

Business Policies on Crisis Management Among Select Small and Medium Enterprises (SMEs) in Bataan: Towards an Enhanced Crisis Management Policies

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Abstract

This study examined the crisis management policies, economic responses, and survival strategies of merchandising Small and Medium Enterprises (SMEs) in Bataan Province during the COVID-19 pandemic. Anchored on crisis management theories such as Burnett's Crisis Management Model, Fink's Crisis Model, Mitroff's Five-Stage Crisis Management Model, and Jaques' Relational Model of Crisis Management, the study explored how SMEs adapted to prolonged disruptions caused by public health emergencies. The research employed a qualitative descriptive design using semistructured interviews, observations, document analysis, and data triangulation. Respondents consisted of eleven SME owners and managers in Bataan Province selected through purposive sampling. A self-made interview questionnaire validated by experts served as the primary research instrument. Data were analyzed using coding, thematic categorization, and reflective interpretation following the approach of Roper and Shapira (2000). Findings revealed that SMEs generally complied with government-imposed health and operational policies through the implementation of health protocols, strict adherence to regulations, supply chain adjustments, digital payment systems, and the utilization of online platforms for business operations. Businesses managed economic challenges by modifying operating hours, controlling inventory and expenses, implementing flexible personnel arrangements, and prioritizing employee safety over profit. Despite the absence of formal crisis management and business continuity plans, SMEs demonstrated resilience through adaptive and reactive strategies, effective communication, and operational flexibility. The study concluded that organizational adaptability, technological adoption, stakeholder coordination, and government support were essential in sustaining SMEs during the pandemic. It recommended stronger crisis management training, improved policy dissemination, enhanced financial assistance, and support for digital business transformation to strengthen SME preparedness and resilience in future crises. The study supports Sustainable Development Goals such as SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), and SDG 11 (Sustainable Cities and Communities) by emphasizing SME resilience, innovation, and local economic continuity during crises. The study's sustainability impact lies in promoting organizational preparedness, economic stability, technological adaptation, and institutional support mechanisms that contribute to long-term business sustainability and community resilience during emergencies.

Keywords: Business Continuity, COVID-19 Pandemic, Crisis Management, Digital Adaptation, Economic Resilience, Merchandising SMEs, Organizational Preparedness, Sustainability, Supply Chain Management, Technological Adoption

1. Introduction

The COVID-19 pandemic severely disrupted global and Philippine economies, causing widespread business closures, operational interruptions, and financial instability among small and medium enterprises (SMEs). In the Philippines, the declaration of a State of Public Health Emergency under Proclamation No. 922 intensified economic uncertainty and exposed the vulnerability of SMEs to prolonged crises. While large corporations possessed financial safeguards, many SMEs struggled with declining revenues, disrupted supply chains, workforce reductions, and operational constraints. These challenges highlighted the urgent need for effective crisis management, business continuity planning, and resilience strategies among SMEs. Crisis management literature emphasizes that crises are sudden, disruptive, and potentially destructive events that threaten organizational operations, reputation, and sustainability (Coombs, 2007; Hermann, 1963). Existing studies largely focus on large organizations, leaving limited understanding of how SMEs respond to prolonged crises such as COVID-19 (Herbane, 2013). In Bataan Province, despite business closures during the pandemic, online entrepreneurship and adaptive business strategies contributed to increased business registrations, reflecting SMEs' capacity for resilience and innovation. This study examines the crisis management policies, economic responses, and survival strategies of merchandising SMEs in Bataan Province during the COVID-19 pandemic. It also explores policy enhancement recommendations that may strengthen SME preparedness and sustainability in future crises.

1.1 Crisis Management Challenges among Merchandising SMEs in Bataan during the COVID-19 Pandemic

The COVID-19 pandemic caused extensive disruptions to business operations worldwide and in the Philippines. Lockdowns, mobility restrictions, and health protocols negatively affected production, trade, employment, and consumer activity. SMEs became particularly vulnerable because of limited resources, weak market positioning, and inadequate preparedness for prolonged crises (Herbane, 2010, 2013; Hong et al., 2012; Irvine & Anderson, 2004). A crisis is described as a sudden and unexpected event that threatens organizational operations and creates financial and reputational risks (Coombs, 2007). Crises place pressure on organizations to respond quickly and effectively to ensure survival and continuity (Hermann, 1963). Crisis management therefore involves systematic processes of preparedness, prevention, response, recovery, and learning to reduce organizational losses and strengthen resilience. In Bataan Province, lockdown measures forced many businesses to suspend operations or adopt alternative work arrangements. Despite these challenges, DTI-Bataan recorded increased business registrations during the pandemic, particularly online businesses, indicating adaptive entrepreneurial behavior among SMEs. SMEs remain important contributors to economic growth, employment generation, and innovation, although many continue to face difficulties related to crisis preparedness, financial sustainability, and operational continuity. The study focuses on merchandising SMEs in Bataan Province to determine how they managed government-imposed policies, addressed economic impacts, implemented crisis-response strategies, and adapted during the COVID-19 pandemic.

1.2 Crisis Response Strategies and Survival Practices of Merchandising SMEs in Bataan

Existing literature highlights several recurring themes regarding SME crisis management, resilience, and sustainability. Studies indicate that SMEs are more vulnerable to crises because they often lack sufficient financial reserves, technological infrastructure, and managerial resources (Bartik et al., 2020). Nevertheless, SMEs possess adaptive advantages such as flexibility, innovation, and rapid decision-making capabilities. Research on crisis management emphasizes preparedness, strategic planning, communication, and leadership as essential organizational responses during crises (Penrose, 2000). Effective crisis management includes risk assessment, contingency planning, forecasting, organizational learning, and stakeholder communication. Several studies identified innovation and digital transformation as important survival mechanisms for SMEs during crises. Technology adoption, online platforms, social media communication, and digital business models helped organizations maintain operations and customer engagement during disruptions. Crisis preparedness strategies such as emergency planning, frequent rehearsals, and information management also improved organizational resilience. Leadership likewise plays a critical role in crisis management. Effective leaders help organizations respond strategically, manage uncertainty, maintain employee stability, and support organizational recovery (Bass and Riggio, 2006). Organizational culture, communication, and stakeholder collaboration further influence business survivability during crises. Literature also suggests that SMEs capable of learning from crises become more resilient in future disruptions (Boin, 2008; Elliott & MacPherson, 2010; Saunders et al., 2014).

1.3 Local, National, and Global Effects of COVID-19 on Merchandising SMEs

Globally, the COVID-19 pandemic disrupted industries, supply chains, labor markets, and consumer behavior. SMEs experienced declines in demand, liquidity shortages, operational interruptions, and business closures. According to NEDA (2020), prolonged lockdowns in Luzon significantly affected national GDP and employment. In the Philippines, SMEs account for 99.3% of all businesses and serve as major contributors to employment generation. However, many SMEs contribute minimally to gross value added due to operational limitations and stagnation (Liedholm, 2002). Government interventions such as the Magna Carta for SMEs, Republic Act No. 6977, Republic Act No. 8289, and the Philippine SME Growth Strategy aimed to strengthen SME development through financing, workforce development, technological advancement, and market support. The Asian Development Bank survey revealed that most Philippine businesses operated below capacity during the pandemic, while many experienced severe sales declines, cash shortages, and operational uncertainty. SMEs particularly struggled with wage obligations, liquidity concerns, and limited digital infrastructure. Government support programs such as wage subsidies, concessional loans, and tax assistance were introduced to mitigate these impacts. In Bataan Province, SMEs experienced operational shutdowns, workforce disruptions, and reduced revenues during lockdowns. However, increased online business registrations indicated emerging adaptive and entrepreneurial responses among local enterprises.

1.4 Crisis Management Theories and Conceptual Foundations for Merchandising SMEs

The study is anchored on several crisis management theories and models relevant to SME responses during crises. Burnett's Crisis Management Model emphasizes organizational preparedness, environmental analysis, strategic response, and reconfiguration during crises (Burnett, 1998). The model identifies time pressure, control issues, and threat levels as barriers to effective crisis management. Fink's Crisis Model describes crises as progressing through four stages: prodromal, acute, chronic, and resolution stages (Fink, 1986). The model highlights the importance of identifying warning signs and implementing proactive responses before crises intensify. Mitroff's Five-Stage Crisis Management Model includes signal detection, prevention, damage containment, recovery, and learning stages (Mitroff, 1994). Unlike earlier models, it emphasizes organizational learning and cyclical adaptation following crises. The Relational Model of Crisis Management proposed by Jaques (2007) views crisis management as interconnected and continuous processes involving crisis

preparedness, crisis prevention, incident management, and post-crisis recovery. The study also utilizes an Input-Process-Output conceptual framework focusing on SME profiles, survival strategies, formal crisis plans, and response strategies. Data collection methods include interviews, observations, document analysis, and data triangulation. The intended outcome is the development of policy enhancement recommendations for SME crisis management.

1.5 Research Gaps on Crisis Management Policies and SME Resilience in Bataan

Although crisis management literature is extensive, most studies focus on large organizations rather than SMEs (Herbane, 2013). Limited research examines how SMEs respond to prolonged crises such as the COVID-19 pandemic, particularly within local Philippine contexts. Existing studies discuss preparedness, innovation, leadership, and resilience, but fewer studies specifically analyze merchandising SMEs' policy implementation, economic adaptation, and crisis-response strategies during public health emergencies. Research on SMEs in Bataan Province remains limited despite the province's significant business activity during the pandemic. The study addresses these gaps by examining the experiences, survival strategies, and crisis management practices of merchandising SMEs in Bataan Province during COVID-19. The findings may contribute to policy enhancement, organizational preparedness, and future business continuity planning.

1.6 Alignment of the Study on Merchandising SMEs with Relevant Sustainable Development Goals (SDGs)

The study aligns with several Sustainable Development Goals (SDGs): SDG 8 – Decent Work and Economic Growth through its focus on SME sustainability, employment preservation, and economic resilience during crises. SDG 9 – Industry, Innovation and Infrastructure by examining innovation, digital adaptation, and crisis-response strategies among SMEs. SDG 11 – Sustainable Cities and Communities through strengthening local business continuity and community economic stability during emergencies. SDG 3 – Good Health and Well-Being due to its focus on business responses to public health crises and workplace safety during the pandemic. SDG 17 – Partnerships for the Goals by emphasizing collaboration among government agencies, SMEs, stakeholders, and policymakers in crisis management and recovery initiatives. The study contributes to understanding how crisis management policies and organizational preparedness can support sustainable economic recovery and institutional resilience during emergencies.

1.7 Importance of Crisis Management Research among Merchandising SMEs to Multidisciplinary Sustainability

The study contributes to multiple dimensions of sustainability. In terms of socio-economic sustainability, it examines how SMEs maintain employment, operations, and economic participation during crises. Regarding institutional and policy sustainability, the study may assist policymakers and local government units in improving crisis-response policies and business continuity frameworks. The research also contributes to technological and innovation sustainability by highlighting the role of digital platforms, online business models, and technological adaptation in sustaining business operations during disruptions. In relation to community sustainability, resilient SMEs help preserve local economic activity and support community stability during emergencies. Finally, the study strengthens organizational sustainability by emphasizing preparedness, resilience, strategic leadership, and learning as critical factors for long-term business survival in uncertain environments.

2. Material and methods

2.1 Research Design

The study employed a qualitative research design to gain an in-depth understanding of SMEs' experiences, practices, and crisis management strategies during the COVID-19 pandemic. According to Burns and Grove (2003), research design is a plan for conducting a study while controlling factors that may affect validity, while Polit et al. (2001) described it as the overall approach in answering research questions or testing hypotheses. Qualitative research was utilized because it allows deeper exploration of participants' narratives and lived experiences (Merriam, 1998). The study focused on understanding socially constructed realities through listening, analyzing, and interpreting participants' experiences (Crotty, 1998; Denzin & Lincoln, 2008; Glesne, 2011). The qualitative approach enabled the researcher to gather empirical data using narratives rather than numerical measurements. The descriptive methodology also allowed the researcher to examine the target population comprehensively and derive appropriate conclusions regarding the variables under investigation (Ritchie et al., 2013). The study used interviews and self-made questionnaires to collect data regarding SMEs' business practices and crisis management policies. The research emphasized participants' meanings and perspectives rather than establishing a single objective reality (Crotty, 1998; Merriam, 2009).

2.2 Locale of the Study

The study was conducted in the Province of Bataan, Philippines, focusing on Small and Medium Enterprises (SMEs) operating within the area. The locale was selected because Bataan experienced significant business disruptions during the COVID-19 pandemic, making it an appropriate setting for examining crisis management practices and survival strategies among SMEs. The province also presented relevant economic and operational conditions that allowed the researcher to investigate business responses to prolonged crises.

2.3 Respondents of the Study

The respondents of the study consisted of owners and managers of SMEs in Bataan Province. Qualitative research does not require a large number of participants because it emphasizes depth and complexity rather than generalization (deMarrais, 2004; Miles & Huberman, 1994). The study involved at least ten participants to ensure sufficient depth of understanding while considering the available resources and timeframe. Participants were selected based on specific criteria. Businesses must have been operating for at least five years and classified by the Department of Trade and Industry as Small or Medium Enterprises. The researcher considered the participants' ability to provide rich and relevant information regarding business experiences and crisis management practices. The selected number of participants was considered sufficient to identify recurring patterns and gather substantial information without producing repetitive concepts.

2.4 Sample and Sampling Procedure

The study employed purposive sampling to select participants who could provide meaningful insights into SMEs' crisis management experiences. Creswell (2007) explained that qualitative researchers intentionally choose participants and settings that can best inform the understanding of the research problem and phenomenon under study. Similarly, Thorne (2008) emphasized that purposive sampling allows researchers to gain insight from individuals who can contribute substantial understanding regarding the phenomenon being examined. The sampling size was determined based on the study objectives, available resources, and research timeframe. The researcher considered the need to gather diverse perspectives while ensuring detailed and comprehensive analysis. The sample size was also deemed adequate to establish consistent patterns and thematic findings related to SMEs' crisis management strategies and organizational experiences during the pandemic.

2.5 Research Instrument

The primary research instrument used in the study was a self-made interview questionnaire designed to address the specific research problems. The questionnaire underwent several revisions based on the recommendations of the research adviser. Relevant literature on business practices and crisis management policies was reviewed to guide the development of the questionnaire items. To ensure reliability and validity, the instrument was pilot-tested with respondents possessing characteristics similar to the target population. Reliability refers to the consistency and accuracy of an instrument in measuring the intended construct (Polit & Hungler 2001), while validity pertains to the degree to which the instrument measures what it is intended to measure (Cozby, 2001). The questionnaire was validated by experts in risk reduction management, academia, and business regulation agencies. Validators assessed the instrument and provided recommendations for necessary revisions. The study also employed semistructured interviews to facilitate conversational yet guided discussions with participants. According to Fontana and Frey (2008), interviews are important for understanding how individuals experience and interpret their lives, while Glesne (2011) described interviewing as a meaningful process of eliciting narratives. Semistructured interviews enabled the researcher to gather detailed information regarding SMEs' business practices and crisis management strategies while allowing flexibility during the discussion (Schwandt, 2007).

2.6 Data Gathering Procedure

After the approval of the research instruments, the researcher secured formal authorization and informed consent from the participants before conducting the study. Participants were informed about the purpose of the research and their voluntary participation. Data were collected primarily through semistructured interviews, participant observation, and document analysis. The gathered information was safeguarded, checked for accuracy, coded, and organized for analysis. Following data collection, the researcher prepared the data for presentation, interpretation, and qualitative analysis. Throughout the process, the researcher maintained prolonged engagement with participants to build trust, understand organizational culture, and minimize misinformation. Triangulation was also utilized through interviews, observations, and document analysis to strengthen the credibility of the findings. Peer debriefing and member checking were conducted to validate interpretations and ensure the accuracy of the collected information.

2.7 Data Analysis Techniques

The qualitative data were analyzed using the systematic approach proposed by Roper and Shapira (2000), which included coding descriptive labels, sorting patterns, identifying outliers or negative cases, generalizing concepts and theories, and memo writing with reflective remarks. All interviews were transcribed before analysis. The researcher repeatedly reviewed field notes and interview transcripts to gain a comprehensive understanding of the data. Similar phrases and text segments were grouped into categories and assigned descriptive labels to address the study's research questions. These categories were further organized into broader thematic patterns to identify relationships, behaviors, attitudes, and organizational practices related to SMEs' crisis management and organizational culture. The findings were compared with existing literature to deepen interpretation and contextual understanding. Throughout the analytical process, the researcher documented insights, assumptions, and observations to assist in refining interpretations and identifying areas requiring further explanation. To ensure trustworthiness, the study adopted the criteria of credibility, transferability, reliability, and confirmability proposed by Lincoln and Guba (1985). Credibility was established through prolonged engagement, triangulation, peer debriefing, and member checking. Transferability was supported through detailed descriptions and rich

narratives. Reliability and confirmability were strengthened through field notes, audit trails, and external reviews of the research process and findings.

2.8 Ethical Considerations

Ethical considerations were prioritized throughout the study in accordance with the Belmont Report principles for protecting human research participants. The study emphasized respect for persons, beneficence, non-maleficence, justice, honesty, and trustworthiness. Participants were treated as autonomous individuals and were provided informed consent before participation. The researcher ensured that participants were protected from unnecessary harm and discomfort throughout the study. The principles of beneficence and non-maleficence guided the researcher in safeguarding participants' welfare and minimizing potential risks (Beauchamp & Childress, 2001). The principle of justice was observed by treating participants fairly and ensuring ethical participant selection procedures. Confidentiality, honesty, and sincerity were maintained during interactions with participants to foster trust and accurate data collection (Tabatabaei, 2016). Ethical considerations also extended to data analysis to ensure that interpretations and conclusions were accurate, unbiased, and responsibly presented to avoid misleading findings or inappropriate policy implications.

3. Results and Discussion

3.1 Management and Implementation of Government Policies

3.1.1 Implementation of Health Protocols

The findings revealed that all participating businesses implemented health protocols mandated by the government during the pandemic. Businesses enforced the use of face masks and face shields, observed social distancing, installed temperature scanners, maintained logbooks, and provided alcohol and sanitation materials inside their establishments. Some businesses also reduced employee attendance and limited customer entry to comply with health regulations. The strict implementation of health protocols reflected the businesses' commitment to complying with government directives to prevent the spread of COVID-19. The findings support the implementation of Joint Memorandum Circular (JMC) No. 2020-04 issued by the DTI and DOLE regarding workplace prevention and control of COVID-19. The results also align with Rappler (2021), which reported that many establishments nationwide struggled with compliance to occupational safety standards during the pandemic. Despite operational difficulties, the respondents recognized that compliance was necessary to continue business operations safely.

3.1.2 Strict Adherence to Government Guidelines

Businesses strictly complied with travel restrictions, checkpoint requirements, curfews, and documentation requirements imposed during the Enhanced Community Quarantine (ECQ). Respondents emphasized the importance of securing travel passes and complete documents to avoid delays in transporting goods and supplies. The findings demonstrate that SMEs relied heavily on compliance with government policies to sustain operations during the crisis. Although restrictions disrupted transportation and logistics, businesses adapted by following regulatory requirements. The results support previous discussions on how COVID-19 restrictions affected supply chains, labor mobility, and transportation systems globally. Businesses recognized that strict compliance minimized disruptions and allowed them to continue operating despite mobility limitations.

3.1.3 Supply Chain Adjustments and Policy Adaptation

The study found that businesses adjusted their operations to maintain supply chains despite changing regulations. Respondents experienced delays in deliveries, shortages of supplies, and transportation restrictions. To cope, businesses searched for alternative suppliers, adjusted delivery schedules, and prepared necessary documents for checkpoints and cargo transportation. The findings indicate that SMEs adopted flexible and reactive approaches to maintain business continuity. The disruptions experienced by businesses reflect the broader global supply chain crisis caused by the pandemic. Existing literature explains that COVID-19 exposed weaknesses in supply chain systems and intensified operational risks. Businesses were compelled to implement adaptive strategies to sustain the flow of products and services despite restrictions and shortages.

3.1.4 Employee Health Support and Welfare

Businesses provided additional health support to employees by distributing face masks, face shields, alcohol, vitamins, and food assistance. Some businesses regularly provided rice, canned goods, and other necessities to workers during lockdown periods. Employers also implemented health-related workplace practices to ensure employee safety. The findings highlight the importance of employee welfare during crises. Businesses recognized that protecting workers also protected operations and customers. The results support Republic Act 11058 on Occupational Safety and Health Standards, which emphasizes workplace safety and employee protection. The findings further reinforce discussions that organizations with effective occupational safety measures are better prepared to manage health-related crises.

3.1.5 Awareness of Government Policies

The results showed that businesses relied on television, social media, and family members to stay informed about government policies and regulations. However, only a few respondents reported being highly aware of policy updates, while many admitted having limited information about tax extensions and permit adjustments during the pandemic. The findings suggest that information dissemination among SMEs was insufficient during the pandemic. Businesses depended heavily on informal sources of information, making them vulnerable to misinformation and policy confusion. The findings support the importance of reliable communication systems during public health emergencies and align with recommendations encouraging individuals to verify information through credible sources such as the World Health Organization and government agencies.

3.1.6 Adjustments in Payment and Business Transactions

Businesses shifted to online payment systems such as GCash, bank transfers, and online banking to minimize physical contact. Some respondents learned online selling techniques and used digital platforms to collect payments and process transactions. The findings reveal that the pandemic accelerated digital adoption among SMEs. Businesses utilized technology to continue operations despite mobility restrictions and social distancing requirements. The results align with literature emphasizing the rapid digital transformation caused by COVID-19 and the increasing importance of e-commerce and electronic transactions in sustaining businesses during crises.

3.1.7 Utilization of Technology in Business Operations

The study found that many businesses used Facebook, Messenger, and other online platforms for product promotion, customer communication, ordering, and delivery coordination. However, some businesses retained traditional selling methods because owners were unfamiliar with digital systems or believed online selling required different skills and resources. The findings demonstrate that technology became an important survival tool for SMEs during the pandemic. Although digital adoption varied among respondents, businesses recognized the value of online communication and electronic transactions. The results support discussions on how COVID-19 accelerated the transition to digital business operations globally. However, the findings also reveal that technological limitations and lack of digital readiness remained challenges for some SMEs.

3.2 Management of Economic Impacts

3.2.1 Adjustments in Operations and Business Hours

Businesses adjusted operating hours, reduced business days, implemented skeletal workforces, and modified delivery procedures during the pandemic. Some establishments temporarily closed physical stores while continuing operations through direct coordination with customers and suppliers. The findings indicate that SMEs adopted flexible operational adjustments to survive the economic disruptions caused by COVID-19. Businesses reduced operational costs while attempting to maintain customer service and supply continuity. The results support existing literature emphasizing that organizations during crises often reduce working hours and reorganize operations to minimize financial losses and sustain business continuity.

3.2.2 Supply Management and Sales Control

Businesses controlled inventory purchases, minimized stock acquisitions, negotiated payment terms with suppliers, and maintained stable pricing despite declining sales. Some respondents deliberately avoided increasing prices to prevent burdening customers during the crisis. The findings show that SMEs attempted to balance financial survival with customer consideration during the pandemic. Businesses implemented cautious purchasing and pricing strategies to preserve cash flow and maintain customer trust. The results support literature on supply chain risk management and crisis response strategies emphasizing the importance of adaptive procurement and supplier coordination during disruptions.

3.2.3 Personnel Management Strategies

Businesses implemented flexible work schedules, reduced working hours, shifting arrangements, and temporary attendance reductions to sustain operations. Some employers reduced overtime work and adjusted salaries based on actual attendance. Respondents also emphasized maintaining open communication with employees regarding operational changes and financial limitations. The findings demonstrate that SMEs prioritized workforce retention despite financial difficulties. Flexible arrangements enabled businesses to reduce operational expenses while avoiding large-scale layoffs. The results align with literature on flexible work arrangements and crisis management practices, which emphasize communication, adaptability, and employee engagement during organizational disruptions.

3.2.4 Reduction in Sales and Financial Challenges

Most respondents reported major declines in sales during the pandemic, with several businesses estimating losses of approximately 50% compared to pre-pandemic performance. Businesses experienced delayed collections, declining customer demand, and reduced purchasing power among clients. The findings confirm that COVID-19 severely affected SME financial performance. Businesses struggled with reduced revenues, operational costs, and collection delays while

attempting to maintain profitability. The results support findings from ADB (2020), which documented significant declines in sales and financial instability among enterprises during lockdown periods. Despite these challenges, many businesses remained operational through cost adjustments and adaptive management practices.

3.2.5 Technology Adoption as an Economic Strategy

Businesses increasingly used social media, online communication, and electronic payment systems to sustain operations and customer engagement during the pandemic. Respondents viewed technology as an important tool for maintaining sales and minimizing physical interaction. The findings indicate that digital tools became essential in helping SMEs remain competitive and operational during the crisis. Although the use of technology among respondents remained relatively basic, businesses recognized its value in maintaining customer relationships and generating sales. The results support studies showing that COVID-19 accelerated digital transformation and online business practices among enterprises worldwide.

3.2.6 Good Management Practices and Coordination

Respondents emphasized the importance of good management, communication with suppliers, and compliance with government guidelines in sustaining business operations. Businesses maintained regular coordination with suppliers to secure stocks and manage deliveries. The findings suggest that effective management practices strengthened business resilience during the pandemic. Businesses that maintained strong communication and operational coordination were better able to manage disruptions. The results support literature emphasizing that structured management practices and coordination mechanisms improve organizational resilience during crises.

3.2.7 Prioritization of Safety Over Profit

Businesses prioritized employee and customer safety over immediate financial gain. Some establishments voluntarily suspended operations despite being allowed to operate because owners feared the spread of COVID-19 among workers and customers. The findings reveal that SMEs recognized the importance of health and safety as part of sustainable business operations. Businesses viewed employee protection as essential to long-term survival and organizational stability. The results support occupational safety literature emphasizing that safe workplaces contribute to organizational continuity, employee trust, and operational sustainability during crises.

3.3 Crisis Management Strategies

3.3.1 Lack of Existing Crisis Management Plans

The findings revealed that almost all participating businesses did not have formal crisis management plans or business continuity plans before the pandemic. Most respondents admitted that they were unprepared for a crisis of COVID-19's magnitude and relied mainly on government regulations for guidance. The findings indicate that crisis preparedness among SMEs was generally weak. Businesses responded reactively rather than proactively because formal crisis planning was largely absent. The results support literature suggesting that organizations without crisis management plans are more vulnerable during unexpected disruptions and are forced to rely on improvisation and reactive decision-making.

3.3.2 Inadequate Crisis Management Preparation

Only one respondent reported having a crisis management plan, which was based on a previous seminar attended before the pandemic. However, the plan was not specifically designed for health emergencies such as COVID-19. The findings demonstrate that existing preparedness mechanisms among SMEs were inadequate for large-scale public health crises. Businesses lacked structured policies, contingency measures, and long-term recovery frameworks. The results support discussions that organizations must regularly update crisis management plans to address evolving risks and uncertainties.

3.3.3 Plans for Future Crisis Preparedness

Despite the absence of formal plans before the pandemic, most respondents expressed willingness to prepare crisis management plans in the future. Businesses also showed interest in attending seminars and trainings related to crisis management, business continuity, and emergency preparedness. The findings suggest that the pandemic increased awareness regarding the importance of crisis preparedness among SMEs. Businesses recognized the need for planning, training, and strategic preparation for future emergencies. The results support literature emphasizing that organizations become more resilient when they develop proactive crisis management systems and invest in preparedness programs.

3.3.4 Survival Strategies During the Pandemic

Businesses survived primarily through reactive and practical strategies such as maintaining communication with suppliers, adjusting operations, using technology, implementing flexible management practices, and responding quickly to changing conditions. The findings reveal that SMEs relied heavily on adaptability and practical decision-making to survive the pandemic. While formal crisis management systems were absent, businesses demonstrated resilience through improvisation and operational flexibility. The results support literature emphasizing that organizational adaptability and responsiveness are critical survival factors during crises.

3.3.5 Open Communication and Stakeholder Coordination

Businesses maintained communication with employees, suppliers, and customers to manage operations and address emerging challenges. Respondents emphasized the importance of transparency and coordination during periods of uncertainty. The findings suggest that communication played a critical role in sustaining business operations during the pandemic. Effective coordination improved operational efficiency, strengthened relationships, and supported organizational resilience. The results align with studies emphasizing the value of collaboration and stakeholder communication during crisis situations.

4. Conclusion & Recommendations

The study found that SMEs in Bataan generally complied with government-imposed health and operational policies during the COVID-19 pandemic through the implementation of health protocols, adherence to government guidelines, adjustments in payment and business transactions, and the use of technology in business operations. Businesses managed the economic impacts of the pandemic by adjusting operations and operating hours, controlling sales and supplies, implementing flexible personnel management, coordinating with suppliers, and prioritizing safety over profit. Despite the absence of formal business continuity plans and internal crisis management policies among most respondents, SMEs employed practical and reactive strategies to sustain operations and gradually recover from the crisis. The findings further revealed that businesses became more open to technological adaptation, online transactions, and future crisis preparedness, while recognizing the importance of government support, effective communication, and organizational resilience in times of crisis.

The study recommends that government agencies such as the Department of Trade and Industry intensify training programs on business continuity and crisis management to help SMEs become more resilient during future crises. Massive and effective dissemination of government policies and guidelines should be strengthened to improve crisis communication and ensure business compliance. Continued support through financial assistance, tax breaks, wage subsidy programs, and online business development initiatives is also recommended to help SMEs sustain operations and adapt to digital business environments. Furthermore, the government should continue supporting enterprises during recovery periods by strengthening supply chain resilience, ensuring the implementation of health and social distancing measures, and assisting businesses in maintaining operational sustainability under both normal and crisis conditions.

The study was limited to the qualitative responses of eleven SME respondents in Bataan and relied primarily on interview data due to the lack of available post-pandemic financial and operational statistics for SMEs in the Philippines. The absence of comprehensive quantitative business data restricted the study from conducting more precise numerical analyses regarding the financial and operational impacts of the pandemic. As a result, the findings were limited to the lived experiences and perceptions of the respondents, which may not fully represent all SMEs in the province or the country.

Compliance with ethical standards

This study prioritized ethical considerations throughout the research process in accordance with the Belmont Report principles for protecting human research participants. The study observed the principles of respect for persons, beneficence, non-maleficence, justice, honesty, and trustworthiness. Participants were treated as autonomous individuals, protected from unnecessary harm and discomfort, and fairly selected throughout the study. Confidentiality, honesty, and sincerity were maintained during interactions and data handling to promote trust and ensure accurate data collection and interpretation. Ethical considerations were also applied during data analysis to ensure that findings and conclusions were presented accurately, responsibly, and without bias.

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