

# RECOGNIZING MINISTRY OF ENTREPRENEUR DEVELOPMENT AND COOPERATION (MEDAC) IN THE FURTHERANCE INTEREST OF ENTREPRENEURS AND COOPERATIVES

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## Article history

**Received date** : 20-6-2022

**Revised date** : 21-6-2022

**Accepted date** : 19-9-2022

**Published date** : 6-10-2022

## To cite this document:

Othman, I. W., Hassan, H., Ahmad, S. N. B., Topimin, S., & Anak Buncha, M. R. (2022). Recognizing Ministry of Entrepreneur Development and Cooperation (MEDAC) In the Furtherance Interest of Entrepreneurs and Cooperatives. *International Journal of Accounting, Finance and Business (IJAFB)*, 7(43), 437 - 453.

**Abstract:** *This article focuses on a balanced, integrated, and blended effort in facing the continuation of the endemic era of COVID-19 in the economic sector engaging entrepreneurs and cooperatives. The purpose of the discussion is to identify the dispute over the role, government efforts, and MEDAC's strategy in assisting entrepreneurs and cooperatives to maintain a stable momentum in their businesses. This paper attempts to address the following issues: (i) Visibility of MEDAC's role and responsibilities (ii) Immediate priority for the target group affected by the Covid-19 pandemic (iii) Financial aid channelled to reach the target group and the effect of cash flow on aid recipients, and (iv) Introduction and implementation of the Cooperative Intervention Plan. This paper uses secondary sources, such as study results published in journals, scholarly literature, internet news sources, and public forums, to employ a qualitative methodology. According to the findings of the study, the government's approach provides assistance to entrepreneurs particularly the B40 group, the disabled, the urban poor, rural communities, inland communities, and indigenous people who have been impacted by COVID-19, where it has a positive impact that leads to the implementation of a comprehensive transformation for sustainable economic growth. The goal of the study is to determine the drastic steps that must be made in the era of the endemic Covid-19 in order to create a holistic and hospitable entrepreneurial environment to support the nation's inclusive, sustainable, and knowledge-driven entrepreneurship development plan.*

**Keywords:** *Ministry of Entrepreneur Development and Cooperation (MEDAC), entrepreneur, cooperatives, Covid-19 endemic*

## Background

The Covid-19 pandemic has had an effect on business owners, as decreased sales have led their losses to exceed their revenues (Yusoff & Sarifin, 2021). This impact business owners in a variety of industries, and the majority of them have lost income, particularly those in the wedding industry, hairdressing services, entertainment services such as movie theatres, and so on. Before the pandemic, there were few entrepreneurs in our nation. because they lack a comprehensive understanding of the business field. Due to the difficulty of leaving their homes and losing their current jobs, many people already have the desire to establish a business following the emergence of the Covid-19 outbreak (Ationg, Esa, Ibrahim, Mohd Shah, Yusoff, Othman & Mokhtar, 2021a).

However, they are unable to launch a firm due to a lack of expertise regarding cash flow, risk management, and marketing (Efendee & Othman, 2019). These issues have prevented those with the desire to launch a business from doing so. Nonetheless, as of the year 2020, the entire world including Malaysia is struggling with the Covid-19 pandemic, which has spread restricts human activities and movements and indirectly affected national unity identity and the integration of Malaysian as well (Othman, Esa, Abu Bakar & Mokhtar, 2021a). As a result of this pandemic, commercial activity and cooperatives are becoming progressively immobilised. Numerous business owners incurred enormous losses, causing some of them to cease operations. As a business entity and social organisation, cooperatives are also affected. The evidence shows that cooperative business revenue declined from RM45.79 billion in 2018 to RM41.45 billion in 2019 (*Berita Harian*, 2021a). MEDAC has suggested a variety of steps to concerned business owners in light of this circumstance. Examples include persons who have lost their careers, recent graduates in search of a new job, individuals with disabilities (OKU), and those who wish to pursue entrepreneurship. For this reason, MEDAC has undertaken a variety of efforts to assist the populace with a particular focus on encouraging young people and college graduates to enter the business world (Othman, Mokhtar, Tham & Yong (2021b).

MEDAC's roles and responsibilities include providing a service platform for assistance and the development of entrepreneurial capacity, facilitating space and promotional business opportunities, access to local and global markets, and facilitating the adaptation of technology and increasing access to financing in an inclusive financial system that includes alternative financing (MEDAC Official Portal, 2022). MEDAC has made a number of initiatives, including organising numerous programmes under organisations within its ministry, introducing a number of innovative ideas, and adopting a plan to help students and recent graduates into the workforce. MEDAC was renamed from The Ministry of Entrepreneur Development (MED) in accordance with the government's policy to permit cooperative movements. MEDAC was formerly named as the Ministry of Coordination of Public Corporations (KPPA) when it was created in 1974 (MEDAC Official Portal, 2022). MEDAC seeks to prioritise and emphasise the development of entrepreneurs (MEDAC Official Portal, 2022). Business Group Economic Fund (Tekun), SME Corporation Malaysia (SME Corp), SME Bank, *Bank Rakyat*, UDA Holdings, and cooperatives are a few of the entities within MEDAC that can assist enterprises after Covid-19 (MEDAC Official Portal, 2022).

All these organisations will help entrepreneurs develop their businesses. MEDAC will continue to assist micro, small, and medium-sized businesses and cooperatives not only through

financing, but also through new business opportunities, digitalisation, entrepreneurship training, and engagement sessions involving associations or organisations, as well as defending the fate of entrepreneurs impacted by the Covid-19 pandemic. In addition, MEDAC has taken several measures to address this issue, including the implementation of the Cooperative Intervention Plan (MEDAC Official Portal, 2022). A cooperative is an organisation that is owned by its members, and the purpose of establishing a cooperative is to help its members tackle shared difficulties and better their socioeconomic standing. The cooperative business's earnings or excess will be returned to the members in the form of either money or charitable contributions. In general, cooperatives are able to assist members and the surrounding community in addressing a variety of issues, particularly those of a financial kind.

With the assistance provided by the government to those who wish to establish a cooperative, the newly introduced Cooperative Intervention Plan can influence the community's ideas (Othman, Mokhtar, Maidin & Moharam, 2021c). In the Cooperative Intervention Plan, the Malaysian Cooperative Commission has introduced four sub-programmes, where this recovery programme package can increase the cooperative's daily sales by up to 30 percent while also assisting with the cost of living by providing cooperative members and the B40 and M40 groups with 15 percent purchase discounts on grocery items (MEDAC Official Portal, 2022). The Ministry of Entrepreneur Development (MED) was rebranded MEDAC on 10 March 2020 (MEDAC Official Portal, 2022). MEDAC has a specific objective and vision, which is to assist the nation's entrepreneurial development strategy by establishing an ecosystem that is inclusive, sustainable, and knowledge-and-innovation-driven.

While the objective is to create Malaysia a great, affluent, and dignified entrepreneurial nation, MEDAC's tasks and functions have been enumerated more precisely so that the public can comprehend and have a clear image of what MEDAC is (MEDAC Official Portal, 2022). MEDAC's roles and responsibilities include setting the course for inclusive, sustainable, and competitive entrepreneurship development. This is due to the fact that the changing times and conditions have an effect on the field of entrepreneurship, such as the covid pandemic that has swept the globe and affected both seasoned and novice entrepreneurs (Hasan, Topimin, Ahmad & Othman, 2021). The majority of our business owners rely solely on courage to venture into this industry, resulting in a high rate of business failure. Therefore, entrepreneurs will be equipped with knowledge so that they are prepared to run their businesses. In addition, a platform, support services, assistance, and the development of entrepreneurial capacity have been offered to make it easier for people who wish to enter this industry (Ationg, Esa, Ibrahim, Othman, Hajimin & Sharif Adam, 2021b). The support and assistance services given here include startup cash to alleviate the strain on enterprises.

### Literature Review

At the end of Covid-19, the Malaysian economy is expected to provide opportunities for individuals to earn a good, productive, and sustainable income. MEDAC, via SME Corporation Malaysia (SME Corp), undertakes a number of initiatives for qualifying small and medium enterprises (SMEs), including youth, women, and individuals with disabilities (OKU) (SMECorp Official Portal, 2022). MEDAC enacted five measures to aid small and medium enterprises (SMEs), micro and cooperatives affected by the spreading of COVID-19 and the execution of the Movement Control Order (MCO) (*Berita Harian*, 2020) MEDAC, through its agency TEKUN Nasional, has begun accepting applications for a no-cost financing programme beginning on August 15 (*Berita Harian*, 2022a). MEDAC estimates that 580,000 micro, small, and medium businesses will fail as a result of the COVID-19 pandemic based on a study it

conducted (MEDAC Official Portal, 2022). There are several entities under MEDAC that can assist entrepreneurs after Covid-19, such as *Tabung Ekonomi Kumpulan Usaha Niaga* (Tekun), SME Corporation Malaysia (SME Corp), SME Bank, *Bank Rakyat*, UDA Holdings, and cooperatives (MEDAC Official Portal, 2022).

Due to the strong rivalry in the e-commerce industry, the government encourages enterprises to use innovative marketing methods to attract more clients (Abdul Wahab & Ahmad, 2017) For example, apprenticeship Incentive for firms who hire local school leavers and graduates as apprentices (SMEECorp Official Portal, 2022). *Tunas Usahawan Baitulmal* (TUB), conducted by MEDAC via SME Corp. Malaysia (SME Corp) in partnership with the Islamic Religious Council of the Federal Territory (MAIWP) was successful in transforming Baitulmal entrepreneurs from zakat receivers to zakat payers (SMEECorp Official Portal, 2022). Students who possess a combination of technical and non-technical abilities are better prepared to compete in the global labour market (Abdul Rauf & Abdul Rauf, 2012). Even if the country is still suffering the coronavirus pandemic catastrophe (Covid-19), entrepreneurs must be astute in establishing new tactics to continue earning a living (Abdul Rahman & Mohd Noor, 2021). MEDAC intends to prioritise and emphasise the development of entrepreneurs (MEDAC Official Portal, 2022).

From the beginning of these various programmes by MEDAC in 2014 until July of 2021, the Bumiputera Youth Entrepreneurs Budding Program (TUBE) firms successfully earned a total of RM135.7 million in cumulative sales (*Berita Harian*, 2021b). The programme intends to encourage graduates to think creatively, while also exposing them to the real world of business (*Berita Harian*, 2021b). According to YB Tan Sri Haji Noh Haji Omar, this strategy has been chosen to assure young people and graduating groups that they will become entrepreneurs if they take the Entrepreneur and Cooperative Development course (*Berita Harian*, 2021b). Using a digital platform, this initiative was designed to provide innovative and rapid short-term financing options for micro, small, and medium firms (PMKS) (*Berita Harian*, 2021b). According to *Perbadanan Usahawan Nasional Berhad*, the programme is an entrepreneurial training programme led by business mentors with experience in selected business fields (MEDAC Official Portal, 2022).

The unique feature of this 'Jumper' programme is that participants will receive a monthly subsistence allowance of RM1,200. Participants will also be mentored by successful entrepreneurs for the duration of the programme's eight-month duration. Those who successfully complete the programme will be eligible for business financing of up to RM100,000 or RM300,000 (MEDAC Official Portal, 2022). However, they are unable to launch a business due to a number of obstacles, including a lack of knowledge on cash flow, risk management, and marketing (Ationg, Othman, Esa, Mohd Tamring, Hajimin, & Hamid, 2021c). Each course or training under the Development of Entrepreneurs and Cooperatives not only results in a certificate, but also provides ongoing support after the course has concluded. Everyone is entitled to receive a loan to launch a business. MEDAC's role and function is to provide a platform for assistance and the development of entrepreneurial capacity, facilitating space and promotional business opportunities, access to local and global markets, and facilitating the adaptation of technology and increasing access to financing in an inclusive financial system, including alternative financing sources (MEDAC Official Portal, 2022).

According to the Cooperative Intervention Plan, the government has taken several steps to assist entrepreneurs and cooperatives affected by COVID-19. This Cooperative Intervention Plan

plays a crucial function in sustaining the well-being of the populace while enhancing the country's competitiveness in a variety of areas, particularly the economy (*Berita RTM*, 2021). The strategy announced by the Malaysian Cooperative Commission (SKM) is an endeavour to increase cooperative activity through the introduction of four programmes. The JKPR programme for instance, can provide cooperatives that engage in retail activities to reduce the cost of people's daily necessities with one-time financial assistance. Assistance in the form of funds will be provided directly to 200 wholesale and retail cooperatives around the nation. The goal of this award is to assist cooperatives in resuming normal business operations following the COVID-19 pandemic. Economically, it can encourage cooperatives to generate their own products in a variety of fields and increase national income (Othman, Topimin, Ahmad & Hassan, 2021d). Throughout the movement control period of the National Recovery Plan, several activities were implemented with the purpose of preventing additional inactive cooperatives, high employment losses, and assuring continued access to basic requirements and essential goods (PPN) (Othman, Mokhtar, Maidin & Moharam (2021c).

The Cooperative Economic Recovery Intervention Plan was implemented as one of the strategies to expand and mobilise the cooperative economic sector (*Suruhanjaya Koperasi Malaysia Official Portal*, 2022). The initiative encompasses several facets, such as the opportunity to increase income through cooperatives, the entry into new and more dynamic businesses, the sale of basic necessities at affordable prices, and the use of cutting-edge marketing applications to increase sales results (*Suruhanjaya Koperasi Malaysia Official Portal*, 2022). According to the official website of the Malaysian Cooperative Commission, one of the primary goals of SKM is to stimulate the development of cooperatives and a strong and orderly cooperative sector in accordance with the values and principles of cooperatives in order to contribute to the achievement of the country's socio-economic goals, to promote a strong cooperative sector its finances, progressive and sustainable, and to maintain confidence in the cooperative move (*Suruhanjaya Koperasi Malaysia Official Portal*, 2022). This organisation shall also operate as a trustee and manage any Islamic finance scheme or credit facility established by the Malaysian government for cooperatives, as well as carry out the duties defined by the Minister in a notification published in the Gazette (Mokhtar, Othman, Moharam, & Maidin, 2021a). This is done to offer entrepreneurs with assistance and to reduce their load in the business world. In order to prevent a full collapse of the country's economic sector, the government has adopted a number of measures and authorised the execution of a number of motivational economic operations in accordance with the applicable regulations (Maidin, Mokhtar, Othman & Moharam, 2021).

Numerous SME owners are impacted by the Covid-19 pandemic, which reduces their income. The Movement Control Order (MCO) established by the government to prevent the spread of the disease has in fact restricted the ability of SME enterprises to conduct business as usual (Othman et al., 2021d). Nonetheless, the Schedules of the Prevention and Control of Infectious Diseases Regulations (Measures in Locally Infected Areas) 2020 and the Prevention and Control of Infectious Diseases Order (Declaration of Locally Infected Areas) (Extension of Power) (No. 2) 2020 list businesses and services that are permitted to operate (SMECorp Official Portal, 2022).

Standard Operating Procedures (SOP) as well as the newly proposed regulations are particularly suitable for implementation to avoid the development of the Covid-19 pandemic and establish a short-term framework for all impacted business owners. The implementation of the Movement Control Order has restricted all business activities of SME operators. The Small

Industry Development Coordination Council defines a small industry as a company with less than RM250,000 in fixed assets. The Small and Medium-Sized Industries Development Corporation (SMIDEC) defines a SME as an industry with annual sales of less than RM25 million and with less than 150 full-time employees (Mohd Yusof, Tahir, Abdul Malek & Salman, 2020). The SME sector is believed to have a positive impact on the nation's economic growth (Omar, Mohamad Zan, Hassan & Ibrahim, 2020). According to statistics, SMEs made RM521.7 billion in contributions to the Gross Domestic Product of the nation in 2018. Therefore, the government's aid and initiatives as the national government contribute to the success of Small and Medium Industries (Omar *et al.*, 2020). However, the extremely limited capital resources of SMEs prevent them from covering working capital (Mohd Yusof *et al.*, 2020).

In addition, the scale of client purchases is tiny and therefore unsuitable for a credit sales system. Due to the financial crisis they are experiencing, SMEs may not be able to thrive without regular government assistance (Ahmad, Hasan, Othman, & Topimin, 2021). In addition, a number of family members work in this industry to reduce production costs. In fact, SMI entrepreneurs hire a large number of part-time workers (Mohd Yusof *et al.*, 2020). The implementation of this movement control order will almost certainly reduce the income of small and medium-sized business owners. As a result of the rapid increase in expenses, business owners are compelled to take immediate action in order to maintain profit equilibrium and avoid business failure (Fikri & Mujaheed, 2018). The training in entrepreneurship is intended to create entrepreneurs who are more knowledgeable and competitive (Ationg *et al.*, 2021a). Previous research has demonstrated a correlation between entrepreneurial education and the success of entrepreneurs, whereas education level correlates positively with economic development (Mohd Aziz, Harun, Mohd Esa, Yaacob & Ab. Rahman, 2018).

To sum, entrepreneurial attitude, business management skills, and the influence of entrepreneurial education and training programmes influence the formation and growth of Bumiputera entrepreneurs in the field of economics and business especially those involving the role of culture (Abdullah, 2011; Topimin, Othman, Hassan & Ahmad, 2021). This approach is also consistent with MEDAC's new policy, which prohibits legal action against borrowers by organisations that offer funding to entrepreneurs, such as *TekunNasional*, *Bank Rakyat*, SME Bank, SME Corp. Malaysia, PUNB, AIM, and PERNAS (MEDAC Official Portal, 2022). This refers to the 38 percent contribution of small and medium business to the Gross Domestic Product (GDP) in 2019 (Berita Harian, 2019). The Ministry of Entrepreneur Development and Cooperatives (MEDAC) assisted a total of 220,248 enterprises affected by the Covid-19 pandemic as part of the Malaysian Family Aspirations (AKM) 100-hour programme (Kosmo, 2021).

### **Research Methodology**

This paper was written using a qualitative research methodology utilising a method that makes it difficult to uncover and convey information, interpretation, or meaning regarding concerns relating to MEDAC's attempts to safeguard entrepreneurs and cooperatives. The researcher employs an exploratory approach with secondary sources, such as magazines, newspapers, photo and video screenings, journals, departmental annual reports, and internet newspapers, to access previously recorded information. Secondary sources employed in this study include summaries of someone's writings and opinions regarding an event, figure, etc. that can serve as a point of reference for others. Important references include the annual budget and the annual reports of departments such as the Malaysian Cooperative Commission and the Ministry of

Entrepreneurship and Cooperative Development. The researcher uses the strategy of acquiring information regarding the government's approach to examining covid-19, government support, and government goals in recovering the national economy as additional reference material in completing this study. Each piece of information gathered gives explicit specifics for conducting an analysis in the form of a content analysis, in which the information obtained is translated to the form of a research paper supported by clear proof.

## Discussion

The purpose of the discussion is to identify the dispute over the role, government efforts, and MEDAC's strategy in assisting entrepreneurs and cooperatives to maintain a stable momentum in their businesses. This paper attempts to address the following issues: (i) Visibility of MEDAC's role and responsibilities (ii) Immediate priority for the target group affected by the Covid-19 pandemic (iii) Financial aid channelled to reach the target group and the effect of cash flow on aid recipients, and (iv) Introduction and implementation of the Cooperative Intervention Plan.

### 1. Visibility of MEDAC's role and responsibilities

This ministry has seven primary responsibilities: (i) setting the direction for inclusive, sustainable, and competitive entrepreneurship development; (ii) inculcating entrepreneurial values and mindsets in Malaysian society, particularly natives, youth, women, under-40, disabled, and marginalised groups; (iii) strengthening the entrepreneurial ecosystem to develop entrepreneurs who are competitive, viable, innovative, and knowledgeable; (iv) increase access to financing and an inclusive financial system that includes alternative funding sources, (v) facilitate space and promotional business opportunities, access to local and global markets, and technology adaptation, (vi) lead the development of dynamic, competitive, and progressive cooperatives for the socio-economic stability of the nation, and (vii) provide a platform for support services, assistance, and entrepreneurship capacity building (MEDAC Official Portal, 2022).

The goal of MEDAC is to promote an inclusive, sustainable, and knowledge- and innovation-driven entrepreneurial ecosystem to support the country's entrepreneurship development plan (MEDAC Official Portal, 2022). MEDAC's vision is to make Malaysia a superior, prosperous, and prestigious nation of entrepreneurs (MEDAC Official Portal, 2022). Today, they are ten agencies under MEDAC: The Malaysian Cooperative Commission, the Malaysian Cooperative Institute, SME Corp Malaysia, TEKUN Nasional, the National Institute of Entrepreneurship, *Bank Rakyat*, SME Bank, UDA Holdings Berhad, *Perbadanan Nasional Berhad*, and *Amanah Ikhtiar Malaysia*. *Perbadanan Nasional Berhad* and *Amanah Ikhtiar* are new agencies inside MEDAC; these two organisations were not previously housed within the ministry. This modification is made to facilitate coordination, and the creation of these agencies is also intended to assist entrepreneurs and aspiring entrepreneurs in obtaining assistance such as loans or cash (MEDAC Official Portal, 2022).

The public is aware of the need to promote local entrepreneurship in order to advance the economic sector of the country, where the government remains committed to defending the fate of existing entrepreneurs and cooperatives and making efforts to increase the number of local entrepreneurs by providing the necessary supports for entrepreneurs and potential entrepreneurs especially those coming from women's youth (Topimin *et. al*, 2021). Among the initiatives implemented are the provision of entrepreneurial training to aspiring entrepreneurs and the provision of capital loan facilities to entrepreneurs by MEDAC organisations. The training in

entrepreneurship is intended to create entrepreneurs who are more knowledgeable and competitive especially those targeted newly completed universities' studies (Othman, Yusoff, Lukin, Ationg, Abang Muis, Mohd Shah, 2020e). Previous research has demonstrated a correlation between entrepreneurial education and the success of entrepreneurs, while education level correlates positively with economic growth (Mohd Aziz, Harun, Mohd Esa, Yaacob & Ab. Rahman, 2018).

Entrepreneurial attitude, business management skills, and the impact of entrepreneurial education and training programmes influence the formation and development of Bumiputera entrepreneurs in the field of economics and business (Hasan, Khan & Nabi, 2017). Since March 2020 till the present, MEDAC has prioritised the recovery of entrepreneurs and cooperatives affected by the spread of the infectious disease Covid-19 in Malaysia. The five E's represent MEDAC's strategy for 2021, with the focus on "Empowering Entrepreneurs to Face Challenges" are Enculture, Enable, Empower, Energize, and Engage (MEDAC Official Portal, 2022). In 2021, a total of 86 programmes with a combined budget of RM5.5 billion were implemented (MEDAC Official Portal, 2022). The Empower programme, for instance, consists of as many as 46 programmes, with the programmes implemented based on objectives such as strengthening the PKMS-resistant culture, providing capacity development programmes, automation and digitalisation, access to finance as well as access to wider markets, and exploring new entrepreneurial and high-growth opportunities (MEDAC Official Portal, 2022).

Meanwhile, ten programmes specialise in entrepreneurship, including the MEDAC-MTDC 14.0 Accelerator Programme, the Technopreneurship Programme for Fresh Graduates, the Contractor and Entrepreneur Capacity Development Programme, the New Gen Entrepreneur Online Bootcamp (N-GENE), the Graduate Capacity and Employability Enhancement Programme (GRACE), the Protégé Ready-to-Work (RTW), and the Reach Out, Awareness and Development (ROAD) programme (MEDAC Official Portal, 2022). Training, advisory services, counselling, capacity building, access to funding, human capital development, entrepreneurial development, and workforce development are among the focus areas of these initiatives. MEDAC functions in accordance with the country's present economic and social realities. As a result of the expansion of the Covid-19 outbreak, MEDAC is aware that many business owners are affected and require government assistance to continue operations. Therefore, MEDAC strives to develop an efficient method for assisting entrepreneurs.

Among the initiatives done to aid affected entrepreneurs are funding, digitisation, entrepreneurship training, and association or organisation-led engagement sessions. MEDAC also backed the prime minister's declaration that he wanted the banking sector to continue assisting entrepreneurs with loans based on the entrepreneurs' current needs. This endeavour is also consistent with the new policy announced for MEDAC, which prohibits entities that offer funding to businesses, such as *Tekun Nasional*, *Bank Rakyat*, SME Bank, SME Corp. Malaysia, PUNB, AIM, and PERNAS, from pursuing legal action against borrowers (MEDAC Official Portal, 2022). In addition, MEDAC eliminated CTOS and CCRIS screening to promote money lending. This action was made to launch loan transactions requested by entrepreneurs in need of loan assistance and this will continue until the economic climate improves to the point where the impacted businesses are able to reestablish stability.

The aid provided to these entrepreneurs is meant to ensure that economic activities, such as small and medium-sized businesses, continue to operate, as their contribution to the national



economy is crucial, particularly during the pandemic. There are as many as 907,000 small and medium businesses in the country at present (SMEs). This makes the contribution of small and medium-sized businesses to the Gross Domestic Product (GDP) in 2019 38 percent (*Berita Harian*, 2019). Two-thirds, or 70%, of the Gross Domestic Product (GDP) is generated by small and medium-sized businesses. As a result, government organisations and government-affiliated businesses are required to award at least 30% of their contracts to small and medium-sized businesses (SMEs). This can indirectly aid small and medium-sized businesses in recovering from the current financial crisis (SMECorp Official Portal, 2022). Observations made toward the end of 2021, portrayed that MEDAC's efforts produced the intended outcomes. MEDAC assisted 220,248 entrepreneurs afflicted by the Covid-19 pandemic within the Malaysian Family Aspiration (AKM) 100 days (*Kosmo*, 2021). As a result of this excellent development, MEDAC will continue with the developed recovery strategy, such as the Malaysian Cooperative Transformation Plan 2021-2025.

## **2. Immediate priority for target populations impacted by the Covid-19 pandemic**

MEDAC has taken five measures to aid impacted parties in light of the current condition of entrepreneurs during Covid-19. MEDAC enacted five measures to aid small and medium enterprises (SMEs), micro and cooperatives affected by the spreading of COVID-19 and the execution of the Movement Control Order (MCO) (*Berita Harian*, 2020). The first step is to postpone payment for enterprises at *Bank Rakyat*, TEKUN, and SME Banks, while cooperatives are given a further three months to hold their Annual General Meetings and prove that they are benefitted (*Berita Harian*, 2020). Additionally, banking institutions offer moratorium to affected tourism and transit businesses (*Berita Harian*, 2020). For the second phase, UDA Holdings Berhad, SKM, *Pusat Inovasi dan Kreativiti Global Malaysia*, and SME Bank receive rent concessions. The cooperative will receive a fifty percent decrease in building rent. The third level involves bank financing of businesses (*Berita Harian*, 2020). *Bank Rakyat*, for instance, provides funding to cooperatives, SMEs, and microentrepreneurs.

SME Bank, on the other hand, assists qualified entrepreneurs through a programme known as the Special Relief Facility (SRF). The SRF is an RM5 billion allocation by *Bank Negara Malaysia* that intends to alleviate the short-term cash flow issues encountered by entrepreneurs of small and medium-sized enterprises (SME) affected by the COVID-19 outbreak. Assistance with online entrepreneurship and business training constitutes the fourth phase (*Berita Harian*, 2020). Fifthly, all entrepreneurs will receive authorisation to register for the Bumiputera Status Certificate (*Berita Harian*, 2020). In addition, MEDAC, via SME Corporation Malaysia (SME Corp), undertakes a number of programmes for eligible small and medium enterprise (SME) entrepreneurs, including youth, women, and the disabled (OKU) (SMECorp Official Portal, 2022). The Baitulmal Entrepreneur Budding Program (TUB) organised by MEDAC through SME Corp.

Malaysia (SME Corp) in collaboration with the Islamic Religious Council of the Federal Territory (MAIWP) has successfully shifted the paradigm of Baitulmal entrepreneurs from zakat recipients to zakat contributors (SMECorp Official Portal, 2022). The programme targets entrepreneurs in Baitulmal who have the ability to grow their enterprises, as well as people affected by Covid-19. In addition, this programme aims to raise living standards through entrepreneurial endeavours, which can provide a high income and foster business resiliency and identity. On the continuation day of the Baitulmal Business Budding Program (TUB), SME Corp. Malaysia, *Bank Islam Malaysia*, and the Islamic Religious Council of the Federal Territory (MAIWP) conducted a document exchange session to increase cooperation in

providing training to the B40 and ansaf groups who have lost income due to the Covid-19 pandemic (Abang Muis, Esa, Ibrahim, Othman, Mokhtar, Ationg, & Mohd Shah, 2021a). This microfinance initiative offers start-up funding support, training, and loans of up to RM50,000 to assist affected microentrepreneurs in recovering and rebuilding their businesses (SMECorp Official Portal, 2022; Abang Muis, Marinsah, Ramlie, Othman, Ationg, Mohd Shah, Yusoff, 2021b).

Lastly, the community must be informed of the government's aid and not wait for information to come to them. For instance, the government has granted entrepreneurs help as an immediate priority during Covid-19. Employment Insurance System (SIP) financial aid is among the assistance provided (*Berita Harian*, 2021c) to assist those who have lost their employment during the Covid-19 season. For qualified areas, the Jobseeker's Allowance (EMP) provides financial help for six months (*Berita Harian*, 2021c). This circumstance is further improved by government help in the form of SIP PRIHATIN, which provides eligible contributors with additional benefits for three months and brings the total economic benefits earned to nine months of work search allowance (EMP) as it will assist in reducing the load on workers afflicted by the Covid-19 outbreak now sweeping the nation. The subsequent aid consists of hiring incentives and training aid. Apprentice Incentives for firms who hire local school leavers and graduates as apprentices (SMECorp Official Portal, 2022; Ationg, Esa, Othman, Mohd Shah, Yusoff, Ramlie, & Mokhtar, 2021d).

The government has committed up to RM2 billion to SOCSO so that firms can recruit a large number of people and recover from the Covid-19 outbreak (SMECorp Official Portal, 2022). Employers who hire less-skilled workers also receive training help to increase the abilities of their new hires as part of this incentive. Additionally, GIG career incentive support is also considered. This incentive is a notion established on 1 April 2021 for the gig economy (*Berita Harian*, 2022b). Individuals have options to make a productive and sustainable income in the gig economy (Berita Harian, 2022b). There are numerous goals of GIG career incentives, including assisting laid-off workers, workers on unpaid leave, women workers and unemployment graduates (Mohd Shah, Othman, Yusoff, Ationg, Abu Bakar, Esa & Abang Muis (2021). Additionally, every employee who passes the requirements receives an RM600 incentive for six months. Besides that, the 4.0 Wage Subsidy Programme was implemented (*Berita Harian*, 2022b). Employers receive subsidies to ensure that their employees are paid. In addition, it wants to assist employers affected by the Covid-19 pandemic so that all staff can be kept. The (Social Security Organisation) SOCSO is taking this action to combat the present Covid-19 pandemic; all of these incentives can alleviate the load on companies and employees.

Since the Covid-19 pandemic, the government has implemented the law and the Movement Control Order (MCO). Therefore, MEDAC also encourages some agencies to provide support to those who have lost income and to take the necessary steps to address this problem before it escalates in the community. In addition, MEDAC offers numerous programmes to enhance abilities, such as short-term courses and briefings to acquire new skills in their industry of employment. Every employee can be competitive in their industry and boost the company's output if they have the necessary abilities. Balanced capabilities in terms of technical skills and non-technical skills are advantageous for preparing students to compete in the global workforce (Ali, Che' Rus, Haron & Mohammad Hussain, 2018). This would reduce the national unemployment rate and indirectly enhance employment prospects for graduates and laid-off workers (Othman *et al*, 2021).

The Covid-19 outbreak prompted numerous employees to quit their jobs and establish their own companies. In addition, in order to be competitive on the market they must offer their products by utilising innovative methods. Due to the strong rivalry in the e-commerce industry, the government promotes enterprises to use innovative marketing methods to attract more clients (Omar *et al.*, 2018). MEDAC has taken the effort to assist individuals who wish to launch their own business. MEDAC, through its agency TEKUN Nasional has introduced a no-cost financing programme that can be applied for beginning August 15, 2021 (*Berita Harian*, 2021d). This programme assists individuals who wish to relaunch a microbusiness following the Covid-19 outbreak. Under the People's Protection and Economic Recovery Package, a total of RM100 million has been earmarked for the implementation of the new programme (PEMULIH). According to a study conducted by MEDAC, it is anticipated that 580,000 micro, small, and medium-sized businesses will fail as a result of the COVID-19 pandemic (*Berita Harian*, 2021d).

Entrepreneurs can take advantage of this opportunity to apply for business finance schemes. Next, MEDAC provides the Bumiputera Youth Entrepreneurial Development Program (TUBE) (*Berita Harian*, 2021b). This programme is administered by the government to encourage natives to pursue entrepreneurial endeavours. SME Corp. has been awarded RM10 million for this programme. This programme is open to individuals between the ages of 18 and 30 who are active in the field of entrepreneurship. The Bumiputera Youth Entrepreneur Budding Program (TUBE) has three primary goals: instilling entrepreneurial spirit in the community, shifting the mindset of youth from job seekers to business entrepreneurs, and fostering resiliency among employees who manage their own enterprises (*Berita Harian*, 2021b). MEDAC also aims to develop 'online' business in order to assist SME owners who use e-commerce platforms (MEDAC Official Portal, 2022). To support small, micro, and local business owners, MEDAC has held an official meeting with online-based businesses to create a cooperative relationship which is crucial to the worldwide digital infrastructure. Entrepreneurs would receive RM150 million as an additional finance source to enable SME entrepreneurs recover their operations due to the utilisation of e-commerce resources.

The benefit of e-commerce for entrepreneurs is the ability to engage in several businesses. This is because entrepreneurs require less capital than when conducting business face-to-face. This can provide entrepreneurs with opportunity to start new firms. In addition, it enhances the company development experience of young entrepreneurs. MEDAC has taken care of SME owners whose businesses are experiencing difficulties as a result of Covid-19. MEDAC has therefore established an e-commerce platform to support the economic growth and productivity of SME and microentrepreneurs. Among them is the fact that MEDAC has expanded entrepreneurs' access to alternative financing sources totaling RM150 million, aiding local SME entrepreneurs as well as micro entrepreneurs affected by the COVID-19 pandemic and the Movement Control Order (MCO) so that they can start businesses and ultimately aiding entrepreneurs who are offered SME Corp grants, which are given to local small-and medium-sized enterprise (SME) entrepreneurs and micro entrepreneurs such as the Bumiputera (MEDAC Official Portal, 2022).

### **3. Financial help is channelled to reach the intended recipients and the effect of cash flow on aid recipients is evaluated**

The problem of MEDAC's measures to ensure that financial help reaches the entrepreneur group is constantly contested and a source of uncertainty for numerous parties Maidin, Mokhtar, Othman, & Moharam (2021). Numerous entities, both public and commercial, have provided entrepreneurs with capital injections to expand their firms. MARA, TEKUN, SME Bank CGC, and others are included. Through MATRADE, the government has offered Grant Development Fund (MDG) and Service Export Fund (SEF) for financial help to exporters (MEDAC Official Portal, 2022). MDG is a financial aid in the form of reimbursement grants for small and medium-sized businesses that are still young and underdeveloped (SMEs). By giving assistance to Malaysian Service Providers (MSP), the Service Export Fund (SEF) also enables Malaysian Service Providers (MSP) to engage in a variety of market-exploration activities (MEDAC Official Portal, 2022). In accordance with the limit that has been established, each company will receive a soft loan in addition to a loan of RM5 million.

Under its agency, TEKUN Nasional, MEDAC has also developed a no-cost financing programme to repair microbusinesses impacted by Covid-19 (*Berita Harian*, 2021d). The PEMULIH package has budgeted a total of RM100 million for this programme, from which 11,500 persons are estimated to benefit. The Informal Financing Scheme (SPIN) 2.0 and the Micro Business Rehabilitation Financing Scheme (CBRM) 2.0 will be introduced to assist merchants in enhancing their formerly manufactured goods (*Berita Harian*, 2021d). After recognising the capital needs of entrepreneurs, the maximum limit of product finance is raised to the maximum limit and no fees are assessed. CBRM 1.0 was successfully launched in April 2020 and is evidence that the plan has been fully dispersed to a total of 26,326 entrepreneurs, thanks to the RM200 million PRIHATIN package (Bernama, 2021). MEDAC has therefore made significant measures to address the issue in order to ensure that these assists reach the needy entrepreneurs such as small as private learning institutions which involve tuition centres (Moharam, Mokhtar, Othman, & Maidin (2021) or more bigger trading enterprises.

Among the measures is the reduction of loan application requirements for individuals and businesses. This is due to the fact that excessively demanding initial capital loan management terms would undermine the entrepreneurial spirit especially those coming from muslim entrepreneurs which restricted with Islamic values etc (Mokhtar, Othman, Moharam & Maidin, 2021a). Consequently, restricting the requirements to two essential factors, namely documentation of employment termination and firm startup, is the optimal answer to this problem. Among them is the loosening of rules by all agencies, as the covid-19 pandemic necessitates that all agencies facilitate and create possibilities for the nation's entrepreneurs. Entrepreneurs identified in CTOS or CCRIS should be offered the chance to participate. CTOS is a private organisation registered under the 2010 Credit Reporting Act (Yusoff, Othman, Mohd Shah, Esa, Zulhazmi, Ibrahim & Ationg, 2021). On its credit report, CTOS has information on all Malaysians' borrowing or debt. This credit report will be utilised by Malaysian financial institutions. CTOS collects information from several sources, including the National Registration Department, the Malaysian Companies Commission, media, etc.

CCRIS, or the Central Credit Reference Information System, is a system administered by the Credit Bureau of Bank Negara Malaysia that performs much the same job as CTOS, namely providing credit information for every individual in Malaysia (Yusoff *et al.*, 2021). CTOS collects information, but CCRIS puts information immediately into its database whenever a loan is made at a registered financial institution. CTOS and CCRIS are crucial since they serve

as the bank's reference when we apply for a loan or credit card before the application is processed. The bank will determine, based on the information collected from CTOS and CCRIS, whether the applicant is willing to assume the risk if the loan is accepted. Typically, financial institutions incorporate multiple reports into their evaluations. Those with a solid credit record do not have any arrears or blacklists, making it easy for the bank to grant a loan, but those with a poor record will find it difficult to obtain financing.

However, the current unstable economy caused by the Covid-19 pandemic forces all parties to face the problem of loss risk, particularly Small and Medium Enterprises (SMEs) and the country's micro-entrepreneurs, who are expected to have suffered losses of RM40,7 billion in 2020 (*Berita Harian*, 2021e). This loss includes Standard Operating Procedures (SOP) for the Movement Control Order (MCO), Recovery Movement Control Order (RMCO), Conditional Movement Control Order (CMCO), and the Enhanced Control Order (ECO) from last year (CMCO). Obviously, the substantial decline in income is MEDAC's primary concern. If the current state of affairs persists, the country's export value and gross domestic product (GDP) will be negatively impacted. The influence of cash flow on financing agencies is also a concern, as it is anticipated that if lending criteria for entrepreneurs are loosened, there would be a future impact on the agencies involved.

This issue can be resolved by clearly instructing enforcement agencies not to place too much emphasis on CTOS, as not all of the credit information offered by CTOS can be accepted. For instance, failure to pay a payment within a month or two will be recorded in CTOS. Therefore, officials will be provided with guidelines on how to approve loan applications from entrepreneurs without being excessively guided by CTOS. The provision of a six-month grace period to pay off arrears or other debts is believed to aid entrepreneurs in securing new sources of income. If relief is not granted to resolve their arrears and debts, the entrepreneurs listed in the CTOS will have a difficult time getting back on their feet, since their previous obligations will remain unpaid and their new debt continue to mount.

#### **4. Introduction and implementation of the Cooperative Intervention Plan**

In order to realise their shared desires and objectives in the economic, social, and cultural domains through businesses that are jointly owned and democratically run, a group of people create autonomous cooperatives (Transkom). The Cooperative Economic Recovery Intervention Funding programme has allocated 20 million Malaysian Ringgit to this cooperative intervention. This initiative gives business owners the chance to engage in economic activities like operating collectively through cooperatives, selling items online, and promoting the purchasing of goods at cooperative stores (SKM). The establishment of people's concerned cooperatives (PKPR), People's Concerned Cooperative Sales (JKPR), economic transformation of cooperative movements (TRANSFER), and online trading of cooperative products or services (e-DAPAT) are four programmes offered through this recovery plan (Suruhanjaya Koperasi Malaysia Official Portal, 2022). The establishment of People's Concerned Cooperatives (KRP) is one of the cooperative economic recovery intervention funding schemes, according to the Malaysian Cooperative Commission's (SKM) official website (Suruhanjaya Koperasi Malaysia Official Portal, 2022).

In order to enable impacted entrepreneurs or those who have lost their source of income, particularly during the COVID-19 season, to carry out economic activities as a group through cooperatives, the development of KRP is a programme to encourage the establishment of new cooperatives. With a budget of RM5 million, KRP seeks to form 50 cooperatives made up of

SME owners, affected professionals, and people who have lost their source of income. A group of people who wish to form a cooperative through KPR will be given a launching grant of up to RM100,000 through KPR in order to engage in more proactive economic activities (Suruhanjaya Koperasi Malaysia Official Portal, 2022). To match their skills and interests for each programme, each group that wishes to take part in the establishment of KRP must meet the requirements or eligibility standards of KRP as laid out by the Malaysian Cooperative Commission.

The participating KPR must be registered under the Cooperative Act of 1993, the Co-operative Bylaws (UUK) must permit the co-operative to conduct the activities to be conducted, and the participating group members must meet the minimum share requirement set forth in the Co-operative Bylaws (UUK) (Suruhanjaya Koperasi Malaysia Official Portal, 2022). The Cooperative then opened an account at a financial institution that is registered and has a specific licence from the appropriate authority to engage in the permitted activities. The final relevant condition is that the Cooperative has met all other requirements established by the Malaysian Cooperative Commission. Applications can be made online at <https://apponline.skm.gov.my/> and receive a launching grant of RM100,000 to start a cooperative (Suruhanjaya Koperasi Malaysia Official Portal, 2022). The KRP Sale is the following collaborative economic recovery intervention funding initiative.

JKPR is a campaign to persuade people to shop and purchase daily necessities from cooperative stores because they do it at lower prices than the neighbourhood market (Suruhanjaya Koperasi Malaysia Official Portal, 2022). Additionally, this initiative can make it easier for people, especially those with low incomes to purchase basic essentials like cooking supplies. It can also help people join cooperatives. Similar to KRP, KRP Sales' major goal is to promote the formation of new cooperatives in order to give impacted business owners or people who have lost their source of income the opportunity to conduct economic activities as a group through cooperatives. With this scheme, the government is offering qualified cooperatives a sales incentive of up to RM15,000 to lower the cost of a number of everyday items, such as kitchenware. A total of 232 cooperatives engaged in the wholesale and retail of basic commodities, including wet goods (SKM), are the target market for KRP sales (Suruhanjaya Koperasi Malaysia Official Portal, 2022). It is essential to emphasise the qualifying standards for people who want to apply for this programme in order to develop a better organised KRP Sales programme.

The cooperative must be registered under the Cooperative Act of 1993 and have business operations that are impacted by the Movement Control Order (MCO) (Suruhanjaya Koperasi Malaysia Official Portal, 2022). The cooperative also has a physical retail store or outlet building that is finished, a retail store or sales outlet that is solely controlled by the cooperative, and a cooperative with roots in the wholesale and retail sectors. Not only that, but any group looking to form a cooperative must have enough working money to purchase stock as well as a supply of stock that will focus on enough carefully chosen things without cutting off supply. As determined by the secretariat, the cooperative can also offer stock supplies. Following the COVID-19 pandemic that affected Malaysia, it is necessary to add requirements in accordance with the government's guidelines (SOP) to the KRP Sales programme. The cooperative must follow all directives from the authorities that are in effect at any given time, practise social distance and other recommended practises by the Malaysian Ministry of Health (KKM), and Guidelines (SOP) from the National Security Council (MKN) and be ready to use one or a combination of these.

Applications can be submitted through the SKM State Branch by filling out the application form and submitting it with the necessary supporting paperwork (SKM). Another sub-programme of the cooperative economic intervention funding programme is called Economic Transformation of the Cooperative Movement (TRANSFER) (Suruhanjaya Koperasi Malaysia Official Portal, 2022). This TRANSFER is a programme to help impacted cooperatives recover economically by looking into possibilities and adjusting new enterprises or economic endeavours. With incentives of up to RM100,000 given to qualified cooperatives to explore and venture into new and productive businesses and able to provide quick returns, such as in the sector of agriculture, livestock, fishery, crops, and others, this programme's primary goal is to encourage cooperatives to diversify economic activities and not concentrate and rely on one source of income (Suruhanjaya Koperasi Malaysia Official Portal, 2022).

Additionally, TRANSFER promotes cooperatives to spread out their economic endeavours rather than focusing on and becoming dependent on a single revenue stream. TRANSFER encourages impacted cooperatives, particularly those in the tourist and personal care industries such as hotels, homestays, taxi and bus services, travel agencies, and others to diversify into new, profitable economic ventures that may even yield quick returns. The Malaysian Cooperative Commission has established eligibility standards for each of these projects, including the Economic Transformation of Cooperative Movement (TRANSFER) (Suruhanjaya Koperasi Malaysia Official Portal, 2022). The Cooperative Act of 1993 registration of the cooperative is the primary condition for eligibility. The Cooperative Bylaws (UUK) also enable cooperatives to manage and administer their activities in a manner that is effective and agreeable.

Those who are interested in participating in TRANSFER must also abide by cooperative legislation and other pertinent laws in order to conduct business, obtain permission from relevant authorities and licences in order to conduct business, and conduct a thorough analysis of the project's viability, market potential, and ability to sustain business performance over the long term. A financial statement or payment receipt demonstrating the economic activity engaged in by the impacted cooperative must be submitted as the last criteria for eligibility (Suruhanjaya Koperasi Malaysia Official Portal, 2022). If a group of people meets the requirements of the Economic Transformation of the Cooperative Movement (TRANSFER) programme, they can apply through the SKM State Branch by submitting the application form and any necessary supporting documentation, or they can apply online at <https://apponline.skm.gov.my>.

Productive Trade/Online Cooperative Services (e-DAPAT) is the final initiative funded by Cooperative Economic Recovery Intervention Funding (Suruhanjaya Koperasi Malaysia Official Portal, 2022). This programme attempts to promote, advertise, and sell cooperative products or services using multiple platforms, including online mediums, in order to enhance the availability and sales of cooperative products or services to the general public (Hasan *et al.*, 2021). With an allocation of RM2 million, this programme targets up to 100 micro, small, medium, and large cluster cooperatives whose products or services, including credit cooperatives, Ar-Rahnu, and others, have the potential to be sold via an internet platform (Suruhanjaya Koperasi Malaysia Official Portal, 2022). This programme also includes a grant of up to RM20,000 to subsidise the payment of expenditures associated with the development of promotional materials and the marketing of cooperative products or services online, such as digital marketing, advertising & promotion, on-board training, and other activities.

The eligibility requirements established by the Malaysian Cooperative Commission are identical to those of previous co-operative economic recovery intervention funding programmes, however this e-DAPAT emphasises that co-operatives' products and services must be of adequate quantity and quality (Suruhanjaya Koperasi Malaysia Official Portal, 2022). Applications can be submitted through the SKM State Branch by filling out the application form and submitting additional pertinent documentation. The application will then be sent to the Cooperative Development Division at SKM's headquarters for processing and approval. The cooperative movement in Malaysia places a strong emphasis on members' welfare through participation in economic and entrepreneurial endeavours as well as the eradication of poverty in both rural and urban areas.

To sum up, due to the COVID-19 pandemic's severe effects on the national economy, particularly the cooperative sector, 2020 onwards will be a difficult year for Malaysia. Due to this circumstance, the government has decided to focus on the national economy in order to protect the community's future through the Cooperative Intervention Plan. One of the strategies the administration has implemented to revive the economy is the Cooperative Intervention Plan.

### Concluding Thoughts

MEDAC aims to achieve a number of government objectives in our country in order to ensure that nine out of ten people derive their income from business outcomes. This is due to the fact that members of the current generation are disinterested in working for others and desire a high wage. To achieve the goal of ensuring that nine out of ten people derive their income from entrepreneurial activities, it is necessary to foster entrepreneurship among the population. The next generation will have access to more employment opportunities by being raised in an entrepreneurial culture. Even if the nation is currently dealing with the coronavirus pandemic (Covid-19) problem, business owners must be innovative in planning new strategies to keep their businesses profitable. Although the majority of entrepreneurs facing difficulties, MEDAC offers help to alleviate their burdens.

MEDAC's help and programmes enable all entrepreneurs to revive their businesses. In addition, all entrepreneurs must be receptive to all assistance provided by any party in order to avoid falling behind. As an agency under MEDAC, *TabungEkonomi Kumpulan Usaha Niaga* (Tekun), SME Corporation Malaysia (SME Corp), SME Bank, *Bank Rakyat*, UDA Holdings, and cooperatives must fulfill their responsibilities in monitoring and assisting entrepreneurs in developing their businesses, opening their own businesses, and reviving their businesses. In addition, entrepreneurs must possess a great deal of patience in order to meet global problems, enhance their knowledge and entrepreneurial abilities, and stimulate their bodies and minds. They must also find assignments and responsibilities for people who may be unable to support themselves if their services are terminated. They must be grateful in this regard, even if, as entrepreneurs, they must reduce pay or sales in comparison to the unemployed, assuming they still have jobs.

Therefore, MEDAC has utilised entities within its ministry, such as TekunNasional (TEKUN), *Permodalan Nasional Berhad* (PNB), and SME Corporation Malaysia (SME Corp), to operate a variety of programmes suited to today's youth and graduates. In addition, MEDAC has utilised its subordinate agencies to implement a much simpler money loan procedure and a more efficient and effective system than the current loan system. MEDAC has adapted the system to new requirements, such as the use of a digital platform for loan processing. With the growth of harmful infections in our country, it is a brilliant move by MEDAC to modify this method so



that entrepreneurs seeking loans do not have to wait in line at the MEDAC office. This will assist in preventing the spread of Covid-19. Young individuals and recent graduates interested in entering the business sector will be intrigued by the modifications made and events organised by MEDAC in collaboration with its subordinate agencies.

While the government's strategy to rebalance the country's economy is intended to maintain the people's welfare, it is undertaken in order to restore economic stability. Following the emergence of the covid-19 pandemic in Malaysia, the revised strategy of the Malaysian cooperative commission encompasses four additional sub-programmes. A more productive and high-quality programme that combines the strengthening of economic activities, the enhancement of human capital capacity, and the enhancement of the delivery system will considerably assist in easing the burden of the people, particularly the unemployed entrepreneurs (Abang Muis, Esa, Ibrahim, Othman, Mokhtar, Ationg, & Mohd Shah, 2021). This strategy will capitalise on the huge potential of unemployed and formerly employed entrepreneurs to re-enter the business arena especially those related with industrial and infrastructure development (Mohd Shah, Othman, Yusoff, Ationg, Abu Bakar, Esa, & Abang Muis, 2021). The work has galvanised multiple growth drivers, including entrepreneurship, innovation, technology, and participation from the private sector. The relationship between urban and rural economies will be enhanced to encourage growth and improve rural populations' well-being.

MEDAC has made every attempt to channel help and provide support to entrepreneurs whose enterprises have been impacted by the Covid-19 outbreak in the country by launching numerous programmes. The government provides all facilities to make life simpler for entrepreneurs and dealers in Malaysia, particularly those who are plagued by this pandemic. They have been granted certain latitude, beginning with the document requirements for loan applications and extending to the approval of loan applications from those included in the CTOS. Entrepreneurs should also utilise the available facilities and flexibility appropriately and not for their own gain. Furthermore, it is critical that a country's legal system be used to help initiate corporate activity, thereby boosting the economy. Changes to MEDAC over the endemic period have not shown a difference. However, the method has been tailored more to appropriateness and current economic requirements.

As a result of the spread of the Covid-19 virus, which has hampered the development of local businesses, a large number of entrepreneurs seek MEDAC's assistance in the form of finance, digitalization, development training, or engagement sessions. MEDAC's ten subordinate agencies defend entrepreneurs and cooperatives. Other programmes are being developed in addition to financing options with simpler terms. As a result of MEDAC's efforts, more than 250 thousand entrepreneurs were spared the consequences of the pandemic. Local business owners must take advantage of available opportunities with or without the assistance of MEDAC. Entrepreneurs must also adopt new technologies, digitise their operations, and conduct business online in order to reduce costs, save time, and conserve resources. MEDAC's efforts to protect local businesses and cooperatives are expected to continue in accordance with plans such as the Malaysian Cooperative Transformation Plan 2021-2025.

### **Acknowledgements**

The authors would like to acknowledge and extended special gratitude to the Global Academic Excellence (M) Sdn Bhd, who granted the Publication Grant Scheme for this project.

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