

RESEARCH ARTICLE

Commercial Banks Responses toward Small and Medium Enterprises Survival in the Context of the COVID-19 in Africa

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Abstract: The African government has implemented measures to sustain an investable economic downturn as it navigates the fiscal effect of the viral spread of coronavirus disease 2019 (COVID-19). Consequently, commercial banks in Africa have come hand in hand toward support of SMEs activities by increasing their borrowing power and reducing interest rates. Despite all these measures the general performance of small and medium enterprises (SMEs) across Africa as pertains to revenues and profits has gone down. This paper provides a theoretical analysis of the measures undertaken by commercial banks to ensure proper running and continuity of activities in the SMEs sector in Africa. The research is founded on the theories of innovation diffusion and resource-based theory. This study will use a mixed research design, which will include descriptive and explanatory research. The proposed target population will be Africa's thriving commercial banks. The primary and secondary data will be used from commercial bank reports and the central bureau of statistics reports across Africa. The data will be analyzed using a multiple linear regression model. The finding indicated that commercial banks in Africa have brought in solutions and measures to adapt to the crisis being implicated on the SMEs by the COVID-19 pandemic. Based on the findings of the desktop reviews, the study concludes that commercial banks have a significant influence on SMEs during this period of COVID-19, and with the assistance of the government, they have implemented more policies to support the activities of SMEs.

Keywords: Africa, COVID -19, Commercial banks, Small and medium enterprises

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