

WHAT CHANGED IN THE PROBLEMS AND SOLUTIONS OF ENTERPRISES IN THE PRE-COVID-19 / COVID-19 PERIOD? EVALUATION OF THE SURVEY RESULTS OF SWORN-IN CERTIFIED PUBLIC ACCOUNTANTS OF ISTANBUL

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ABSTRACT

Purpose- The purpose of this study is to identify what has changed on the enterprises' problems and solution proposals pre and during the COVID-19 period. In this context, the problem and solution proposals obtained from the "Chamber of Sworn-In Certified Public Accountant of Istanbul Economy Expectation Index and Encountered Problems and Solution" survey were evaluated on basis of sectors.

Methodology- The survey used in the study has been applied quarterly since 2017 to 13 different sectors and more than 300 enterprises. In April 2020, the survey was applied as a COVID-19 thematic survey. In this study, the results of the pandemic thematic survey and the results applied in the 2019-2021 periods were compared using frequency breakdowns for 8 sectors.

Findings- According to the findings, it was stated that serious losses occurred due to the exchange rate risks due to the problems experienced with the fluctuation of the exchange rate. In addition, the global economic recession has become one of the important problems of enterprises that have problems in terms of equity capital. While the profitability ratios decreased due to the contraction in demand and increase in costs, it was observed that enterprises with increasing credit costs had difficulties in accessing appropriate financing.

Conclusion- According to the study, it has been demonstrated that sectors appear new problems in the pandemic. Hence, sectors' problems should be considered on a preferential basis by public authorities. It has been considered incentive that is applied by the public authority will have a great influence on enterprises.

Keywords: Covid-19, sectoral problems, encountered problems and solution proposals.

JEL Codes: P00, M21, M29

1. INTRODUCTION

Business cycle causes economic units to redeploy and follow a different flow. The COVID-19 outbreak has caused a change in the general setup of enterprises and it has been seen that different problems have arisen across enterprises. While the changes experienced on the demand and supply side are an indication that all actors of the economy are in the process of reconfiguring their behaviour, enterprises that have evolved into the recovery phase are still cautious and undecided about making the leaps they expect. Considering different enterprises' sizes and different sectors, the problems and solutions differ. Although it is seen that the recovery momentum has increased for developed and developing countries and there are problems even in the transition to the recovery phase for less developed countries. Despite the macro-management recovery, the micro-management declines have problems behind the headlines, and it is on the way to become a problem that is on the agenda of the world again (International Monetary Fund, 2021). For this reason, the problems and solution proposals that can be determined in the studies carried out by the enterprises are very critical for a total recovery.

Small, medium and large-scale enterprises, which have the ability to determine the future of developing countries, should be able to attach to the world economy by creating suitable environment and conditions, as well as holding on to the country's economies. It is very important to identify problems both in periods of stability and in times of crisis, so that enterprises can achieve their gradual rise from local to global level and maintain their existence depending on their efficiency and flexibility in meeting demand in a fair competition environment. In cases where these problems are not/cannot be detected or the necessary steps cannot be taken to overcome the problems, may cause the enterprises in the sectors not to be able to hold on to the economic system and reduce the sustainability possibilities.

In this study, enterprises in Istanbul, the city with the largest business and transaction volume in Turkey, are discussed. In order to be able to follow the sectors, sector analyses were made from the perspective of sworn-in certified public accountants who had the opportunity to monitor the situations within enterprises as an observer. Along with the surveys obtained, the problems in the current periods regarding the sectors were determined and suggestions were made by the sworn-in certified public accountants in the sector to overcome these problems. It has been determined depending on the surveillance of surveys whether the problems identified have a decreasing, increasing, or chronic effect over the years.

2. LITERATURE REVIEW

Due to some limitations, enterprises may experience delays in the process of returning to their normalcy after major crisis periods. Small, medium and large enterprises have limited capacity and resources and are experiencing both internal and external problems in acquiring sufficient resources to overcome the crisis (Shafi, Liu, & Ren, 2020). There are studies in the literature that examine the problems faced by SMEs in different scales, both on a country basis and on a city basis. While the scale of the studies in the literature differs, it is seen that there are similarities in terms of findings (Keskin, Koşan, & Ayik, 2009), (Bohata & Mladek, 1999), (Vaikunthavasan, Velnampy, & Rajumesh, 2019) (Anuradha & Parthiban, 2014).

Bohata and Mladek (1999) investigated the transformation of SMEs in the Czech Republic in the historical process and what kind of problems they faced and analysed the results of the survey applied to 100 enterprises by using statistical methods. According to the findings of the study, it has been revealed that the main problems of SMEs are high tax burden, lack of equity and financial problems. Onugu (2005) determined the sub-sectors of SMEs in Nigeria and conducted survey research. In the study, the problems of the sectors were determined by using frequency distributions and statistical methods and solutions were proposed. According to the findings of the study, it has been revealed that the main problems of SMEs in Nigeria are bureaucracy problems, environmental problems, competition problems and infrastructure related problems. Keskin, Kosan, and Ayik (2009) the export-related problems of SMEs operating in Erzurum were investigated through a survey applied to 78 enterprises and the frequency distribution of the answers was made. According to the results of the study; legislative problems, bureaucratic obstacles, economic instability and lack of information on foreign markets and financing problems are described as problems faced by SMEs whether they are exporting or trying to do so. In the study of Mindikoglu and Duygu (2009), in which the problems faced by enterprises in environmental management and their solution suggestions were discussed, questionnaires were used and analysed using SPSS and Excel program. Insufficient infrastructure, insufficient waste disposal areas and sparse incentives were identified as important problems. Suggestions were made by the government such as encouraging the transformation processes, improving the infrastructure for recycling and raising the awareness of the enterprises.

Ong, Ong, Ismail, and Yeap (2010) investigated what the problems of SMEs in Malaysia are and how to increase their competitiveness by solving these problems. As a result of the study, the competencies of the managers were gathered under five headings as state aid programs, adaptation of technology, lack of competitiveness and the limitation of the definition of SMEs in the country. Anuradha and Parthiban (2014) discussed the pre- and post-deregulation periods of micro, small, medium and large enterprises (MSMEs) in India. In their research on what could be the opportunities and constraints in the globalizing world, they discussed the scales of exports, production, employment and enterprises using statistical methods. As a result of the study, it is in a disadvantageous position in the axis of competition against large industries due to problems such as infrastructure deficiencies, deficiencies in product standardization, quality management. Lekhanya (2015) applied a survey to 374 enterprises owners in order to determine the reasons affecting the success of SMEs in the rural parts of South Africa in marketing. Statistical methods were applied to the results obtained from the surveys and it was found that variables such as access to finance, management skills, education and training and qualified employee are the main factors affecting marketing strategies.

Sallem, Nair, Nori and Kassim (2017) conducted a compiled study in order to identify the problems of SMEs in Malaysia and to reveal the solutions to these problems. According to the findings of the study, it is recommended to work with qualified accountants and invest in information and communication technologies because there are problems in budget management, taxation and technology transfer. Razak, Abdullah and Ersoy (2018) The difference of this study from other studies in the literature; to reflect the opinions of certified public accountants who are in the position of auditors of enterprises, to regularly apply these to more than 300 enterprises twice a year, and to reveal the knowledge pattern regarding the Istanbul economy by doing it on a sectoral basis. In addition, Fabeil, Pazim and Langgat (2020), who determined that there is no strategy that

includes crisis packages prepared to be implemented in times of crisis in Malaysia, stated that enterprises use various approaches such as working from home, digital marketing, differentiation of sales channels and market penetration to cope with the crisis. In addition to not being prepared for crises, it has been clearly seen in the process that habits can be abandoned during the adaptation process to the crisis. Vaikunthavasan, Velnampy, and Rajumesh (2019) conducted focus group discussions to investigate the problems of post-war SMEs in the Northern Province of Sri Lanka, and descriptive statistics method was used to analyse the findings. As a result of the study; marketing problems, financial problems and employee problems specific to enterprises and the existence of external world problems were determined. Among the findings of the study, it was determined that SMEs in both countries needed financial assistance, therefore their access to finance should be facilitated. In addition, it was stated that while enterprises in Turkey need technology transfer, enterprises in Malaysia need to acquire finance, accounting and, marketing skills.

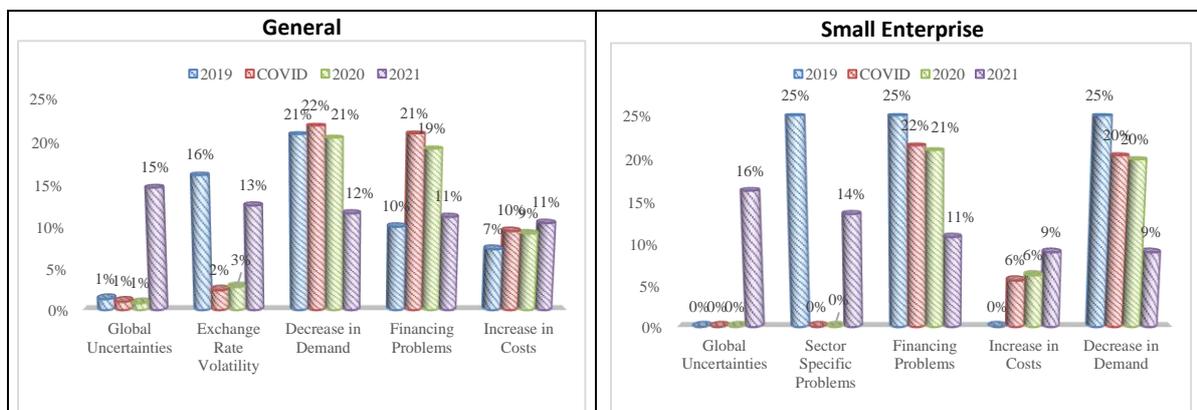
As seen in the literature, it is very important to examine the problems faced by enterprises in developing countries. Small and medium-sized enterprises are the key to strengthening economic growth, protection of human capital in the nation, ensuring high competition and overcoming potential difficulties in the system (Aris, 2006), (Cravo, Gourlay, & Becker, 2012). In addition, it can be said that the sectors may have their own problems different from the size of the enterprises and these problems contain different vulnerabilities. Considering the diversification of problems especially during crisis periods, appropriate policies should be handled within the framework of sector conditions by the policy-makers.

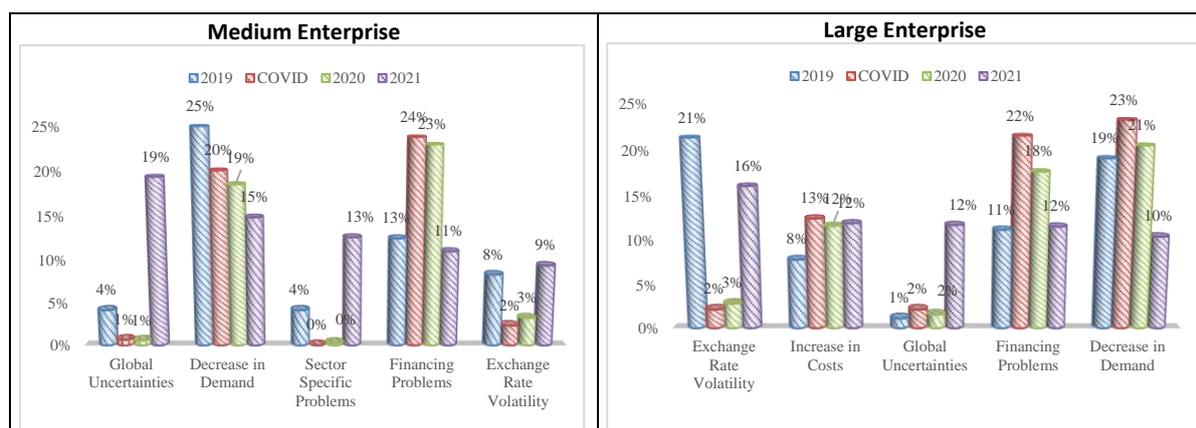
3. DATA AND FINDINGS

In this study, the COVID-19 Pandemic Survey, which was answered by Chamber of Sworn-in Certified Public Accountants of Istanbul and included open-ended questions, and the normal process survey applied in the years 2019-2021 were used. Sworn-in Certified Public Accountants Economy Expectation Survey has been implemented twice a year since 2017, and it is carried out with the participation of sworn-in certified public accountants responsible for auditing and regulating more than 300 enterprises in each survey period. According to the data obtained from the surveys; the sectoral separation of the enterprises was made and the answers to the problems and solutions were compared using frequency breakdowns. With this study, it was ensured that the sectors were followed, and possible to convey the problems and solutions from the perspective of the sectors to the decision makers and practitioners from a specific point of view.

With this study, it has been revealed how the problems of the enterprises have changed compared to the normal period during the ongoing pandemic, and what suggestions have been offered for the solutions to these changes. The results for the years 2019, 2020, and 2021 reflect the average of the two surveys conducted in each half term. Since the data on the food and agriculture sector has been handled since the beginning of the pandemic, data for 2019 are not available.

Figure 1: Main Problems Encountered by Scale of Enterprises between 2019-2021





While global uncertainties in small and medium-sized enterprises constitute the most important problem of 2021, it has been determined that this problem has a tertiary order of importance for large-scale enterprises. Likewise, depending on the effects of the pandemic, it is seen that sector-specific problems arise in medium and small-sized enterprises, while it is seen that this problem is not among the main problems of large-scale enterprises. Although the order of importance of all the problems encountered, except for the problems originating from the sector, has changed in enterprises of all sizes, they encountered the same problems in economic transactions and transactions. In order to solve these problems, suggestions such as eliminating the pandemic process, stabilizing the exchange rate, putting applications to increase consumer behaviour on the agenda, providing low-interest loans to enterprises and encouraging domestic production were presented.

On the other hand, the problems faced by the enterprises in the selected sectors by the relevant years are given in the tables below. The survey results were ranked from the problem with the highest share to the problem with the lowest share in 2021.

Table 1: Problems Encountered in Textile Sector between 2019-2021

Textile	2019	COVID-19	2020	2021
Decrease in Demand	15%	23%	22%	18%
Global Uncertainties	0%	0%	0%	15%
Exchange Rate Volatility	15%	4%	5%	13%
Increase in Costs	8%	10%	10%	11%
Sector Specific Problems	15%	0%	0%	7%
Economic and Political Uncertainties	0%	4%	4%	6%
Financing Problems	8%	17%	16%	5%
Accessing of Raw Materials	8%	1%	2%	5%
Qualified Employee	8%	7%	8%	5%
Competition	8%	0%	2%	5%
Tax Burden	0%	2%	2%	3%
Collection Problems	0%	12%	10%	2%
Informal and Unregistered Activity	0%	0%	0%	2%
Legislation / Regulation	0%	10%	9%	1%
Incentive Programmes	15%	1%	2%	1%
Production Problems	0%	7%	6%	1%
Lack of Infrastructure	0%	0%	0%	0%
Bureaucratic Obstacles	0%	4%	3%	0%
Lack of Auditing	0%	0%	0%	0%
Employee and Employer Problems	0%	0%	0%	0%
Promotion and Marketing	0%	0%	0%	0%

As seen in Table 1, although there have been both decreases and increases in the textile industry over the years, it has revealed the possibility that the problems regarding demand and costs will become chronic in the industry. While the change in consumer behaviour and the restriction in the foreign market during the pandemic were shown as the biggest reason for the decrease in demand, it was suggested to create market areas suitable for the sector. On the other hand, although financing problems have been the primary problem of the sector since 2019, it has a very low rate in 2021. It is suggested that the solution of financing problems is minimizing indebtedness in foreign currency. Legislation, production, bureaucracy and collection problems started to rise with the onset of the COVID-19, but declined significantly in 2021. While it is not surprising that the demand for the sector decreased in the period of increasing global uncertainties, it is seen that the exchange rate, which is the primary problem of many sectors, lost its effect in the sector with the slowdown in production activities due to the increase in demand contraction between the onset of COVID-19 and 2020. In the following year, the decrease in the demand contraction problem was followed by the increase in the exchange rate volatility. On the other hand, although the bureaucracy problem affected it for a year following the emergence of the pandemic, this effect disappeared from the agenda in 2021.

Table 2: Problems Encountered in the Finance Sector between 2019-2021

Finance	2019	COVID-19	2020	2021
Economic and Political Uncertainty	57%	9%	7%	24%
Financing Problems	14%	23%	25%	22%
Collection Problems	29%	23%	21%	10%
Global Uncertainties	0%	0%	0%	7%
Bureaucratic Obstacles	0%	0%	0%	5%
Qualified Employee	0%	5%	4%	5%
Legislation / Regulation	0%	9%	11%	5%
Competition	0%	0%	0%	5%
Sector Specific Problems	0%	0%	0%	5%
Incentive Programmes	0%	5%	4%	5%
Lack of Auditing	0%	0%	0%	2%
Accessing Raw Material	0%	0%	4%	2%
Increase in Cost	0%	5%	4%	2%
Lack of Infrastructure	0%	0%	0%	0%
Exchange Rate Volatility	0%	0%	0%	0%
Employee – Employer Problems	0%	0%	0%	0%
Informal and Unregistered Activities	0%	0%	0%	0%
Decrease in Demand	0%	18%	14%	0%
Promotion and Marketing	0%	0%	0%	0%
Production Problems	0%	5%	7%	0%
Tax Burden	0%	0%	0%	0%

The distinguishing feature of the financial sector from other sectors stems from the effects of economic and political uncertainties on the sector. Especially in 2019, while it was at its highest level with 57%, there was a serious decrease with the beginning of the COVID-19, but as of 2021, it re-entered the agenda of the sector from the top. However, financing problems and collection problems increased with the onset of the pandemic, and although collection problems decreased significantly in 2021, financing problems continued to be chronic. Accessing of raw material, incentive, legislation and cost increase issues came to the fore with the onset of COVID-19, but it is seen in the results of the following years that their effects have decreased. Despite the increase in the need for financing with the decrease in the business capacity of the enterprises within the scope of the measures during the pandemic, the demand inadequacies in other sectors caused the same problem to emerge in the sector. With the return of business and transactions to normal in 2021, sector-specific problems, competition, bureaucracy, and global uncertainties problems emerged. In general, it has been suggested to create an environment of trust in the global economy and to strengthen the markets by ensuring stability.

Table 3: Problems Encountered in the Manufacturing Sector between 2019-2021

Manufacturing	2019	COVID-19	2020	2021
Exchange Rate Volatility	26%	4%	5%	17%
Increase in Cost	6%	6%	7%	15%
Financing Cost	6%	22%	18%	12%
Accessing Raw Material	0%	6%	6%	10%
Global Uncertainties	0%	2%	1%	10%
Decrease in Demand	13%	21%	19%	8%
Collection Problems	6%	11%	9%	5%
Sector Specific Problems	3%	0%	0%	4%
Economic and Political Problems	16%	3%	5%	4%
Qualified Employee	0%	9%	9%	3%
Tax Burden	3%	2%	2%	3%
Competition	0%	1%	1%	3%
Informal and Unregistered Activity	0%	0%	0%	1%
Bureaucratic Obstacles	3%	3%	2%	0%
Production Problems	0%	5%	5%	0%
Lack of Infrastructure	0%	0%	0%	0%
Lack of Auditing	3%	0%	0%	0%
Employee - Employer Problems	0%	0%	0%	0%
Legislation / Regulation	3%	4%	4%	0%
Promotion and Marketing	0%	0%	0%	0%
Incentive Programmes	10%	2%	4%	0%

It can be said that with the onset of the pandemic in the manufacturing sector, the exchange rate and cost increase problems tend to increase or decrease parallel to each other. Since the sector is highly dependent on imported inputs, the change in the exchange rate has direct effects. In order to reduce the exchange rate risk, it has been suggested to share the exchange rate estimates with the enterprises and stabilize the exchange rates. Likewise, the onset of the pandemic has revealed the financing problems of this sector. In order to overcome this problem, solutions such as facilitating the access to credit of especially manufacturing and exporting enterprises, and the introduction of low-interest export preparation loans have been proposed. As seen in Table 3, although the problem of accessing raw materials and qualified employees emerged with the onset of COVID-19, it entered a decreasing trend in the following years. Although there were sector specific problems in 2019, this problem was removed from the agenda until 2020, but as of 2021, it took its place on the agenda of the sector again. Demand contraction and collection problems are among the chronic problems of the sector. According to answers it is possible that the end of the pandemic and the acceleration of the vaccination processes will find a relief on the demand side.

Table 4: Problems Encountered in the Trade Sector between 2019-2021

Trade	2019	COVID-19	2020	2021
Exchange Rate Volatility	26%	0%	1%	22%
Financing Problems	7%	19%	17%	14%
Global Uncertainties	0%	1%	1%	14%
Decrease in Demand	11%	29%	29%	14%
Economic and Political Uncertainties	7%	1%	3%	11%
Increase in Cost	7%	10%	10%	10%
Collection Problems	26%	6%	7%	7%
Sector Specific Problems	0%	0%	0%	3%
Tax Burden	4%	0%	1%	3%
Bureaucratic Obstacles	4%	4%	3%	1%
Legislation / Regulation	4%	9%	9%	1%
Lack of Infrastructure	0%	0%	0%	0%

Lack of Auditing	0%	0%	0%	0%
Accessing Raw Material	4%	0%	0%	0%
Employee – Employer Problems	0%	0%	0%	0%
Qualified Employee	0%	12%	10%	0%
Informal and Unregistered Activity	0%	0%	0%	0%
Competition	0%	0%	0%	0%
Promotion and Marketing Problems	0%	1%	1%	0%
Incentive Programmes	0%	5%	7%	0%
Production Problems	0%	1%	1%	0%

While the most important problems in the trade sector with the onset of the pandemic were decrease in demand and financing problems, it is seen that these problems continue to be the main problems of the sector, although they tend to decrease in 2021. In 2021, the exchange rate problem in the sector entered the list of problems in the first place. According to the sworn-in certified public accountants' answer, the fluctuating course of the input exchange rates is directly reflected in the costs in the sector, where the use of imported inputs is high, while business and transactions slowdown in the global uncertainty environment. While it is recommended that the Central Bank increase its effectiveness, the idea that the exchange rate should be stabilized. The collection problem, which was described as one of the two main problems of the sector in 2019, tended to go out of the agenda with the onset of the pandemic. With the onset of the pandemic, qualified employee, incentives programmes, production and promotion and marketing problems emerged, but in 2021 they were out of the agenda of the sector. It has been proposed to resolve the global uncertainties by accelerating the vaccination processes, by providing long-term and low-interest loans, of the financing problems faced in the sector.

Table 5: Problems Encountered in the Logistic and Transportation Sector between 2019-2021

Logistics and Transportation	2019	COVID-19	2020	2021
Global Uncertainties	0%	0%	0%	27%
Sector Specific Problems	0%	0%	1%	18%
Financing Problems	11%	14%	13%	12%
Exchange Rate Volatility	11%	0%	0%	10%
Decrease in Demand	33%	22%	22%	8%
Qualified Employee	0%	8%	7%	5%
Competition	11%	3%	4%	5%
Economic and Political Problems	11%	3%	3%	3%
Collection Problems	0%	11%	10%	3%
Tax Burden	0%	3%	3%	3%
Bureaucratic Obstacles	0%	5%	4%	2%
Accessing Raw Material	0%	0%	0%	2%
Increase in Cost	22%	13%	13%	2%
Lack of Infrastructure	0%	2%	1%	0%
Lack of Auditing	0%	0%	0%	0%
Employee – Employer Problems	0%	0%	0%	0%
Informal and Unregistered Activity	0%	2%	1%	0%
Legislation / Regulations	0%	10%	12%	0%
Promoting and Marketing	0%	0%	0%	0%
Incentive Programmes	0%	2%	1%	0%
Production Problems	0%	3%	3%	0%

Although it is known that global uncertainties will have a serious impact on the logistics industry in 2021, excessive demand in addition to the restrictions in transportation activities has emerged as the sector's problem. Although the sector experienced a stagnation on the demand side from 2019 to 2020, it is seen that this stagnation largely lost its effect in 2021. In 2021, sector-related problems, exchange rate volatility and global uncertainties have had such a share in the list of problems for the first time. It has been stated that the exchange rate uncertainty is reflected in the transportation costs and the price changes have negative effects on the profit shares. With the continuation of the pandemic, the effects of the shocks in the global economy became more evident in 2021. Although production, lack of infrastructure, informal and unregistered activities and lack of incentive programmes were evident in the COVID-19 special survey and 2020, they were out of the agenda of the sector as of 2021. It has been suggested that public authorities should take a position to reduce the effects of global uncertainty in order to ensure exchange rate stability, strengthen maritime transport fleets, and increase predictability and predictability.

Table 6: Problems Encountered in the Agriculture Sector between 2019-2021

Agriculture	COVID-19	2020	2021
Increase in Cost	10%	10%	25%
Sector Specific Problems	0%	0%	20%
Financing Problem	10%	10%	15%
Competition	0%	0%	10%
Incentive Programmes	0%	0%	10%
Exchange Rate Volatility	0%	0%	5%
Qualified Employee	0%	0%	5%
Decrease in Demand	30%	30%	5%
Tax Burden	10%	10%	5%
Lack of Infrastructure	0%	0%	0%
Bureaucratic Obstacles	0%	0%	0%
Lack of Auditing	0%	0%	0%
Economic and Political Uncertainties	10%	10%	0%
Accessing Raw Material	0%	0%	0%
Employee – Employer Problems	0%	0%	0%
Informal and Unregistered Activity	0%	0%	0%
Global Uncertainties	0%	0%	0%
Legislation / Regulation	0%	0%	0%
Collection Problems	10%	10%	0%
Promotion and Marketing	0%	0%	0%
Production Problems	20%	20%	0%

As seen in Table 6, it can be said that with the decrease in the problem of decrease in demand in the sector, the problems originating from the sector have come to light. While it is stated that the competitiveness of the sector has decreased due to the lack of a planned production and distribution network, it has been suggested to overlap the product and regional planning, to determine the output targets in the determined regions and to bring them to a competitive status in free trade. The increase in the prices of goods such as imported seeds, fertilizers and drugs used in agricultural food production, as well as the increase in energy prices, forced the sector to face a difficult situation. It has been suggested that the public authority should provide direct support to this sector in the import of intermediate goods and that incentive agricultural policies should be followed. Although the financing problems of enterprises that have equity capital problems seem to have remained the same in the first two survey periods, it increased by 5% in the last survey period. On the other hand, production and economic and political problems have disappeared from the agenda of the sector over time.

Table 7: Problems Encountered in the Food Sector between 2019-2021

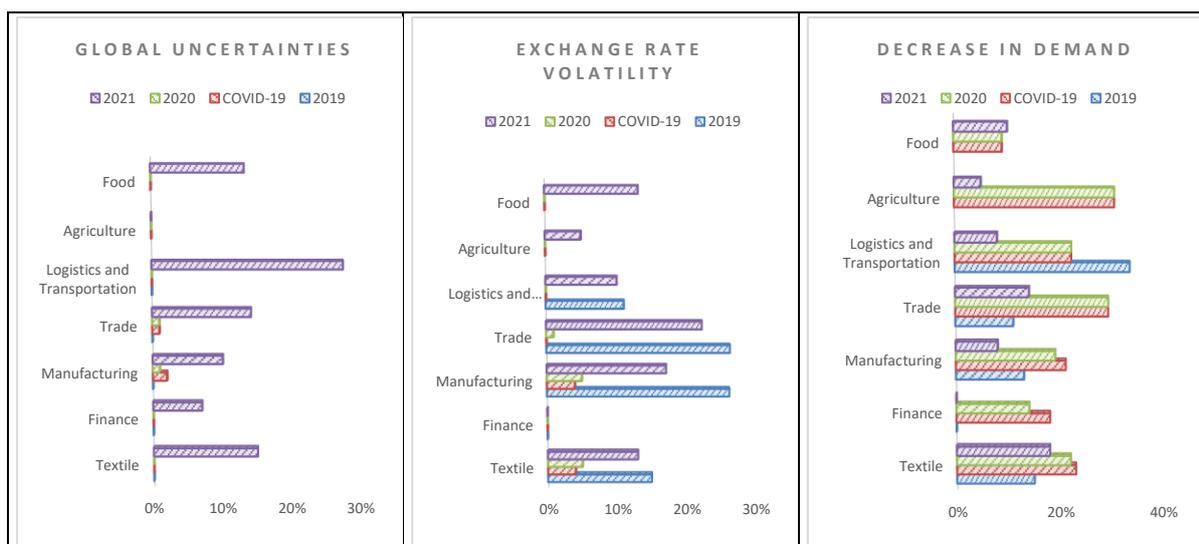
Food	COVID-19	2020	2021
Increase in Cost	35%	35%	16%
Exchange Rate Volatility	0%	0%	13%
Accessing Raw Materials	4%	4%	13%
Global Uncertainties	0%	0%	13%

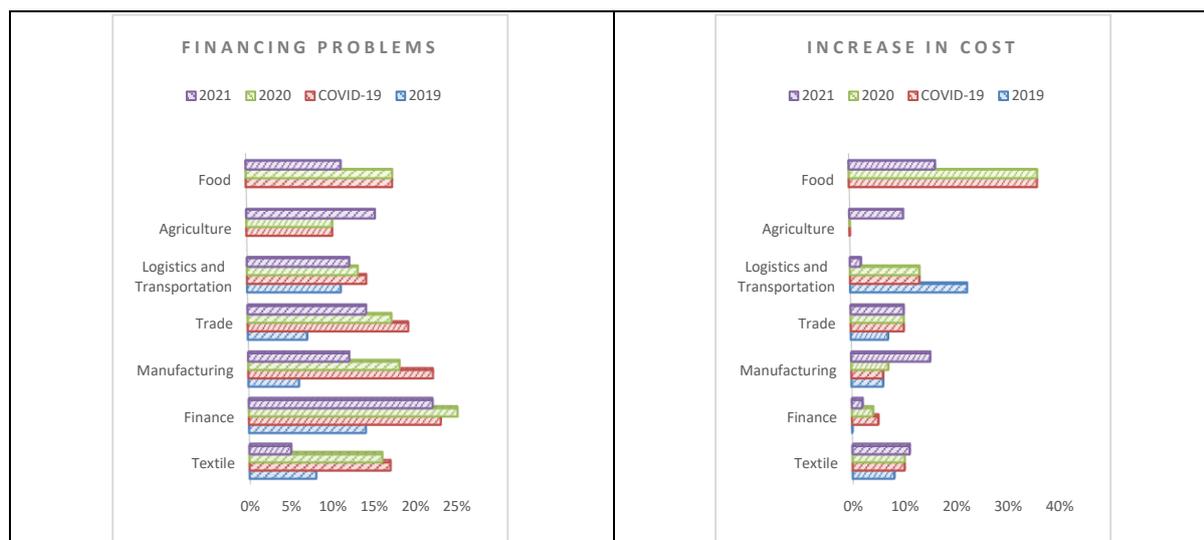
Financing Problems	17%	17%	11%
Decrease in Demand	9%	9%	10%
Sector Specific Problems	0%	0%	8%
Competition	13%	13%	5%
Economic and Political Problems	0%	0%	3%
Bureaucratic Obstacles	0%	0%	2%
Lack of Auditing	0%	0%	2%
Informal and Unregistered Activities	0%	0%	2%
Collection Problems	4%	4%	2%
Incentive Programmes	0%	0%	2%
Lack of Infrastructure	0%	0%	0%
Employee – Employer Problems	0%	0%	0%
Qualified Employee	9%	9%	0%
Legislation / Regulation	4%	4%	0%
Promoting and Marketing	0%	0%	0%
Production Problems	4%	4%	0%
Tax Burden	0%	0%	0%

Among the problems related to the food sector in table 7; increase in cost, financing problems, competition and qualified employee problems decreased significantly compared to previous years. It was stated that although the increase in input prices quickly reflected on the cost side, the same price difference could not be reflected on the outputs. It has been stated that policy steps that can reduce inflation and prevent exchange rate volatility should be taken by the public authority. It has been said that the sector can get rid of the competition problem by making plans in a way that the public and the enterprises in the sector may act in coordination. On the other hand, global uncertainties and financial problems in the sector first emerged in 2021. Demand shrinkage can be seen as a chronic problem of the sector, where it is a chronic problem. It has been stated that the global uncertainty environment has changed consumer behaviour and the demand for food/beverage outside the home has decreased, and it has been concluded that the problem of demand insufficiency will decrease in the following period, with the pandemic being brought under control around the world.

Figure 2 showed that the most important 5 problems encountered by 7 sectors in 2021 are global uncertainties, exchange rate volatility, decrease in demand, financing problems, and increase in cost.

Figure 2: 5 Most Encountered Problems in 7 Selected Sectors between 2019-2021





The changes in the five problems listed on the basis of sectors were examined in the graphics, including the 2019–2021 period. It is seen that the global uncertainty problem has not been experienced before in the sectors discussed before 2021, except for the trade and manufacturing sector. While the exchange rate volatility problem was a big problem for some sectors in 2019, it became a problem for all sectors except the finance sector in 2021. Decrease in demand and financing problems are not only a popular problem for all sectors, but also tend to become chronic. Likewise, it is seen that there is a tendency to become chronic in the increase in cost in general, but the agricultural sector is an exception for this generalisation.

4. CONCLUSION AND IMPLICATIONS

While the first two decades of the 2000s have passed, economics, business, and trades in the world have begun to differ from each other due to crises. Ecological factors added to these differences have changed the direction and shape of the transformation and have led to a change in the interests of the enterprises. The transformation experienced in all areas from climate to economy in the world has accelerated with the COVID-19 pandemic that started in late 2019. Some enterprises were caught unprepared for this rapid change, while some took opportunities to turn the crisis into an opportunity. However, while the process of adapting to change becomes difficult for enterprises, their fragility increases due to sudden transformation. It should not be overlooked that small, medium and large enterprises have a critical role in the country's economy and that they carry the greatest opportunities for their growth. Hence, it is crucial to take precautions to ensure that the sectors that provide them do not lose their dynamism despite the rapid change in demands and supplies by COVID-19. This study is to identify what has changed in the enterprises' problems and solution proposals pre and during the COVID-19 period. Thus, a road map opportunity will be created for the precautions to be taken by policymakers.

According to the results of the analysis made in this context, it has been determined that the sectors face unpredictability problems in their buying and selling transactions in the global uncertainty dominated by the pandemics. Serious losses occurred due to the fluctuations of exchange rates, the input prices increased accordingly, but the profit margins decreased due to the inability to reflect the increased costs on the selling prices of the products in the enterprises. In addition, the global economic recession has become one of the important problems of enterprise that have problems in terms of equity capital. While the profitability ratios decreased due to the contraction in demand and increase in costs, it was observed that enterprises with increasing borrowing costs had difficulties in accessing appropriate financing. In 2020, there was a shortage of qualified employees in the sectors. It has been observed that while trying to meet the increasing demand in logistics and transportation, which is one of the sectors in which the problem of shrinkage in demand experienced in the later period of the pandemic has lost its effect, problems related to the sector have emerged.

As a conclusion, the effects of the regulations and improvements to be made by the public authority in the macroeconomic indicators will have a great sectoral impact. A balanced exchange rate, loans with suitable maturity and low-interest rates, and the identification of the problems of the sectors paved the way for policymakers to ensure appropriate deployment, and it was possible to benefit from more accurate analyses with a high measurement capacity while applying macroeconomic policies. In future studies, it can be expected to increase the number of sectors or to increase the scale of the study to make a study that can reflect Turkey in general.

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