risk of Corona Virus.

Micro, small and medium businesses have the option to easily create billing or payment statement documents. Invoices can be sent or received automatically via e-mail as official notification to micro small and medium business partners to carry out transactions without the need to physically meet customers. If you use online accounting software, you will find it easy to create invoices, complete with 11 different professional designs according to the company's business needs. Of course accompanied by details of the number of goods/services, unit prices, and total prices, as well as the date of purchase in the invoice.

Other features that can be utilized make it easy to receive payments from customers. Available for Virtual Account (bank transfer) and Credit Card payments with a minimal fee and 1 time arrangement. Not only that, the recording of bookkeeping for payments that have been received will be done automatically by the system instantly. Billing for sales of micro small and medium businesses has become easier, faster, and more professional.

The cost budget plan in business is an outline deliberately created to organize their business according to the budget or required expenditure (Jefferson et al., 2011). This step needs to be done primarily to evaluate business performance, whether profitable or even in a position of loss. Making a budget plan is fairly important in business to calculate the entire budget that will be done in a business plan in the next period.

Without a clear plan, entrepreneurs will find it difficult to determine the cost of capital to be disbursed and income targets to be achieved. When the economic situation worsens due to Corona Virus, business people must be really observant in making decisions. The right strategy is needed for business continuity. One way that can be done is to make a neat bookkeeping company. All financial transactions, both income, expenses and other transactions must be well documented (Mills et al., 2010; Hertati, 2016).

Bookkeeping has a Financial Reporting feature. This bookkeeping application can be one tool that helps make the bookkeeping process faster and neater. Business people can analyze exactly which items are expensive and need to be controlled. The decision to cut costs properly. Business risk factors, tax position, financial flexibility, and conservatism or management aggressiveness are factors that determine capital structure decisions, especially in

business enterprise financial statements when the level of global economic crisis hits. In general, the factors that influence the financial statements of business decisions when sales stability, asset structure, operating leverage, growth rates, profitability, taxes, controls, management attitudes, lenders' attitudes, market conditions, company internal conditions and financial flexibility cannot function. Because natural factors hit the world. Factors that affect the financial statements of business enterprises when an economic crisis occurs because the world economic wheels disrupted the situation that occurs due to natural factors. The financial statements of micro and small business enterprises, not growing, protectors of non-debt taxes, profitability, liquidity, and levers have failed. (Hertati, 2015; Niud and Zu, 2020; Wieland, 2017).

2. THEORETICAL FOUNDATION AND HYPOTHESIS DEVELOPMENT

Perlman (2020) states that business entrepreneurs must be able to adapt to the environment flexibly and be able to logically analyze how micro small and medium businesses are able to survive well in the critical era of co-19 Vademik one way must be able to adapt to their environment both in the form of threats and opportunities in various business activities. The concept of global critical management was presented by David (2002) who explained global critical management as an art and knowledge for formulating, implementing, and evaluating cross-functional decisions to achieve organizational goals.

Then, Pearce and Robinson (2007) understand the concept of strategic management as a set of decisions and actions that result in the formulation and implementation of plans designed to achieve the objectives of a company. Wheelen and Hunger (2012) also explain their opinion that strategic management can consist of four basic elements namely environmental observation, strategy formulation, strategy implementation, and evaluation and control.

2.1. Economy Crysis

Hertati (2015) states that all events or signals of crisis in conducting supply chain business have begun to appear but the company continues to carry out activities as usual. Companies affected by the peristia situation that is shaking the world cause the business to not run so that the economic crisis will have a big impact in the next stage. Kevorkian et al. (2020) states that when there is environmental uncertainty caused by natural situations and the will of power, the Corona virus spreads in various countries in the world, including Indonesia, it has an impact (Keping, 2018; Hellewell et al., 2020; Jasanoff, et al., 2005). This is a signal for micro, small and medium sized businesses to prepare a strategy in dealing with a co-19 that is a plague and requires people throughout Indonesia to lock in. Long et al. (2020) and Lin et al. (2020) state the characteristics of the economic crisis are as follows:

1. Acute

The crisis has not been so obvious but has begun to be felt slowly by the company. At this stage the term "point of no return" also means the company has no chance to re-improve

the situation if the signal in the prodromal process is not heeded by doing good crisis management. For example, when someone has contracted Corona, the company continues to run the company as usual and prepares scenarios for alternative work, for example work from home.

2. Chronic

Government intervention has arisen and affected the entire business process as a whole because the company has had an impact on the crisis. It is at this stage that the company implements a strategic policy so that the business can continue running. For example, when someday Jakarta and Indonesia really lockdown so that it can affect overall business activities such as supply chains and also export or import activities.

3. Healing

Last of the crisis. The company will begin to improve and reorganize the workings and structure of human resources. But at this time the company also began to adapt to all conditions if the company experienced a crisis that was quite long.

4. Crisis Management Planning

Designing crisis management, the company must take three strategic steps in accordance with the current crisis situation, namely:

5. Pre-crisis

Focusing on preventing and preparing functions companies must design strategies by identifying crisis threats and opportunities. Companies must also be able to analyze the company's SWOT in facing a crisis. Strategy preparation is also made in the long run. Companies need to implement strategic programs in dealing with crises, for example; employee reductions, work from home, or providing health facilities for employees.

6. Crisis Response

Companies need to make policies towards business direction. The company must also determine the tools used to respond to the crisis. One of the ways in conducting crisis response is to empower information systems such as HR software to facilitate work from home or accounting software for remote monitoring and distribution of financial statements.

2.2. Business Finance

Koonin (2020) states that business people are inseparable from banking transaction activities. To avoid the risk of Corona Virus exposed in public spaces. Leung, et al. (2020) states that small and medium businesses should avoid visiting bank branches directly and prefer transactions via online. Niud and Xu (2020) states that the increasingly aggressive Corona Virus spread makes businesspersons need to think twice about visiting the business warehouse directly. An alternative step that needs to be taken is to check the status of the inventory on a regular basis over long distances. Sutherst (2004) states that the Inventory feature of a business venture can monitor stock in real time without the need to go to its physical warehouse. Smith et al. (2016) and Okumura (2008) state that not only calculates the inventory of goods, but also knows the average sale and purchase price, and informs the availability of stock at a moment's notice.

Can obtain references regarding the performance of business products and the notification of empty stock. business do not

need to be anxious when the business venture continues and is able to survive in the current pandemic conditions (Wieland, 2017; Hertati, 2020; World Health Organization, 2008). Research Okumura, et al. (2008) supports and is committed to helping meet the challenges of maintaining productivity and economic growth amid demands to reduce mobility to the workplace and public crowds through programs. Leung et al. (2020) and Hertati (2020) state the characteristics of financial statements:

1. Income Statement

Also called an income statement or profit and lost statement, the income statement describes the elements of the company's income and expense to determine the net profit or loss generated. The main function of the income statement is to present business performance information, which is needed to predict the company's internal economic condition in the future. This information can also be used to predict the company's capacity to generate cash flow from existing resources.

Based on Financial Accounting Standards issued by the Indonesian Institute of Accountants, an ideal income statement must at least include aspects of income, operating income, loan expense, tax expense, profit or loss from the company's normal activities, extraordinary items, minority rights, net profit or loss for the current period, as well as part of the profit or loss of affiliated and associated companies which are applied using the equity method. Extraordinary items refer to revenues, profits, costs, or losses arising from unusual or infrequent transactions or events. Meanwhile, minority rights are rights owned by small shareholders.

2. Capital Change Report

As the name implies, the capital change report describes information on the amount of capital your business has for a certain number of years. This report shows the magnitude of changes in capital that have occurred, complete with the causes of the changes. To make a capital change report, you need data about the amount of capital at the beginning of the year, the amount of loss or net income during the year, and the withdrawal of personal funds by the owner for the year concerned. That is why you must prepare an income statement before making a capital change report.

3. Balance Sheet Reports

If you have never heard of a balance sheet, you might call it a balance sheet. Both are the same, namely a report that shows the condition, information, or financial position of a business on a certain date. Through the balance sheet, you can see the amount of assets in the form of assets or assets, liabilities in the form of debt, and equity which is the company's capital. In general, the balance sheet consists of three main elements, namely assets, liabilities, and equity. If all three are related to the accounting equation, it will form as follows: $\text{assets} = \text{liabilities} + \text{equity}$.

4. Cash Flow Statement

Statements of cash flows or cash flows are the company's financial statements that are used to show the company's cash inflows and outflows during an accounting period. The information obtained from the cash flow statement can be used as an indicator of the amount of cash flow in the future, as well as useful for assessing the accuracy of the estimated

cash flows that have been made previously. The cash flow statement is also the instrument of accountability for cash inflows and outflows during the reporting period.

Sean and Cherrie (2020) states that the types of financial statements of major business enterprises during the 19th plague were important for business ventures. In addition to helping to know the financial condition of micro small and medium business businesses, various financial reports can also serve as a reference for decision making and accountability to third parties such as investors or tax entities. The financial statements of business enterprises during the 19th plague above will assist businesses in maintaining the financial condition of the business.

2.3. The Effect Economic crisis on Business Financial

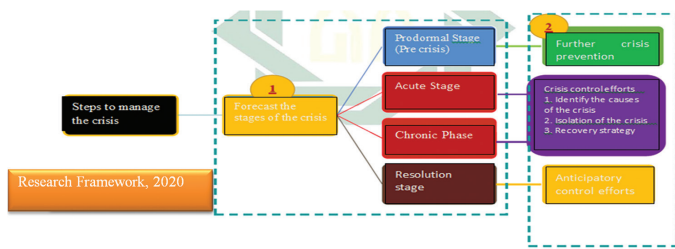
Uncertainty due to the corona virus epidemic is what haunts everyone today, including the owners and business leaders Rodriguez and Jantunen (2007) and Hertati (2015). This issue adds to the complexity of the management of business organizations and presents different leadership challenges in the current era. In organizational management the current conditions in which humans will face things that are shocking, unpredictable such as extreme weather, conflict, warfare, unilateral policy inconsistencies, the discovery of new technologies. The results of the committee Hertati (2019) found that these unexpected factors became a normal thing in today's society. Executive leaders and business owners in this era are required to be able to anticipate surprises effectively if they want the organization to survive and continue to grow.

Plague events that afflict the inhabitants of the earth, such as forest fires, air pollution, extreme weather, plus matters of conflict and trade wars. The problem is, some of us may not take it seriously or still underestimate the influence of these factors on business. Considered like viral news or headlines that alternately. Especially for some people, including micro small and medium business entrepreneurs in Indonesia. The difference, these events are still impacted as isolated while the epidemic has a global impact so-called pandemic. Even though Covid-19 has been declared a pandemic by WHO, the business community in Indonesia initially tended to not care and considered this an ordinary event that had no impact.

Researcher Anderson, (2020) proved that there are still many who work even though they have been appealed by the government to continue working because their income is small enough to cover their daily needs. With the reduction of community activities outside the home due to lockdown and social distancing, it has had a negative effect on the business world and society. As long as the Corona Pandemic continues, the fate of companies and workers is on the brink. financial statements play a very important role in a business. The financial data contained therein enables micro small medium enterprises to find out the overall financial condition of micro small and medium businesses.

From this financial condition information, micro small and medium businesses can formulate business strategies and make important decisions. Knowles et al. (2014) states that there are

different types of financial statements. There are at least four types of financial statements that are compulsory for micro small and medium businesses in business and the following explanation in the framework of research (Cohen et al., 2009; Frickel et al., 2007; At Di Nucci et al., 2017; Drake et al., 2006).



Research Hypothesis:

Based on the framework described previously, the hypotheses proposed in this study are:

H1: The effect of crisis management on Business Finance

3. MATERIALS AND METHODS

The location of this research is housed in micro small and medium businesses in Indonesia. The population of this research is the business owners and employees of the marketing section of micro small and medium enterprises in Indonesia. The population in this study amounted to 400 samples taken using the formula A Semiparametric Analysis of the Role of Inequality, Investment and Government in Economics Growth'. With an error rate of 5% with a total sample of 400 respondents. Of the 400 questionnaires distributed, 162 returned and 152 questionnaires were processed, 10 respondents filled out incomplete.

This study uses a five-point Likert scale. The independent variables in this study are global crisis management and the financial statements of business enterprises during the 19th plague as the dependent variable. The method used in this research is descriptive and explanatory research through simple random sampling technique using the Slovin formula (Hengky, 2013), as follows:

$$\frac{N}{1 + N(e)^2}$$

so that it is obtained a sample as follows

n: sample size

N: population size

e: Inaccuracy leeway percent due to sampling which can still be tolerated or desirable for example 5%, 10% and more.

The observation unit in this study is the business owners and employees of the marketing of micro small and medium enterprises in Indonesia. This research uses primary data which is carried out through Google forms sent by e.mail and whatshap, while the data collection method used is a questionnaire. Validity test

is done which is used to determine the eligibility of items in the questionnaire to determine the variables and the reliability test to measure the reliability of the object being measured.

Data analysis was performed by descriptive and verification analysis. Descriptive analysis is carried out with balanced categorization using inter quartile ranges (Hair et al., 2014). Verification Analysis used to test the hypotheses in this research is to use structural equation modeling (SEM) or variance based components known as Partial Least Square (PLS).

4. ANALYSIS DATA

4.1. Research and Discussion Results

The variable economic crisis and financial business as many as 30 statements with a range of the lowest value of 1 and the highest value of 5 can be seen in the following table. Respondents in this study were managers and marketing in micro small and medium enterprises in Indonesia. The number of questionnaires sent was as many as 400 questionnaires from 6 million micro and small and medium enterprises in Indonesia.

After distributing google forms in accordance with the specified time, returned questionnaires amounted to 168 questionnaires which he thought was good. After further selection to find out which questionnaires could be processed and which could not, the results showed that 6 questionnaires could not be processed because they were incomplete and as many as 162 questionnaires were processed in this study. Based on the results of the questionnaire distribution, the following profiles are presented according to their level of education and gender as follows.

Table 1 presents the profile of respondents according to their level of education, which shows that the majority of respondents were educated with a high school graduation of 50, amounting to 30.9%, S1 totaling 70 people or 43%, then followed by Masters level totaling 42 people or 39%. While there are no respondents who have a S3 education. Next Table 2 presents the profile of respondents according to gender as follows.

From Table 2 it can be seen that the profile of respondents according to gender shows that the majority of respondents are

Table 1: Profile of respondents by education level

No.	Level of education	Amount	Percentage
1	High school equivalent	50	30,9
2	Bachelor degree	70	43
3	Bachelor degree	42	39
4	Strata three	0	26
Amount		162	100

Source: Processed Results of Statistics 2020

Table 2: Profile of respondents by gender

No.	Gender	Amount	Percentage
1	Male	105	65
2	Female	57	35
Amount		162	100

Source: Processed Results of Statistics 2020

male, totaling 105 people or 65%, then followed by female sex as many as 57 people or 35%.

The calculation of statistical tests on the average data score of the indicators that make up the economic crisis in small and medium micro companies in Indonesia using a single sample t test shows a value of t , which is 5,1001 with a p value (significant value) of 0,000. Values for $df = 415$ and $\alpha = 5\%$ are 1.96 (one-sided test) (Table 3). The results obtained indicate the value $t > (4,427 > 1.96)$, the findings indicate that the economic crisis is quite bad. Hypothesis test results confirm that the assessment of the economic crisis of employees is very bad (Table 4). The results of the study suspect that the response to the economic crisis is quite poor. The educational background of the average employee experiencing an economic crisis and the financial statements of business firms are dominated by secondary school graduates. So the assessment of employee economic crisis is not perfect. The economic crisis variable states that the economic crisis of micro small and medium enterprises in Indonesia amounts to 5,1001 with a deflation standard of 0.40405, along with the t-test results for the variable financial statements of business enterprises (Table 5).

The calculation of statistical tests on the average data score of the indicators that make up the financial statements of small and medium-sized business enterprises in Indonesia using a one-sample t test shows a value of t , which is 7.657 with a p value (significant value) of 0,000. Values for $df = 315$ and $\alpha = 5\%$ are 1.66 (one-tailed test). The results obtained indicate value $t > (7,657 > 1.66)$ (Table 6). In order for H1 to be accepted with the results of the financial statements of small and medium-sized business enterprises in Indonesia, the test results confirm that the picture of micro small and medium-sized businesses in Indonesia is considered to decline sharply. The business financial statement variable states that the financial statements of micro and small business entrepreneurs in Indonesia amounted to 8.5731 with a deflation standard of 0.80806, following the results of the t-test for business financial statement variables (Table 7).

The statistical test calculation of the average data score of the indicators that make up the financial statements of micro and small business businesses in Indonesia using a single sample t test shows a value t , which is 7.657 with a p-value (significant value) of 0,000. Values for $df = 152$ and $\alpha = 5\%$ are 8.96 (one-tailed test). The results obtained show the value $t < (8,557 < 8.96)$. In order for H1 to be accepted with the results of the employee's description of a very bad economic crisis, the test results confirm that the employee's description of the financial statements of micro and small business enterprises in Indonesia is considered quite poor (Table 8).

5. DISCUSSION AND CONCLUSION

The world was shocked by the level of the economy which was partially paralyzed by human life on earth. All sectors experienced paralysis which ultimately affected the country's economy and caused a slowdown in global economic activity. Based on the Moody's Financial Analysis Institute, there is a prediction of a

decline in Indonesia's economic growth in 2020, from 2.9% to 4.8% (source: katadata.co.id).

Many companies sleep temporarily, some of which allow all employees to work from home or work from home (remotely).

Table 3: Hypothesis test results economic crisis variables

Variable	n	Mean	Standard deviation	Std. error mean
Economic crisis	416	8.1203	0.73212	0.07316

Source: Processed results of statistics 2020

Table 4: Results test value crisis management variables

Variable	Test value = 3				
	t	df	Sig. (2-tailed)	Mean difference	95% confidence interval of the difference Lower Upper
Economic crisis	8.1001	315	0.000	0.71025	0.0568 0.7537

Source: Processed Results of Statistics 2020

Table 5: Hypothesis test results variable business finance

Variable	n	Mean	Standard deviation	Standard error mean
Business Finance	416	4.1741	0.60406	0.07273

Source: Processed Results of Statistics 2020

Table 6: Test results one-sample test variable business finance

Variabel	One-sample test Test Value=3				
	t	df	Sig. (2-tailed)	Mean difference	95% confidence interval of the difference Lower Upper
Business Finance.	7.657	315	0.000	0.17405	0.1293 0.2188

Source: Processed Results of Statistics 2020

Table 7: Hypothesis test results variable business finance

Variable	n	Mean	Standard deviation	Standard error mean
Business finance	325	8.2471	0.704060	0.08553

Source: Processed Results of Statistics 2020

Table 8: Test results one-sample test variable business finance

Variable	One-sample test Test value=3				
	t	df	Sig. (2-tailed)	Mean difference	95% confidence interval of the difference Lower Upper
Business Finance	8.557	152	0.000	0.15205	0.1883 0.8158

Source: Processed Results of Statistics 2020

Even so, not all companies can implement work from home for employees. Especially for companies/industries in manufacturing, where every job requires machine tools that are not possible to take home.

All activities related to “interactions” between humans are of particular concern to the community. Owners of small and medium businesses and micro and small businesses in Indonesia (including those with many employees) experience total paralysis.

The reason is indeed almost all companies feel the same thing, although some of them do not feel the significant influence of this corona virus outbreak. The impact of the corona virus that affects the national economy can be further minimized. In addition, the government in cooperation with Bank Indonesia has reduced the benchmark interest rate by 25 basis points to 4.75%. However, this solution is not effective if the owners of small and medium enterprises and micro and small businesses in Indonesia do not develop business.

Whatever the cause, the crisis cannot be allowed because the crisis is an event that has a broad scope of society. This crisis has the potential to cause long-term damage to the company’s image, both losing trust from the public and consumers and weakening employee morale. Research Zhu et al. (2020) states that an organization or company that is experiencing a crisis, can pose risks for companies or organizations in overcoming situations that are considered to threaten the existence of the organization itself.

A threatening situation can be interpreted as a condition that can endanger the performance, goals, and vision and mission of the organization to be achieved. In dealing with this dangerous situation if it is not resolved quickly and precisely, then this can have a negative impact on crisis management organizations, because there are theories to overcome this problem. Where it is not uncommon for an organization to be forged by a crisis the unexpected and sudden. On the other hand, it can also photograph crisis events that have occurred a long time ago but were not quickly identified. Research Ye (2020) in an organization that has entered an acute, chronic stage, even if it has entered the stage of resolution, crisis management can still play its function to intervene and take strategies to overcome crisis conditions and in order to take steps to restore conditions to anticipate the reappearance of the crisis situation.

Research Wu, (2020) states in detail about the effort to control the crisis step by step which includes identifying the cause of the crisis, isolating the crisis, and the recovery strategy chosen using what approach, even what steps to take strategic decisions. Sean and Cherrie (2020) states that covid_19 podema describes the post-crisis recovery situation, an organization that anticipates conditions so that they do not recur.

6. CONCLUSION

The economic crisis in small and medium enterprises has decreased sharply due to no business finance on-going transactions, this causes high unemployment. Critical economy is very very

influential for financial business companies in the field of sales. Small and micro businesses are quite affected because business finance cannot function due to the economic crisis that engulfed the atmosphere of financial circulation. The crisis of life becomes an economic crisis that is unable to survive amid an uncertain situation because the economic crisis is only caused by small people who are helpless and do not have a decent financial community income is reduced because they do not work.

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