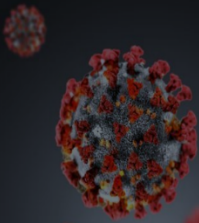


Ghana National Chamber
of Commerce & Industry



Your Business Links, Our Business



COVID-19: Examining the concerns and expectations of businesses in Ghana

A Survey Report for Business Advocacy

Research & Advocacy

May 2020

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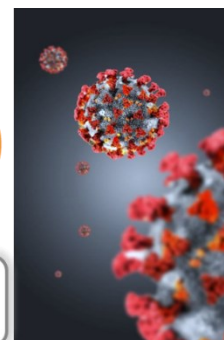
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Acknowledgements



Executive Summary

It is obvious that COVID-19 has entirely disrupted every aspect of human life including economic, physical, social, and mental well-being. National economies are faced with disruptions in their economic activities with severe risks to the global economy. Shutdown of some factories, lay-offs, reduction in working time, redundancy and disruptions in global value chains are some of the effects of the pandemic. It is projected that global economic growth will hit -3% for 2020, the worst contraction since the Great Depression of the 1930s. Ghana's projected economic growth has also been revised from 6.8% to 1.5%.

In the efforts to contain the virus and curb its spread, governments across the globe have implemented a number of measures including total or partial lockdown. African leaders have also called for an emergency stimulus package and interest waivers from local and international partners. In Ghana, a number of bold measures have been implemented by government in consultation with key stakeholders and this is commendable.

In line with its legislative mandate (LI 611, 1968; Act 232) to promote and protect commercial and industrial interest in the country, the Ghana National Chamber of Commerce and Industry (GNCCI) undertook a business survey to elicit the concerns and expectations of the business community on the pandemic. The rationale was to obtain empirical evidence for effective engagement with government and other stakeholders.

The survey conveniently sampled 108 business respondents of the GNCCI membership made up of micro, small, medium and large enterprises across the country. An online questionnaire was used to elicit responses from the business community via emails and social media between 3rd April and 5th May 2020. Simple descriptive statistics as well as non-parametric tests were employed and the results were presented in charts and tables.

The results show that business respondents are generally satisfied with the communication on COVID-19 and government response so far. Businesses have been proactive in curbing the spread of COVID-19 by implementing workplace health and safety measures with the predominate responses being increasing awareness and keeping workplace safe and hygienic. Others include investing in personal protective equipment, working from home, or taking paid-leave.

The estimated financial cost, defined as revenue loss and constraints to business operation in monetary terms, resulting from COVID-19 differs and increases with firm sizes: micro enterprise (GHS22,500); small enterprise (GHS50,000); medium enterprise (GHS500,000); large enterprises (GHS600,000).

Cumulatively, the estimated financial cost also differs across the business sectors. Within the industry sector, large enterprises are faced with highest estimated financial cost of COVID-19. On average, the extent of the effect on projected 2020 annual revenue was higher for small (80%) and medium (80%) enterprises than micro (75%) and large (50%) enterprises. Given the size of the estimated losses, the government's stimulus package of GHS600 million to be shared among over 200,000 SMEs is woefully inadequate (average of GHS3,000) even for micro enterprise (GHS22,500). Also, the delay in the disbursement of the stimulus package is further worsening the plight of SMEs and prolonging the impact of their businesses.

The effect of the pandemic varies across business sectors in terms of lay-offs, expected lay-offs, short-time working hours, workers on paid leave, and workers made redundant. Across firm sizes, small enterprises are faced with highest lay-offs and redundant workers. Medium enterprises also have highest expected lay-offs and workers on paid-leave while large enterprises have highest short-time working hours mostly evident in the services sector. Staff morale has been negatively affected. Given the importance of SMEs for Ghana's growth and the fact that SMEs account for 93 percent of jobs created in the private sector, the current disruptions to their businesses occasioned by COVID-19 could have dire consequences on the national economy.

In coping with the disruptions, some businesses either use video calls and conferencing, or have postponed or even cancelled events. The sudden shift of some business activities online suggests the urgent need to address the underlying issues of high cost of data and related charges. The use of systems and technology to support business activities has become critical and it requires that businesses must be informed and mitigate their risk exposures to cybercrime. The main support given by businesses to their communities include education and information dissemination, provision of health-related items, and cash donation.

On the issue of business continuity and risk simulation, about two out of three businesses have a business continuity plan. However, four out of five businesses that have business continuity plan had never practised risk simulation. This raises the question as to whether the development of a business continuity plan is an end in itself or as a means to an end. There is strong indication for re-evaluation of business strategies which will be critical in a post COVID-19 era. For businesses, the main expectations from government are a package of support (bailouts and tax reliefs). Other expectations include moratorium on salary loans, low-interest loans, lift of partial lockdown, and channelling of support through trade associations.

The report therefore recommends that government should **continue its regular update on COVID-19** to disseminate timely and relevant information to the citizenry. Businesses should continue to adhere to the health protocols on COVID-19. The Ministry of Employment and Labour Relations must work with stakeholders to **strengthen the Occupational, Safety, Health, and Environment (OSHE) mechanism and system** to proactively ensure safe and healthy working environments.

Provision of timely bailouts or tax reliefs is critical. However, government must **consider the interconnected risks** within the affected industries to achieve a better operational resilience and improved collective efficiency. Government's stimulus package should be structured to address input supply, production capacities, end markets, and employee management given firm size and business sector. The GNCCI urges government in consultation with the financial industry players to urgently make known the modalities required to enable large enterprises to access the GHS3 billion syndicated loan.

Also, the sudden shift of some business activities online suggests the urgent need to **address the underlying issues to the high cost of data** and related charges. The use of systems and technology to support business activities has become critical and businesses must be informed and mitigate their risk exposures to cybercrime.

In lieu of lay-offs and redundancies, businesses are strongly encouraged to work with unions and workers to **explore alternative strategies to retain workers**; for example, businesses can furlough employees as a worker-retention strategy. This will help minimize or eliminate the related costs of rehiring and training as well as loss of well-trained employees.

Finally, there should be **periodic risk simulation** by businesses to test the robustness of their business continuity plan. In this regard, trade and business associations in collaboration with other stakeholders must **support their members to develop robust business continuity plans**.

Introduction

The outbreak of COVID-19 has entirely disrupted every aspect of human life; economic, physical, and mental well-being. In particular, national economies have been faced with disruptions in their economic activities with severe risks to the global economy. This pandemic has led to a shutdown of some factories, lay-offs, reduction in working time, redundancy and disruptions in global value chains. Consequently, global economic growth¹ is projected at -3% for 2020, the worst contraction since the Great Depression of the 1930s. Ghana's projected economic growth has also been revised downwards from 6.8% to 1.5%².

Several governments across the globe have implemented measures including total or partial lockdown to mitigate the impacts of COVID-19 on human life and businesses. African leaders have also called for an emergency stimulus package and interest waivers³⁴ from local and international partners in the fight against the virus. In Ghana, a number of measures have been implemented by government in consultation with key stakeholders to curb the spread of COVID-19.

With the legislative mandate (LI 611 of 1968, Act 232) to promote and protect commercial and industrial interests in the country, the Ghana National Chamber of Commerce & Industry (GNCCI) undertook a business survey to understand the enormity of the effects. The survey also sought to elicit the concerns and expectations of the business community on the pandemic and its effects on businesses. The rationale was to obtain empirical evidence for effective engagement with government and other stakeholders.



Introduction



¹ <https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>

² <https://www.ghanaweb.com/GhanaHomePage/business/Coronavirus-Ghana-s-growth-rate-projected-to-decline-from-6-to-1-5-Oppong-Nkrumah-949525?channel=D2>

³ <https://www.reuters.com/article/us-health-coronavirus-africa/african-finance-ministers-call-for-100-billion-stimulus-debt-holiday-idUSKBN21A2GK>

⁴ <https://www.businessghana.com/site/news/business/209035/Africa-needs-emergency-stimulus-package-and-interest-waivers-says-Ministers-of-Finance>

Methodology

The methodology used for the survey covered descriptive research design, sampling and data collection, ethical consideration, and issues captured and measurement.

- **Descriptive research design:** This entails gathering quantitative information organised in a tabular manner along a continuum in numerical form, or describing categories of information such as patterns of interaction⁵. It primarily addresses issues of “what is” and “how”. The descriptive research design was used to find out the concerns and expectations of businesses on the COVID-19 pandemic.
- **Sampling and data collection:** The survey conveniently sampled 108 business respondents of the GNCCI membership made up of micro, small, medium and large enterprises across the country. Both primary and secondary sources of data were used. The primary source of data included the design of an online questionnaire (see Annex I) to elicit responses from the business community via emails and social media between 3rd April to 5th May 2020. Secondary source of data included government press releases on COVID-19, articles and publications by international organisations and other media houses.
- **Ethical consideration:** Participation in the survey was voluntary and respondents were assured of data confidentiality. The data provided was used solely for the intended purpose.
- **Issues captured and measurement:** The following issues were captured:
 - Business characteristics
 - Communication on COVID-19 and government response;
 - Financial cost and input supply;
 - Employee management;
 - Handling of business events;
 - Business continuity and risk simulation;
 - Mitigating measures; and
 - Expectations from government

The scale of measurement included nominal scale, ordinal scale, and numeric scale. In particular, the ordinal scale was designed on a continuum of zero (0) to five (5) where zero (0) denotes no satisfaction/effect and five (5) denotes highest satisfaction/effect. This aimed at allowing business respondents to provide feelings/perceptions based on a closed scale.

- **Data analysis:** The data was analysed using the IBM SPSS Statistics and Microsoft Excel. Simple descriptive statistics as well as non-parametric tests were employed and the results were presented in charts and tables. Business operations were categorised into sectors and industries to allow for further analysis. In some cases, the data was disaggregated for further probe.

⁵ <https://members.aect.org/edtech/ed1/41/41-01.html>

Key findings

The key findings are presented along the following: business characteristics; communication on CoVID-19 and government response; financial cost, employee management, and handling of business events; business continuity and risk simulation; mitigating measures; and expectations from government.

- Business characteristics:** The median age of sampled businesses was nine years (skewness=4.7; n=108) with 75 percent of the business respondents having operated for 13 years. The years of operation progressed with firm size: micro enterprise (5 years); small enterprise (9 years); medium enterprise (11 years); and large enterprise (20 years). There were 24 micro enterprises, 67 small enterprises, 10 medium enterprises, and 7 large enterprises that participated in the survey. The questionnaire was filled by 108 business respondents with the following positions: senior management (74.1%); middle management (24.1%); and officer (1.9%). The distribution of business operation is presented in Figure 1.

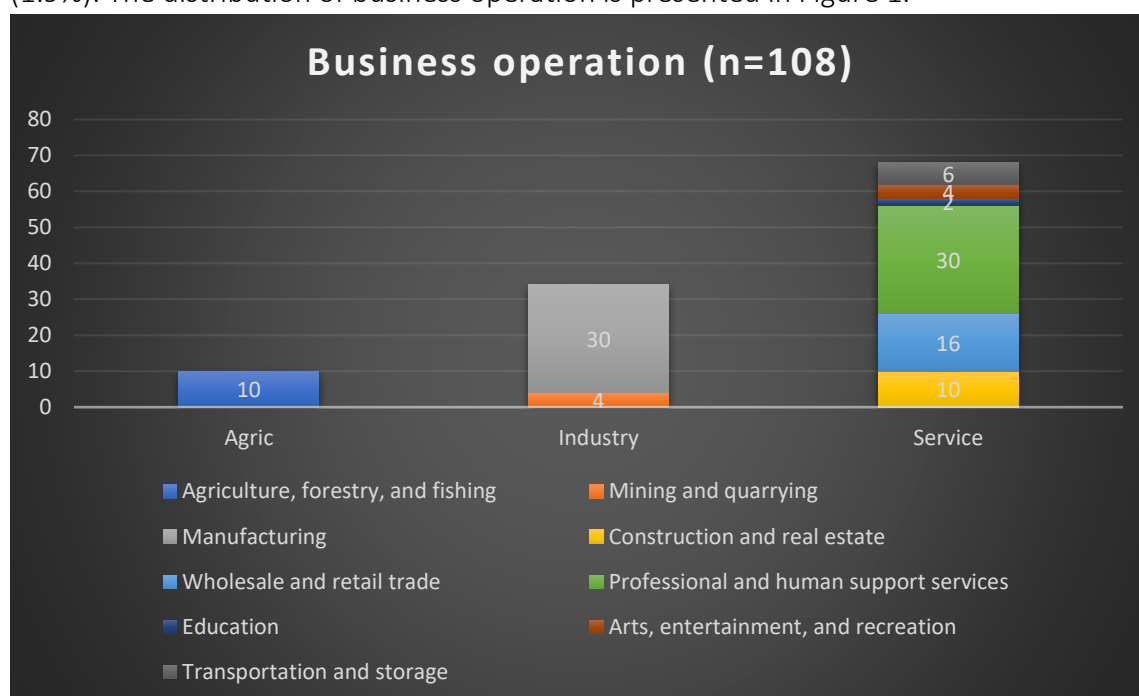


Figure 1: Distribution of business operation

Source: Field data, 2020

The survey received greater participation from business respondents in Greater Accra (58.3%), Ashanti (20.4%), and Western (13.9%) as shown in Figure 2.

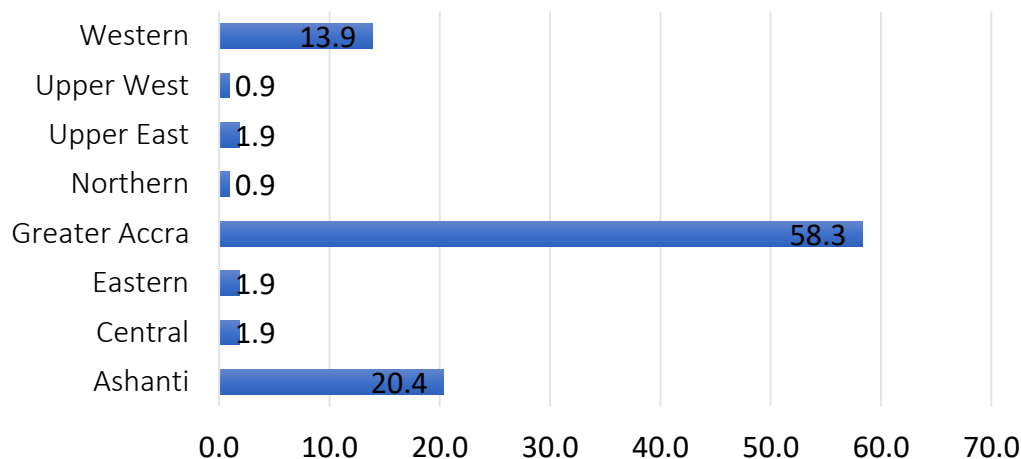


Figure 2: Regional distribution (n=108)

Source: Field data, 2020

- Communication on COVID-19 and government response:** On a scale of zero (0) to five (5), where 5 denotes highest satisfaction and zero (0) denotes no satisfaction, business respondents were asked to indicate their level of satisfaction on the communication on COVID-19 and government. The analysis showed a median score of 4 for both communication (with skewness=-0.76; n=108) and government (with skewness=-0.53; n=108). This suggests that business respondents are generally satisfied with the communication on COVID-19 and government response so far. The institution of enhanced surveillance⁶⁷ including intensive contact tracing, testing, and treatment gives credence to this finding.

The survey asked business respondents to estimate, rank, and indicate how the pandemic has affected their businesses with respect to financial cost and input supply, employee management, handling of business events, business continuity and risk simulation, and mitigating measures.

- Financial cost and input supply:** As shown in Annex II, total estimated financial cost, defined as revenue loss and constraints to business operation in monetary terms, resulting from COVID-19 per the business respondents amounted to **GHS39,823,407**. The results also showed a median estimated financial cost of GHS50,000 (skewness=6.69; n=103) with 75% incurring GHS165,000. A further probe shows that the estimated financial cost differs and increases with firm size: **micro enterprise (GHS22,500); small enterprise (GHS50,000); medium enterprise (GHS500,000); and large enterprise (GHS600,000)**. Cumulatively, the estimated financial cost also varies across the business sectors: **agric (GHS787,000); industry (GHS9,863,300) and services (GHS29,173,107)**. Using the Kruskal-Wallis Test, the results suggest that there is a statistically significant difference in the estimated financial cost of COVID-19 within the industry sector ($\chi^2=10.14$, df=3, p=0.017). An inspection of the mean ranks

⁶ <https://ghanahealthservice.org/covid19/archive.php>

⁷ <https://www.worldbank.org/en/news/press-release/2020/04/02/world-bank-group-supports-ghanas-covid-19-response>

suggests that large enterprises (28.67) within the industry sector have the highest cost-effect of COVID-19 (see Annex III & IV).

The median annual revenue for 2019 stood at **GHS150,200** with 75% of the businesses recording GHS1,032,825.40. Total annual revenue for 2019 based on the responses amounted to **GHS692,754,825.17**. On average, the extent of the effect on projected 2020 annual revenue was higher (80%) for small and medium enterprises than micro (75%) and large (50%) enterprises. The survey also asked the business respondents to rank how the pandemic has affected their input supply. The results show that they have been severely affected (median=5; SK=-1.43; n=108) across firm sizes and business sectors (Annex II).

Given the size of the estimated losses, the government's stimulus package of GHS600 million to be shared among over 200,000 SMEs is woefully inadequate (average of GHS3,000) even for micro enterprises (GHS22,500). Also, the delay in the disbursement of the stimulus package is further worsening the plight of SMEs and prolonging the impact of the pandemic on their businesses.

- **Employee management:** Staff morale has been highly affected (median=5; skewness=-0.93; n=108). Total workforce of the sampled businesses is **4,324** with industry (2,120) and services (2,103) having a greater share of employment. Out of sampled total employment, 371 workers have been laid off and businesses expect to lay off 1,374 more employees. Employees engaged in short-time working hours stood at 1,539 while 718 are on paid-leave. Total number of redundant workers amount to 370 and businesses expect to make 1,787 more workers redundant (see Annex II).

Across the business sectors, the results show varying effects of the pandemic on several issues. Businesses within the industry sector have been severely affected in the following: workers laid-off (189); expected lay-offs (940); short-time working (935); paid-leave (551); expected redundancy (1,331); and expected revenue shortfall for 2020 (GHS 7,319,062,800.00; second to services revenue shortfall). Focusing on the services sector, the severe effects are seen with estimated financial cost (GHS 29,173,107), redundant workers (212), shortfall in 2020 annual revenue (GHS 46,171,675,507.85) (see Annex II).

Using the Kruskal-Wallis Test, the results suggest that across the business sectors there are statistically significant differences in worker lay-offs ($\chi^2=8.73$, df=3, p=0.03), expected lay-offs ($\chi^2=9.87$, df=3, p=0.02), short-time working hours ($\chi^2=11.33$, df=3, p=0.01), workers on paid-leave ($\chi^2=8.2$, df=3, p=0.04), and workers made redundant ($\chi^2=7.95$, df=3, p=0.047). An inspection of the mean ranks across the firm sizes suggests that small enterprises are faced with highest lay-offs (mean rank=58.88) and redundant workers (mean rank=59.38). Medium enterprises also have highest expected lay-offs (mean rank=78.4) and workers on paid-leave (mean rank=70.10) while large enterprises have highest short-time working hours (mean rank=81.29) (see Annex III).

Given the importance of SMEs for Ghana's growth and the fact that SMEs account for 93 percent of jobs created in the private sector, the current disruptions to their businesses occasioned by COVID-19 could have dire consequences on the national economy

- Handling of business events:** With respect to the effect on business events, multiple responses showed that as a way of coping with the disruptions, some businesses either use video calls and conferencing (39.4%), or have postponed (30.3%), or have cancelled (26.5%) events (Figure 3). The use of video calls and the sudden shift to online services require stable internet connectivity and large data bundles in order for businesses to connect to their clients. Using systems and technology to support business activities will require businesses to recognize and mitigate their risk exposures to cybercrime.

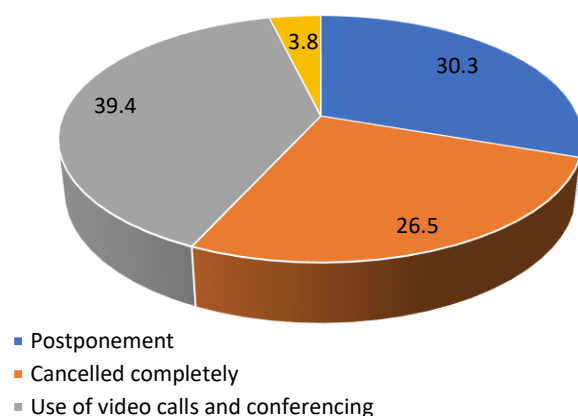


Figure 3: Effect on business events (n = 132; multiple responses)

Source: Field data, 2020

- Business continuity and risk simulation:** Out of the 108 businesses that responded, almost two-thirds (65.7%) indicated that they had a business continuity plan to mitigate the impact of risks. However, out of those who have business continuity plan over four-fifths (82.4%) had never practised risk simulation and this was statistically significant at the five percent alpha level (see Table 1). The analysis raises the question as to whether the development of a business continuity plan is an end in itself or as a means to an end.

Table 1: Business continuity plan and risk simulation

Table 1: Business continuity plan and risk simulation						
Risk simulation	Business continuity plan				Total	
	No		Yes			
	Frequency	Percent	Frequency	Percent	Frequency	Percent
No	37	100	52	73.2	89	82.4%
Yes	0	0	19	26.8	19	17.6%
Total	37	100.0	71	100.0	108	100.0
Source: Field data, 2020;				$\chi^2=10.24^{ab}$, p=0.00		
^a 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.51						
^b Continuity Correction, computed only for a 2X2						

The survey explored whether business respondents will re-evaluate their business operation given the COVID-19 pandemic. Majority (91.6%) responded that they will. The results also showed that those who had practised risk simulation expressed the view of re-evaluating their business operation (78.9%) (see Table 2).

Table 2: Risk simulation and business re-evaluation

Business re-evaluation	Practised risk simulation					
	No		Yes		Total	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
No	3	4.7	4	21.1	7	8.4
Yes	61	95.3	15	78.9	76	91.6
Total	64	100.0	19	100.0	83	100.0

Source: Field data, 2020;

Similarly, majority (95.3%) of business respondents who had not practised risk simulation before indicated that they would be re-evaluating their business operation. The analysis was statistically significant at the five percent alpha level (see Table 2). The finding points to a common agenda that re-evaluating business strategies will be critical in a post COVID-19 era.

- **Mitigating measures:** As shown in Table 3, the predominate responses towards curbing the spread of COVID-19 as indicated by businesses were increasing awareness (32.7%) and keeping workplace safe and hygienic (31.5%). Another measure adopted is investing in personal protection equipment (19.8%). Employees are also requested to work from home (7.8%) or proceed on paid-leave (7.0%). The data thus suggests that businesses have been proactive in safeguarding lives and business continuity.

Table 3: Measures taken to curb spread of COVID-19

Responses	Frequency	Percent
Increasing awareness	84	32.7
Keeping workplace safe and hygienic	81	31.5
Investing in Personal Protection Equipment	51	19.8
Implementing screening protocols	3	1.2
Encouraging staff to take leave days	18	7.0
Encouraging staff to work from home	20	7.8
Total	257*	100.0

Source: Field data, 2020

*Multiple responses

The main support being given by businesses to enable their communities to curb the spread of COVID-19 includes education and information dissemination (49%) and provision of health-related items (21%). Less than a fifth (15%) are providing cash donations, while 2.8% are providing other support, including free drinking water, donation of vehicle, providing online tuition and activities for both students and teacher.

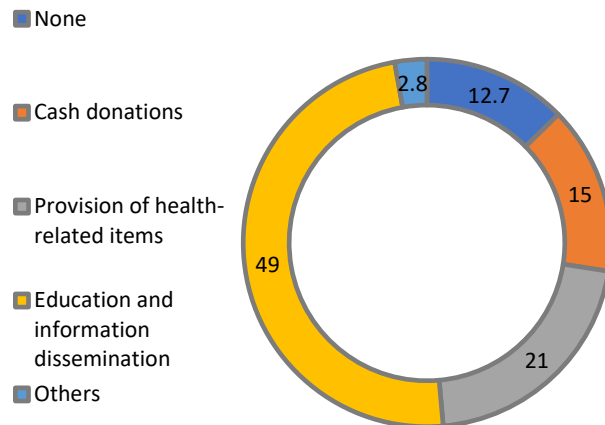


Figure 4: Business support to community (n = 142; multiple responses)
Source: Field data, 2020

- **Expectations from government:** The business respondents expressed their view on the possibility of a further lockdown on their business operation. The analysis showed that a further lockdown will have highest negative effect on business operation (median=5; skewness=-2.17; n=108).

Respondents were asked to indicate their expectations from government towards ensuring business continuity. The main expectations from government focused on bailouts (55%) and tax reliefs (38%). Other expectations (7%) include moratorium on salary loans, low-interest loans, lift of partial lockdown, and channelling of support through trade associations.

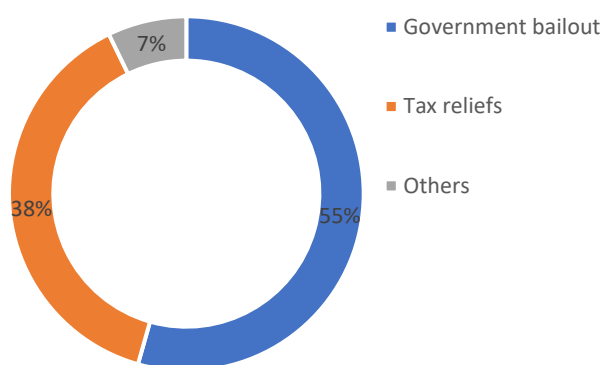
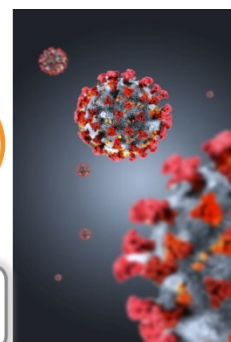


Figure 5: Expectation from government (n = 125; multiple responses)
Source: Field data, 2020



Key Findings



Conclusions

The following conclusions are drawn from the key findings.

- **Communication on COVID-19 and government response:** Business respondents are generally satisfied with the communication on COVID-19 and government response so far. Businesses have been proactive in curbing the spread of COVID-19 by implementing workplace health and safety measures with the predominate responses being increasing awareness and keeping workplace safe and hygienic. Others include investing in personal protective equipment, working from home, or taking paid-leave.

- **Financial cost and input supply:** The total estimated financial cost, defined as revenue loss and constraints to business operation in monetary terms, resulting from COVID-19 per the 108 sampled businesses was GHS39,823,407. The cost differs and increases with firm size: micro enterprise (GHS22,500); small enterprise (GHS50,000); medium enterprise (GHS500,000); and large enterprise (GHS600,000). Cumulatively, the estimated financial cost varies across the business sectors: agric (GHS787,000); industry (GHS9,863,300) and services (GHS29,173,107). Within the industry sector, large enterprises are faced with highest estimated financial cost of COVID-19. Input supply has also been severely affected across firm sizes and business sectors. On average, the extent of the effect on projected 2020 annual revenue was higher for small (80%) and medium (80%) enterprises than micro (75%) and large (50%) enterprises.

Given the size of the estimated losses, the government's stimulus package of GHS600 million to be shared among over 200,000 SMEs is woefully inadequate (average of GHS3,000) even for micro enterprises (GHS22,500). Also, the delay in the disbursement of the stimulus package is further worsening the plight of SMEs and prolonging the impact of the pandemic on their businesses.

- **Employee management:** The effect of the pandemic varies across business sectors in terms of lay-offs, expected lay-offs, short-time working hours, workers on paid leave, and workers made redundant. Across firm sizes, small enterprises are faced with highest lay-offs and redundancies. Medium enterprises also have highest expected lay-offs and workers on paid-leave while large enterprises have highest short-time working hours mostly evident in the services sector. Staff morale has negatively been affected. Given the importance of SMEs for Ghana's growth and the fact that SMEs account for 93 percent of jobs created in the private sector, the current disruptions to their businesses occasioned by COVID-19 could have dire consequences on the national economy.

- **Handling of business events:** In coping with the disruptions, some businesses either use video calls and conferencing, or have postponed or even cancelled events. The sudden shift of some business activities online suggests the urgent need to address the underlying issues of high cost of data and related charges. The use of systems and technology to support business activities require businesses to be informed and mitigate their risk exposures to cybercrime.

- **Business continuity and risk simulation:** About two out of three businesses have a business continuity plan. However, four out of five businesses that have business continuity plan had never practised risk simulation. This raises the question as to whether the development of a business continuity plan is an end in itself or a means to an end. Businesses have given strong indication of re-evaluating their business strategies which will be critical in a post COVID-19 era.
- **Mitigating measures:** The predominate response for curbing the spread of COVID-19 were increasing awareness and keeping workplaces safe and hygienic. Others include investing in personal protective equipment, working from home, or taking paid-leave. The main support given by businesses to their communities include education and information dissemination, provision of health-related items, and cash donation. It thus suggests that businesses have been proactive in the fight against the spread of COVID-19 and safeguarding lives and business continuity.
- **Expectation from government:** For businesses the main expectations from government are a package of support (bailouts and tax reliefs). Other expectations include moratorium on salary loans, low-interest loans, lift of partial lockdown, and channelling of support through trade associations.

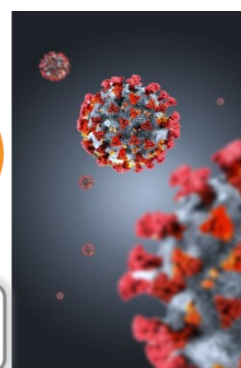
Recommendations

Based on the key findings of the survey, the GNCCI recommends the following:

- The GNCCI encourages government to **continue its regular update on COVID-19** to disseminate timely and relevant information to the citizenry. Businesses should continue to adhere to the health protocols in curbing the spread of COVID-19. The Ministry of Employment and Labour Relations must work with stakeholders to **strengthen the Occupational, Safety, Health, and Environment (OSHE) mechanism and system** to proactively ensure safe and healthy working environments.
- Provision of timely bailouts or tax reliefs is critical. However, government must **consider the interconnected risks** within the affected industries to achieve a better operational resilience and improved collective efficiency.
Government's stimulus package should be structured to address input supply, production capacities, end markets, and employee management given firm size and business sector. In particular, as the single largest procurer and consumer of goods and services, government should leverage this key functionality to stimulate local business production, growth, and development.
The GNCCI further urges government in consultation with the financial industry players to urgently make known the modalities required to enable large enterprises to access the GHS3 billion syndicated loan.
- In lieu of layoffs and redundancies, businesses are strongly encouraged to work with unions and workers to **explore alternatives strategies to retain their workers**, for example, businesses can furlough employees. This will help minimize or eliminate the related costs of rehiring and training as well as loss of well-trained employees.
- The sudden shift of some business activities online suggests the urgent need **to address the underlying issues of high cost of data** and related charges. The use of systems and technology to support business activities require businesses to be informed and mitigate their risk exposures to cybercrime.
- Finally, there should be **periodic risk simulation** by businesses to test the robustness of their business continuity plan. In this regard, trade and business associations in collaboration with other stakeholders must support their members to develop robust business continuity plans.



Recommendations



About GNCCI

The Ghana National Chamber of Commerce & Industry is the representative organ of the business community in Ghana with legislative mandate to promote and protect commercial and industrial interests in the country.

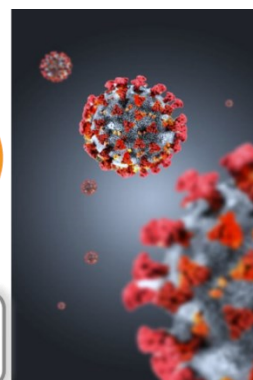
Over the years, the GNCCI has played a critical role to the growth and development of the private sector in Ghana through periodic engagement with government and other related stakeholders in ensuring a conducive business environment. Primarily, it mobilizes business diagnostics data in serving the interest of the private sector of Ghana.

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About GNCCI



Annex I: GNCCI Business Survey Questionnaire on COVID-19

Introduction: The Ghana National Chamber of Commerce & Industry (GNCCI) is undertaking a Business Impact Assessment Survey on COVID-19 to elicit the concerns and suggestions of the business community in Ghana on the pandemic. This will enable the GNCCI to effectively engage government and other stakeholders for a coordinated and proactive response strategy. Your candid opinion is therefore of utmost importance to the attainment of the survey objective. Please be assured of data confidentiality. On a scale of **0 – 5**, where “0” denotes none and “5” denotes highest satisfaction/effect, kindly response as applicable.

Background Characteristics

Email address
Position of respondent
Sector of business operation
Years of operation
Regional location

Communication on COVID-19 and government response

<ul style="list-style-type: none">• To what extent are you satisfied with the communication on COVID-19? [0 – 5]• What is your level of satisfaction on government's response and measures in curbing the spread of COVID-19? [0 – 5]
--

Financial cost and input supply

<ul style="list-style-type: none">• Kindly give a fair estimate of the cost of impact of COVID-19 on your business operation.• Kindly indicate your company's annual revenue for 2019.• On a scale of 0 – 100%, how will COVID-19 affect your company's projected annual revenue for 2020?• To what extent has your input supply been affected? [0 – 5]
--

Employee management and handling of business events

<ul style="list-style-type: none">• To what extent has your staff morale been affected? [0 – 5]• What is your total workforce?• How many workers have been laid off?• How many workers are expected to be laid-off?• How many workers have been given short-time working hours?• How many workers have been asked to proceed on paid-leave?• How many workers have been made redundant?• How many workers are expected to be made redundant?• How has your business handled its meetings, seminars, and conferences?
--

Business continuity and risk simulation

<ul style="list-style-type: none">• Does your organisation have a business continuity plan (including risk management) to mitigate the impact of risks?• Has your organisation practised any risk simulation before?• Will your company re-evaluate some or all of its business operation for the rest of 2020?

Mitigating measures and expectations from government

- To what extent will government's lockdown further affect your business? [0 – 5]
- Which measure have been taken by your business to curb the spread of COVID-19?
- How is your business engaged in supporting its immediate community in helping curb the spread of COVID-19?
- What do you expect government to do to ensure business continuity amid COVID-19?

Annex II: Descriptive Statistics

Effect of COVID-19 on business								
	Mean	Median	Std. Deviation	Skewness	Maximum	Sum	Percentile	
							25	75
Estimated financial cost of COVID-19 (n=103)	386,635.02	50,000.00	1,373,004.35	6.69	12,000,000.00	39,823,407.00	10,000.00	165,000.00
Extent of impact on inputs supply (n=108)	4.28	5.00	1.00	-1.43	5.00	N/A	4.00	5.00
Extent of impact on staff morale (n=108)	4.24	5.00	0.93	-0.93	5.00	N/A	4.00	5.00
Total workforce (n=108)	40.04	11.00	128.78	7.49	1,200.00	4,324.00	6.00	21.00
Workers laid off (n=108)	3.44	1.50	6.58	4.35	50.00	371.00	0.00	4.00
Workers expected to be laid off (n=108)	12.72	2.00	72.82	9.90	750.00	1,374.00	0.00	5.00
Workers on short-time working hours (n=108)	14.25	2.00	75.56	8.95	750.00	1,539.00	0.00	4.00
Workers on paid-leave (n=108)	6.65	0.00	30.72	8.58	300.00	718.00	0.00	4.00
Number of redundant workers (n=108)	3.43	0.00	8.95	5.48	70.00	370.00	0.00	4.00
Workers expected to be made redundant (n=108)	16.55	2.00	115.78	10.17	1,200.00	1,787.00	0.00	5.00
Company's annual revenue in 2019 (n=108)	6,535,422.88	150,200.00	26,755,017.64	5.68	209,735,026.00	692,754,825.17	67,500.00	1,032,825.40
Extent (%) on projected 2020 revenue (n=106)	68.14	77.50	24.14	-0.96	100.00	N/A	50.00	85.00

Estimated financial cost of COVID-19 across firm size				
	Micro Enterprise	Small Enterprise	Medium Enterprise	Large Enterprise
N	22.00	64.00	10.00	7.00
Mean	105,981.82	112,246.98	1,096,100.00	2,763,857.14
Median	22,500.00	50,000.00	500,000.00	600,000.00
Mode	50,000.00	5,000.00	500,000.00	7000.00 ^a
Std. Deviation	297,125.70	186,318.74	1,560,663.99	4,381,386.86
Skewness	4.33	2.99	1.62	2.01
Std. Error of Skewness	0.49	0.30	0.69	0.79
Minimum	2,000.00	1,000.00	1,000.00	7,000.00
Maximum	1,401,600.00	1,000,000.00	4,000,000.00	12,000,000.00
Percentiles				
25	8,750.00	10,000.00	17,500.00	40,000.00
75	50,000.00	100,000.00	1,750,000.00	4,500,000.00

a. Multiple modes exist. The smallest value is shown

Extent (%) of COVID-19 effect on 2020 annual revenue				
	Micro Enterprise	Small Enterprise	Medium Enterprise	Large Enterprise
N	24	67	10	7
Mean	66.1667	70.8507	64.4000	54.2857
Median	75.0000	80.0000	80.0000	50.0000
Mode	80.00	80.00	80.00	40.00
Std. Deviation	25.33371	22.49866	34.24163	16.18347
Skewness	-1.150	-.839	-1.395	.674
Std. Error of Skewness	.472	.293	.687	.794
Minimum	3.00	6.00	0.00	40.00
Maximum	100.00	100.00	99.00	80.00
Percentiles				
25	50.0000	50.0000	46.2500	40.0000
75	87.5000	90.0000	82.5000	70.0000

Effect of COVID-19 across business sectors										
Business sector		N	Mean	Median	Std. Deviation	Skewness	Maximum	Sum	Percentiles	
									25	75
Estimated financial cost of COVID-19	Agric	9	87,444.44	31,000.00	158,197.75	2.76	500,000.00	787,000.00	4,500.00	82,500.00
	Industry	30	328,776.67	28,000.00	887,850.84	4.06	4,500,000.00	9,863,300.00	10,225.00	110,000.00
	Services	64	455,829.80	50,000.00	1,633,049.44	6.11	12,000,000.00	29,173,107.00	10,000.00	217,304.00
Extent of impact on inputs supply	Agric	10	4.60	5.00	0.52	-0.48	5.00	N/A	4.00	5.00
	Industry	30	4.20	5.00	0.96	-0.68	5.00	N/A	3.00	5.00
	Services	68	4.26	5.00	1.07	-1.60	5.00	N/A	4.00	5.00
Extent of impact on staff morale	Agric	10	4.20	4.50	1.03	-1.24	5.00	N/A	3.75	5.00
	Industry	30	4.17	5.00	1.05	-0.92	5.00	N/A	3.00	5.00
	Services	68	4.28	5.00	0.86	-0.87	5.00	N/A	4.00	5.00
Total workforce	Agric	10	10.10	10.00	4.98	0.91	21.00	101.00	5.50	12.25
	Industry	30	70.67	12.50	220.58	4.97	1,200.00	2,120.00	9.00	26.75
	Services	68	30.93	11.00	69.17	5.27	500.00	2,103.00	5.00	22.75
Workers laid off	Agric	10	3.10	3.00	3.07	1.21	10.00	31.00	0.00	5.00
	Industry	30	6.30	4.00	10.44	3.10	50.00	189.00	0.00	6.50
	Services	68	2.22	0.00	3.95	2.65	20.00	151.00	0.00	3.00
Workers expected to be laid off	Agric	10	4.10	3.00	3.38	0.93	11.00	41.00	1.75	7.00
	Industry	30	31.33	4.00	136.18	5.42	750.00	940.00	0.00	8.00
	Services	68	5.78	2.00	14.97	4.60	95.00	393.00	0.00	4.00
Workers on short-time working hours	Agric	10	2.00	2.00	2.26	1.23	7.00	20.00	0.00	3.25
	Industry	30	31.17	2.00	137.63	5.27	750.00	935.00	0.00	3.25
	Services	68	8.59	2.00	27.14	5.19	180.00	584.00	0.00	5.00
Workers on paid-leave	Agric	10	0.60	0.00	1.58	2.95	5.00	6.00	0.00	0.25
	Industry	30	5.37	1.00	10.48	3.23	51.00	161.00	0.00	6.75
	Services	68	8.10	0.00	38.09	7.13	300.00	551.00	0.00	3.50
Number of redundant workers	Agric	10	3.00	2.00	3.62	2.00	12.00	30.00	0.75	3.75
	Industry	30	4.27	2.00	9.41	4.28	50.00	128.00	0.00	4.00
	Services	68	3.12	0.00	9.34	5.93	70.00	212.00	0.00	4.00
Workers expected to be made redundant	Agric	10	2.70	1.00	3.80	1.43	11.00	27.00	0.00	5.50
	Industry	30	44.37	2.50	218.47	5.46	1,200.00	1,331.00	0.00	5.25
	Services	68	6.31	2.00	16.33	4.37	100.00	429.00	0.00	5.00
	Agric	10	255,175.02	155,000.00	292,119.11	2.18	1,000,000.00	2,551,750.23	83,750.00	350,500.00

Company's annual revenue in 2019	Industry	30	3,147,984.00	115,600.00	11,060,424.73	5.03	60,000,000.00	94,439,520.00	67,500.00	972,500.00
	Services	66	9,026,720.53	190,000.00	32,925,448.72	4.68	209,735,026.00	595,763,554.94	48,737.50	1,425,000.00
Extent (%) impact on projected 2020 annual revenue (n=106)	Agric	10	73.60	80.00	17.18	-0.13	100.00	N/A	57.75	86.25
	Industry	30	68.80	70.00	26.01	-0.62	100.00	N/A	40.00	90.00
	Services	68	67.04	77.50	24.34	-1.14	100.00	N/A	50.00	80.00

Source: Field data, 2020

Annex III: Kruskal-Wallis Test (COVID-19 effect on firm size)

Ranks			
Issue	Firm size	N	Mean Rank
Workers laid-off	Micro Enterprise	24	48.71
	Small Enterprise	67	58.88
	Medium Enterprise	10	58.30
	Large Enterprise	7	27.00
	Total	108	
Expected lay-offs	Micro Enterprise	24	45.10
	Small Enterprise	67	55.69
	Medium Enterprise	10	78.40
	Large Enterprise	7	41.14
	Total	108	
Short-time working hours	Micro Enterprise	24	39.85
	Small Enterprise	67	56.92
	Medium Enterprise	10	54.70
	Large Enterprise	7	81.29
	Total	108	
Workers on paid-leave	Micro Enterprise	24	42.67
	Small Enterprise	67	55.46
	Medium Enterprise	10	70.10
	Large Enterprise	7	63.64
	Total	108	
Workers made redundant	Micro Enterprise	24	50.15
	Small Enterprise	67	59.38
	Medium Enterprise	10	49.40
	Large Enterprise	7	30.00
	Total	108	

Test Statistics ^{a,b}			
Issue	Chi-Square	df	Asymp. Sig.
Workers laid-off	8.730	3	.033
Expected lay-offs	9.869	3	.020
Short-time working hours	11.334	3	.010
Workers on paid-leave	8.202	3	.042
Workers made redundant	7.951	3	.047
a. Kruskal Wallis Test			
b. Grouping Variable: Firm size (number of employees)			

Annex IV: Kruskal-Wallis Test (COVID-19 effect on firm size across sectors)

		Ranks	
Business sector	Firm size	N	Mean Rank
Agriculture	Micro Enterprise	1	1.00
	Small Enterprise	8	5.50
	Total	9	
	Micro Enterprise	2	6.00
	Small Enterprise	8	5.38
	Total	10	
Industry	Micro Enterprise	4	8.13
	Small Enterprise	19	14.47
	Total	30	
	Medium Enterprise	4	17.88
	Large Enterprise	3	28.67
	Micro Enterprise	4	14.25
	Small Enterprise	19	16.05
	Total	30	
	Medium Enterprise	4	9.88
	Large Enterprise	3	21.17
Services	Micro Enterprise	17	25.94
	Small Enterprise	37	32.26
	Total	64	
	Medium Enterprise	6	49.58
	Large Enterprise	4	37.00
	Micro Enterprise	18	23.22
	Small Enterprise	40	36.61
	Total	68	
	Medium Enterprise	6	41.50
	Large Enterprise	4	53.63

Test Statistics ^{a,b}			
Business sector		Estimated financial cost of COVID-19	Short-time working hours
Agriculture	Chi-Square	2.400	.075
	df	1	1
	Asymp. Sig.	.121	.785
Industry	Chi-Square	10.137	3.166
	df	3	3
	Asymp. Sig.	.017	.367
Services	Chi-Square	7.420	11.488
	df	3	3
	Asymp. Sig.	.060	.009

a. Kruskal Wallis Test

b. Grouping Variable: Firm size (number of employees)