

## ENTREPRENEURSHIP CHALLENGES IN COVID-19 ERA: A CASE-STUDY OF NIGERIAN AND CHINESE ENTREPRENEURS

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### **Abstract**

*This study examines the influence of the Coronavirus pandemic on the entrepreneurial nature of two countries, Nigeria and China. The outbreak of the pandemic has sent rippling effects on the economic activities of most nations like Nigeria and China. This work argues that entrepreneurs can flourish when the environment is conducive for business to thrive. Government response to Covid-19 resulted in the formulation of certain policies such as lockdown, containment, isolation and travel bans to further prevent the spread of the disease. These policies have a catastrophic effect on entrepreneurs who are seen as one of the drivers and innovators of the economy. Data for this work were obtained through homogenous purpose sampling and analysed through content analysis. Resource materials related to coronavirus, entrepreneurship, methods and style were downloaded from the internet and were selected for the study. This work adopts the Psychological and Integrated Models as its theoretical framework. It recognises entrepreneurship skills to include strategic thinking, risk-taking, motivation and efficiency. Others include resilience, concise communication, networking skills and finance management. This study agrees with social scientists who have asserted that government has a responsibility in providing a conducive, safe and healthy environment for people to engage in any form of economic activity. It suggests that a favourable economic or political climate would ensure that the means of production are in adopted by entrepreneurs. This study concludes that coronavirus shocks and effects on entrepreneurs are calamitous and disastrous and as such business procedures, innovation of goods and services have been hindered greatly.*

**Keywords:** *Coronavirus, government, entrepreneur, skills and challenges*

### **摘要**

这项研究考察了冠状病毒大流行对尼日利亚和中国这两个国家的创业性质的影

响。疫情的爆发对尼日利亚和中国等大多数国家的经济活动产生了影响。这项工作认为，当环境有利于企业蓬勃发展时，企业家就能蓬勃发展。政府对新冠肺炎的反应导致制定了一些政策，如封锁、遏制、隔离和禁止旅行，以进一步防止疾病的传播。这些政策对被视作为经济驱动力和创新者之一的企业家产生了灾难性的影响。本工作的数据是通过均匀目的抽样得到的，并通过内容分析进行了分析。从互联网上下载了与冠状病毒、创业精神、方法和风格有关的资源材料，并从中选取了研究对象。本文以心理学和综合模型为理论框架。它承认创业技能包括战略思维、冒险、激励和效率。其他包括复原力、简明沟通、网络技能和财务管理。这项研究与社会科学家的观点一致，他们认为政府有责任为人们从事任何形式的经济活动提供一个有利、安全和健康的环境。报告表明，有利的经济或政治环境将确保企业家采用生产资料。本研究的结论是，冠状病毒的冲击和对企业家的影响是灾难性和灾难性的，因此，商品和服务的创新受到了极大的阻碍。

关键词：冠状病毒，政府，企业家，技能和挑战

### **Introduction**

Nigeria and China have a lot in common, apart from being the largest countries and economies in their geographical locations, the impact of their economies and its performances have effects on other small nations around them. The role of entrepreneurs in any society cannot be overlooked or underestimated because they drive the economy by combining the production forces. They also use their ingenuities, skills, initiatives in creating an organised, planned and well administered environment. They create values that have strong effects on the social and economic sectors of the societies. They are employers of labour and as such create incomes for the teeming population around them (Banwo, 2020). Entrepreneurs are handicapped with a lot of factors; some of them are capital, infrastructure, technology, professional skill and man labour. Likewise, we can observe that entrepreneurs can be handicapped through global events and trends such as the current coronavirus pandemic that

has spread across the continent.

On December 31st 2019, Chinese authorities in Wuhan announced a cluster of pneumonia cases of etiology, most of which included patients who reported exposure to Wuhan's Hunan wholesale seafood market. Consequently, on February 10, 2020 the World Health Organization (WHO) named the disease, caused by the new coronavirus, Covid-19. Accordingly, WHO declared Covid-19 a global pandemic because of the manner in which verified cases of it were revolving rapidly and spreading greatly (WHO, 2020). Coronaviruses, a genus of the *Coronaviridae* family are enveloped viruses with a large plus-strand RNA genome. The genomic RNA is 27-32kb in size, capped and polyadenylated. Coronaviruses have been identified in mice, rats, chickens, turkeys, swine, dogs, cats, rabbits, horses, cattle and humans (Sawicki, & Sawicki, 1995). Coronavirus disease was reported to have symptoms similar to influenza, mild diseases, severe lung injuries and multi-organ failure which eventually results in death especially in older patients. The outbreaks of infectious diseases have continued to threaten and challenge the very existence of human life (Guan et al., 2020).

On February 27, 2020, coronavirus pandemic broke out in Nigeria and the virus has spread to over 30 states with a lot of confirmed cases and the death toll increasing on a daily basis according to the Nigeria Centre for Disease Control (NCDC, 2020). The outbreak of Covid-19 on a global scale in the world today has threatened the existence of humanity; it has defined our lifestyles and reshaped our mode of thinking and social interactions. A lot of lives have been lost as Covid-19 casualties continue to increase on a daily basis. In Nigeria, the government banned all forms of large gatherings and social distancing was encouraged nationwide. Companies, offices, supermarkets, schools, churches, bars and mosques were shut down while all forms of social engagements like parties, weddings and housewarming were restricted to a limited number of participants. Hygienic modalities were also prescribed for daily lives

such as washing hands with sanitizers, maintaining social distance and using masks when outdoors. Furthermore, we have seen a lot of sensitization by the Nigerian government through its health agencies and institutions such as the Nigerian Centre for Disease Control (NCDC, 2020).

As of 10<sup>th</sup> October, 2020, coronavirus cases globally have reached 43,966, 945 with 1,167,097 deaths and 32,397,518 recoveries. There are over 10,502,330 active cases of patients who are currently infected, out of which 10,422,977 are in mild conditions while 79,333 are in serious or critical conditions. In Nigeria, we have over 62,111 confirmed cases, 3,408 active cases, 57,571 discharged cases and 1,132 deaths while in China, we have 85,826 confirmed cases, 264 active cases, 80,928 discharged cases and 4,634 deaths ([www.worldometers.info](http://www.worldometers.info)). The severity of coronavirus cannot be underestimate or unfounded. Thus, the aim of most government is to reduce the spread of the disease. It has been already ascertained that Covid-19 is global pandemic and have caused massive economic disruptions across the globe. Economists have predicted loom days for the globe as there is a high chance of a global recession with the pandemic (Ozili, 2020).

One inherent setback at tackling Covid-19 is that there is no antiviral vaccine discovered for the prevention of it, the best prevention is to avoid being exposed to the virus. Airborne precautions and other protective measures were adopted in many countries like Nigeria and China, it included the use of face masks, covering coughs and sneezes with tissues that are then safely disposed, use of a flexed elbow to cover the cough or sneeze, regular hand washing with soap or disinfection with hand sanitizer containing at least 60% alcohol, avoidance of contact with infected people and maintaining an appropriate distance as much as possible and refrain from touching the eyes, nose and mouth with unwashed hands (WHO, 2020).

Covid-19 ravaged the continent before a cure was developed for it and Africa has not been spared from the menace of the disease as it has struggled to contain the disease in the continent. Many African countries like Nigeria lack the technology, expertise and the equipment to deal with the disease but have made remarkable progress in recent months to curb and curtail the disease. China itself and the rest of the world have joined hands together to mutually combat Covid-19, however its consequences rests with the economy and its influence on entrepreneurs is monumental. This work aims to examine the influence of Covid-19 on entrepreneurs found in Nigeria and China. It argues that entrepreneurs are innovative individuals that drive the economies of their nations and they contribute to national development and progress. However, they face a lot of challenges to reach their potentials such as a conducive environment as hindered by Covid-19. Thus, economic stagnation, underdevelopment, loss of capital, unemployment, business closures and economic uncertainties are the core traits to Covid-19 on the economies of Nigeria and China.

### **Literature Review**

The notion of an entrepreneur has been analysed by Western and Asian scholars over the years. Baron and Henry (2010) argue that entrepreneurs are people who can identify and also create opportunities, because their actions produce effects, which in turn, produce opportunities that did not previously exist. Martin and Osberg (2007) on the other hand, declare that entrepreneurship is the product of a combination of three elements: the context in which the opportunity arises or is created, a set of personal competences necessary to identify and use the opportunity, and the capacity to actualize the opportunity by transforming it into business. Ayeduso (2004) posits that entrepreneurs can be transformed to identify opportunities through training in entrepreneurship. To him, this is a dedicated training given to the student or trainees to acquire skills, ideas and managerial abilities and capabilities for self-employment than being employed for pay. Therefore, entrepreneurship gives people an outlook

of discerning and scholarship. It is a state of mind, an artefact, intuitive and ground-breaking mentality rather than business management. Entrepreneurs with a unique state of mind and intuition are capable of distinguishing and exploring opportunity wherever it may be found (Hisrich, 2014).

Hisrich & Drnovsek (2002) sees entrepreneurship as the procedure of generating something new with worth by devoting the necessary time and effort, assuming accompany financial, psychic, and social risks and receiving the resulting rewards of financial and personal gratification and independence. Shane and Venkataraman (2000) correspondingly express the strong view that the existence, nature and discovery of opportunities constitute the real core of entrepreneurship. They provide explanation why some people realize these opportunities while others do not. Stevenson and Jarillo (1990) describe entrepreneurship as a method by which individuals, either on their own, or within organization, track opportunities. Entrepreneurs in essence can be seen as those people that searches for transformation, responds to it and exploits it as a prospect (Drucker, 1985). Consequently, Knight (1921) affirms that entrepreneurs attempt to envisage and act upon change, bearing the vagueness of market dynamics. Schumpeter (1934), an economist sees entrepreneurship from the standpoint of value creation and describes an entrepreneur as a risk-taking innovator needed for rapid economic development, through the process of creative destruction, by which antediluvian skills and ideas are substituted by new ones. He contends that entrepreneurship has the prospective for economic development, through the introduction of new inventive combinations, which render old industries obsolete. He suggests that the carrying out of new amalgamations can take numerous forms including the introduction of a new product, a new mode of production, the opening up of a new market and the restructuring of an existing firm to respond to changing technology.

Chinese scholars' definition of entrepreneurship has similar tenets as seen above, however some of them would be examined briefly. Chinese entrepreneurs are those individuals who are engaged in business, or were engaged in business, after 1978 for the sake of profit and are willing, under the conditions of life uncertainty, to take the risk of loss and find new ways to fill gaps in the economy which are, or were, left by the state-run economy. They are also those people who willingly venture into businesses with their own resources and find new combinations or adapt to new techniques for profit, they must constantly confront the fear that they will someday lose not only their businesses but perhaps their very life. Yu Yi-hong believes that entrepreneurship in China was a process to discover and capture opportunities, and thereby create innovative products or services to achieve its potential value (Malik, 1997).

Therefore, we can say that an entrepreneur in Chinese context is the person that takes advantage of gaps in the markets and institutional structures. Such behaviour is seen in everywhere of Chinese economic life. For instance, a high school teacher offers coaching on the weekends, a policeman works as an estate agent, a local officer sits in a company's board of directors, several university lecturers are partners of a consultancy group, a group of retired or laid off factory workers run a car servicing shop, etc. Entrepreneurs in China come from all walks of life; he or she could be a powerful politician, a garbage collector, an individual household business starter, a village party secretary, or even a military officer. To many people in China, being an entrepreneur is a way of life (Yang, 2016). Zhao Guang-hui views this group of people through their entrepreneurial talents and believed that entrepreneur risk existed in some process during which people start a new business (Wu, 2010). In essence, we can say that a Chinese entrepreneur is a person who brings capital, labour and management together and creates an enterprise. He possesses a capitalist attitude, loves money and pursues profits, a courage to take initiatives and risks, and the determination to implement new ideas, and a strong will to succeed. He also possesses foresight,

business acumen and imagination that will contribute to the success of the enterprise. Apart from these qualities, he must also be innovative and be able to lead, to communicate and to manage a successful enterprise. He is not only the creator, but also the perpetuator of an enterprise (Ching-Hwang, 2013).

From the above literature, certain inferences can be drawn for our study; entrepreneurs are people who have unique skills, talents and insights. Some of this might be achieved through personal abilities or through trainings. They are people who have the abilities to engage in an economic activity to create value and make profits. They have the unique ability to predict and forecast events around them. They take huge risks and as such they can be seen as an economic adventurer. They are the agents who employ the means of production to its fullness to generate profit through either providing a service or product.

### **Theoretical Framework**

The theoretical framework adopted in this study is heterogeneous due to the multivariate features in entrepreneurship. One part is the psychological; another part is the integrated model. Hence, the study adopted a blend of psychological models and integrated models.

The psychological model was expounded by David McClelland when he emphasizes the need for identification of determinates of entrepreneurship. To him he sees motivation as the primary interest that arouses interest of achievement among adults. Likewise, he identified achievement orientation as the key variable in the development of entrepreneurship. McClelland suggests that potential entrepreneurs should have motivation training programs as a policy measure that will make them eager to explore the new opportunities around them. John Kunkel in trying to explain this model emphasized on psychic needs, values and sociological variables that influences the entrepreneur. Likewise, he affirms that his behaviour is a function of the surrounding



social structure both past and present, and can be really enhanced by economic and social incentives which can be seen as determinants of entrepreneur supply (Volery, 2007).

The integrated model can be hinged on the works of two scholars, T.V Rao (1978) and B.S Rao (2003). Rao (1978) opines certain elements as crucial to the development of the entrepreneur. To him, he must be dynamic and have the greatest ability of achieving goals; likewise, he must have a long-term commitment to such goals while engaging all the personal, social and material resources at his disposal. Nevertheless, he argues that a suitable socio-political environment is needed for the establishment and the development of the enterprise. Rao (2003) argues out five stages needed for the development of the entrepreneur. They are the stimulation stage in which interest and awareness is created to instil a sense of productive activity. Secondly, the identification stage in which training is acquired from formal institutions and a study is made simultaneously. Thirdly, is the development stage in which motivation is inspired through technology, information and more training. Fourthly, is the promotion stage in which developmental factors, services and incentives are created to support ideas. Lastly, is the follow up stage that reviews policies and programs of the enterprise to make it more effective.

These two theories are relevant to this study because the psychological model sees motivation as a primary driver for entrepreneurs, although they are often influenced by their needs, values and other sociological factors. The integrated model depicts that a suitable environment must exist for the entrepreneur to thrive successfully.

### **Methodology**

Data were collected from two databases. First, the internet was applied in the download of relevant materials as regards to the effect of Covid-19 on entrepreneurs while the emphasis was on Nigerian and Chinese societies. Significant concepts and ideas were selected from both sources

through homogenous purposive sampling and typical case sampling. While entrepreneurs with idiosyncratic personalities and skills were selected for this study, it also scrutinized them through a comparative enquiry across these two societies. Typical case sampling was used to investigate specific entrepreneurs evident in these societies and the data were considered representative of these entrepreneurs.

### **Discussion**

Entrepreneurs have a key role in terms of job creation, innovation and long-term growth of their respective economies however, Covid-19 is challenging their survival and hindering their growth. Government should pursue policies that would tackle their short-term challenges, support their short-term liquidity and make policies that would make funds available for them. They should also create initiatives that would help these entrepreneurs to grasp new business opportunities that may arise during the pandemic. Entrepreneurs in our modern world are the key drivers of economic growth and job creation and they are often seen as a catalyst for radical innovation. Covid-19 has brought economic uncertainties for entrepreneurs and their revenues have been slashed or eliminated through containment measures and drastic drop in demands. These traits have made entrepreneurs financially fragile and would need a lot of support for their short-term liquidity needs which is critical to their survival (Calvino, Criscuolo & Menon, 2016).

Entrepreneurs in Nigeria have over the years contributed to the development of the country through the impact of the private sector on job creation, national income, national prosperity and competitiveness. It's a well-established fact that the private sector enhances the gross domestic product (GDP) of a country which unleashes a sustainable pattern of growth and development. Scholars have also depicted that the major component of the private sector, small and medium enterprises (SMEs) is generally considered as the engines of economic growth, cornerstones for creativity and innovation and the bedrock of

entrepreneurship (Baig, 2007).

The integrated model has argued that a suitable environment is needed for the development of the enterprise. However, the Nigerian government coupled with the pandemic have hindered a suitable thriving business environment for its entrepreneurs. Many businesses, particularly small and medium enterprises (SMEs) have been closed down as a result of the Covid-19 pandemic. SMEs are badly hit by the outbreak of the pandemic due to their vulnerability and limited resources. Measures such as self-isolation or quarantine, social distancing, ban on social gatherings and closure of markets taken to contain the spread of the disease have impacted negatively on their operations, sales and profits. Many SMEs have experienced demand and supply chains shocks during this pandemic. Demands for goods have reduced drastically due to lockdown and restrictions of movement. Additionally, the supply chains have been badly affected. For example, most business organizations in Nigeria import their goods from China (Ozili, 2020). Nigeria is an importing trading nation and most of its goods and products come from China, with the Covid-19 pandemic, there has been a reduction in the supply of goods and products from China since the country is under lockdown. According to the records of the National Bureau of Statistics, the number of goods imported into Nigeria from China in the first half of the year 2019 stood at about N1.99 trillion. As such, manufacturers in China and traders in Nigeria both felt the harsh blunt of Covid-19 on their economies (Charis, 2020).

Most entrepreneurs have had to layoff their workers as a result of the outbreak of the Covid-19 pandemic and many jobs are in jeopardy in the near future. The pandemic has worsened the unemployment situation in Nigeria. For instance, the unemployment rate in Nigeria before the pandemic stood at 23.1 per cent (National Bureau of Statistics, 2018). However, due to the pandemic, the unemployment rate is estimated to rise to about 33 per cent by the end of 2020. An upsurge in unemploy-

ment has negative effects on the economy. For example, when unemployment increases there is the likelihood that social vices or criminal activities would increase and this portends grave danger for the country. Also, an upsurge in unemployment could lead to more hunger and poverty in the country (Obiezu, 2020).

The outbreak of Covid-19 had adverse effects on the global economy and the rippling effects were felt in Nigeria. The government had to send a revised budget to the National Assembly due to the constant drop in crude oil prices and thereby revised the budget proposal revenue projection for the 2020 fiscal period by a difference of N3.3 trillion naira from the initially approved amount of 8.41 trillion naira to 5.08 trillion naira (Iroanusi, 2020). The resultant effect was inflation in the economy and most entrepreneurs had to bear the brunt of rising costs amidst the pandemic, such trend further threatened and put a lot of strains on SME's. Economists have observed that the lockdowns due to the Covid-19 has resulted in heavy economic costs for entrepreneurs and the nation at large (Kazeem, 2020).

Most companies had to suspend their operations in Nigeria due to the pandemic; most movie producers couldn't shoot a movie because of the safety precautions of Covid-19. The resultant implication is that most movie producers had little or no income during the early stages of the pandemic in Nigeria. Likewise, global cancellation of major events also had rippling effects on entrepreneurs who had sport betting companies in Nigeria. Football leagues such as Italian Serie A, English Premier League and a host of other international football leagues have been suspended. The revenue from sport betting companies goes into million and nation and individuals are both at losses due to the effect of Covid-19. Furthermore, the music industry that prides on local artists going on international tours and events have also felt the brunt of Covid-19. With nations locking down their borders, flight restrictions and travel bans have hindered the earnings and incomes of musicians who pride

themselves to make their income through international events (Charis, 2020).

Entrepreneurs in China have contributed to the economic growth of the Asian giant and created millions of jobs for its burgeoning population. They are immensely contributing to an increasing share of the nations gross domestic product (GDP) which has adversely had effects on the human welfare of the people in China (Huang, 2008).

The advent of Covid-19 in 2019 in Hubei province brought business activities to a halt in the worlds second largest economy. Chinese small and medium enterprises (SME's) generate 90% of employment, constitute 80% of exports and account for 70% of GDP have been stung by the ravaging pandemic. Covid-19 has landed a heavy blow on entrepreneurs in China and it has sunk their revenues as a result of people being afraid of eating out, watching movies in cinemas, sending their children to participate in extracurricular activities, cancellation of business trips, postponement of trade fairs amongst others (Zhang, 2020). Entrepreneurship challenges in China during Covid-19 portray different phenomenon and perspectives. Entrepreneurs faced double pressures, on one hand they need to recoup the losses of a long shutdown and on the other hand, they need to carefully manage staff during the on-going outbreak. Offices and factories are public spaces and one of the safety regulations for Covid-19 is the reduction of people in large spaces. Thus, entrepreneurs in China have chosen their employees to self isolate and work from home. The short-term impact of the coronavirus outbreak on China's economy is inevitable, especially in labour-intensive industries. Enterprises will have to pay employee salaries and rents during the suspension of work. For instance, a well-known Chinese chain restaurant called Xibei Oat Noodle Village and Home Original Chicken have come under great huge financial pressure due to the rent of hundreds of their stores across the country as well as the salaries of their employees (Chinabreifing.com).

Covid-19 effect therefore in China is calamitous as stated above; it has slowed down business activities and has affected China's position in the global industrial supply chain. In a research carried out by the Enterprise Survey for Innovation and Entrepreneurship in China (ESIEC) they discovered that 80 percent of SME's hasn't resumed operations (restaurants, tourism operators and taxi cab operators) and 40 percent of these SME couldn't determine a timeframe for resumption (car wash, shops, liquor stores and fast-food joints). 20 percent of these SME's will be able to last only for one month on a cash flow basis and 64 percent have stated that they would last beyond three months after which they will bankrupt. Most of these SME's have witness a sharp decline in demand as a result of Covid-19 and have experienced shortages of raw materials which were caused by disruptions in the supply chain (Dai, Hu, & Zhang, 2020).

Chinese entrepreneurs have been able to explore the opportunities around them during the crisis and this is one of the main arguments of the psychological model. Flexibility, Adaptability and Innovation are some of the key traits of some Chinese entrepreneurs. With uncertainty and gloomy days ahead, certain Chinese entrepreneurs have to diversify their operations. Covid-19 has given them the ability to explore new opportunities and seek alternative products and services. Certain entrepreneurs in China have designed online medical platforms like Alihealth and Tencent Healthcare which helps to identify Covid-19 patients and offer diagnostic services for its citizens at no costs. Entrepreneurs have also delved into fresh food e-commerce since there are restrictions on movement to the local stores, shops and supermarkets. Certain Chinese entrepreneurs also capitalised on the home economy by promoting online entertainments during Covid-19. They designed and promoted online games and live webcast. Furthermore, with Covid-19 disruptions to education and schooling was majorly affected. Chinese entrepreneur, Alibaba designed Ding Talk which is office software to be used by schools and students. In the early period of the crisis, it was

installed over 1.1 billion times. Tencent also capitalised on the crisis of Covid-19 and designed Tencent education which helped the teeming student population of China to continue studying despite the pandemic (Mao, 2020).

The integrated model argues the need for entrepreneurs to be dynamic to be able to achieve their goals. This dynamic nature has propelled Chinese entrepreneurs to embark on cooperative projects to deliver services to the people during the early days of Covid-19. They hinge their activities on a collective strength at innovation during Covid-19. For instance, entrepreneurs that provided systematic accessibility solutions cooperated with major internet companies and hardware makers to deliver essential Covid-19 information to the people. Likewise, another SME that develops and builds online communities for sustainable lifestyle cooperated with the local governments in developing sustainable products and connect young entrepreneurs with companies and brands to provide sustainable development and social innovation. These entrepreneurs have identified that mobilising resources, integrating information and connecting communities are core innovative products and services that needs to be delivered to the people. To ensure efficiency and vitality they decided to go into cooperative projects with other SME's to deliver services and products to the people (Shen, 2020).

From the above discussions, we can see the responses of Nigerian and Chinese entrepreneurs during the Covid-19 crisis. While it's an established fact that Covid-19 has disrupted business activities and led to the closure of many SME's, it has also offered entrepreneurs certain business projects and opportunities. The above discussions have also exposed the inherent differences between Nigerian and Chinese entrepreneurs. Chinese entrepreneurs are innovative and dynamic; they have a strong passion and motivation to achieve their goals in the face of a daring pandemic. Despite these traits, both entrepreneurs have felt the harsh consequences of Covid-19, low demand, loss of capital, shutdown of normal business operations, increased fixed costs with no production

and a major threat to their lives.

### **Findings**

One of the major findings of this research work is that Nigerian entrepreneurs lacked the use of technology in their businesses while Chinese entrepreneurs did not. The Nigerian business environment isn't digitalised and as such business practices couldn't experience the transformation, they were supposed to have during the Covid-19 crisis. Banwo (2020) asserts that Nigerian entrepreneurs differ from Chinese entrepreneurs because they lack the use of technology to transform their business while Chinese entrepreneurs on the other hand, have access to technology they can use to facilitate their business practices. Chinese entrepreneurs had been able to indeed use technology to fastback their businesses. China has been able to craft and design a digital economy and its entrepreneurs have capitalised on it to do successful businesses. Nigeria doesn't have a digital economy yet and as such we are still used to the traditional forms of doing businesses although we have witnessed minimal development in recent years, it needs to be fully harnessed. China was able to design online market places, cashless payments, contactless delivery and live streaming during the Covid-19 pandemic. Scholars have argued and stressed the importance of a digital economy; it will spur mass entrepreneurship and increase economic participation that would provide the pathfinder of economic recovery in many societies (Wong, 2020).

Another fundamental finding is that both Nigerian and Chinese entrepreneurs faced a disruption of the supply chain and the global chain network. Most entrepreneurs from Nigeria source their goods from China while most Chinese entrepreneurs have a large share of the business market in Nigeria and Africa. The restrictions placed by Covid-19 have disrupted such chains and has further incapacitated the entrepreneurs with low consumer demands and a dwindling profit and capital flight. An additional finding of this research work is that Covid-19 embellished



the economies of Nigeria and China with lack of demand and supply which invariably translates to economic stagnation. This lack of demand has forced many entrepreneurs to shut down in Nigeria, lay off their workers and incur capital costs and failures in their business operations. Zhang (2020) reveals that Chinese exports declined to 17.4% this year due to Covid-19. This year many migrant workers have lost their jobs, income have reduced and many factories have shut down. Most entrepreneurs face the dilemma of a bankruptcy due to the fixed costs they had already incurred before the outbreak of Covid-19. Fixed costs such as rents, taxes and wages would deplete the meagre capital of these entrepreneurs.

This research also discovers that the governments of these two nations have a role in the survival of entrepreneurs during Covid-19 crisis. Government intervention would mitigate against the effects Covid-19 have on the economy. Governments need to protect these companies by making sure that there are certain financial measures in the banks, the provision of loans and special programs to cushion the effects of Covid-19 should be put in place. Government could also give a rebate on taxation and allow restricted form of working among certain services of the economy.

A final finding of this research work is the innovation and dynamism nature of Chinese entrepreneurs. Schumpeter (1934) views entrepreneurs as innovators who actively create opportunities by recombining information or resources into new products or new methods of production. Kirzner (1973) asserts that an entrepreneur has the ability to identify and exploit gaps in the existing economic system. They spontaneously discover unnoticed profit opportunities in an existing market and capitalise on this imbalance, an act also known as arbitrage. In every country, entrepreneurs play an important role in the aspects of creating employment opportunities, increasing productivity and promoting national development (Audretsch & Keilbach, 2003). Many

countries of the world encourage entrepreneurship to alleviate poverty and promote national growth (Van Stel, Storey & Thurik, 2006). Chinese entrepreneurs have been able to discover the gaps and exploit the demand brought by Covid-19 while Nigerian entrepreneurs couldn't achieve such feat. McClelland who propounded the psychological model also argues that entrepreneurs should have motivation training programs so that they can be eager to explore the opportunities around them. Nigerian entrepreneurs need a lot of motivational training programs so that they can be susceptible to the opportunities and prospects the pandemic has for them in doing businesses.

### **Conclusion**

Covid-19 has shown that the entrepreneur of the 21st century must be creative, innovative, flexible, dynamic and responsive to the changes within his environment. They must have radical minds that breed radical innovations that would be able to cope with pandemics or crisis. Chinese entrepreneurs have innovated by providing certain services such as online education and entertainments apps, apps for tele-medicine and have adopted the use of technology in home delivery processes, food processing and personal care. Nigerian entrepreneurs haven't been able to do such because of their intrinsic incapacitations, short-sightedness and shortcomings. It strongly suggests that government and the private sector should boost the potentials of Nigerian entrepreneurs by offering insights, training, knowledge and resources of how to develop a rapid response system in the times of pandemics and crisis.

Covid-19 has brought upon major economies of the world a new form of crisis, one that restricts movements and has caused major disruptions to the global chains worldwide, most especially the one between Nigeria and China. With Covid-19, we have new forms of work practises to guard and safeguard lives, which is the ultimate during any form of pandemic. Workers are now requested to work from their homes and all form of business meeting and engagements are done online. While

Chinese entrepreneurs are fully capable of holding such meetings, most Nigerian entrepreneurs lack the technological skills to engage in such.

Nevertheless, most entrepreneurs either from Nigeria or China have been bequeathed with cutting costs through laying off workers or closing down certain operations. The impact of Covid-19 is monumental as most entrepreneurs weren't prepared for the harsh consequences. Lockdowns have closed down a lot of operations in Nigeria and China and there is a flight of entrepreneurial spirit that began the initial business operations. Chinese entrepreneurs have been able to cope with the pandemic on a minimal scale because of their advancements in technology, certain online shopping and entertainment businesses thrived during the Covid-19 shut down. Other associated online platforms like Alibaba and WeChat also had a major boost during the pandemic early stages of inception. Nigerian and Chinese customers have become accustomed to the new form of disruptions and as a result their buying trends, attitudes and expectations have been greatly hindered. However, they have to adjust to the new forms of business practices which include online shopping and delivery. While certain online shopping platforms are available in Nigeria such as Jumia and Tonga, China has developed his online shopping platforms on a wide scale.

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