

Research on the Development of Chinese Small and Micro Enterprises under COVID-19

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ABSTRACT

In 2020, COVID-19 spread throughout China and even the whole world. It threatened people's lives and health and affected the resumption of production and development in all walks of life, especially small and micro businesses. China's small and micro enterprises account for the vast majority of all enterprises. They are crucial for national economic and social development and the primary conduit for entrepreneurship and people's enrichment. Small and micro enterprises also play an essential role in boosting employment, raising income, improving people's living standards, encouraging stability, national taxes, and the market economy. However, in the context of the continuous development of the global epidemic and the normalization of the epidemic in China, small and micro enterprises face a more difficult current situation than before and development problems because of the corresponding policy support provided by the state. After a comprehensive analysis, this paper puts forward corresponding development suggestions on its disadvantages, threats and difficulties, hoping to improve the anti-risk ability of small and micro enterprises and promote the development of small and micro enterprises.

Keywords: *COVID-19, Small and micro enterprises, Development*

1. INTRODUCTION

The current domestic and international situation has great changes compared. COVID-19 has greatly impacted China's economy, especially on small and micro enterprises. Many small and micro enterprises face the problem of capital chain rupture or even closure, and the survival crisis is exacerbated. Small and micro enterprises are collectively referred to as small enterprises, micro enterprises, family workshop enterprises and individual industrial and commercial households. Small and micro enterprises are the main force to promote China's market development and improve the market, the main growth point of China's national economy and strengthen the market, the source of technological innovation. They have promoted employment and provided a large number of job opportunities. COVID-19 certainly may cause heavy losses to small and micro enterprises. In turn, the stagnant development of small and micro enterprises also harms China's economic development. Small and micro enterprises themselves have problems, like financing difficulties and lack of professionals. Domestic studies on small and micro enterprises started late. Lang Xianping first proposed the concept of small

and micro enterprises (2011). Small and micro enterprises are of great significance to China's economic development, and most of them have been hit hard under the impact of COVID-19. Some scholars have proposed that Network digital platform and industry chain finance should be closely combined to solve the financing difficulties of small and micro enterprises. Enterprise financial loan is based on network digital platform and combined with financial institutions, especially form optimal allocation and operation of resources of data platform(Huang xiaoyan 2021).

Through research and analysis, small and micro enterprises under COVID-19 mainly found the following problems. The recurrence of the epidemic and the normalization of prevention and control greatly impact small and micro enterprises. If they fail to meet the epidemic prevention standards, they will be ordered to suspend business for rectification. Second, with the rapid development of big data, technology, and logistics, online shopping has developed rapidly, greatly impacting the real economy. Third, most small and micro enterprises in the market are in the development stage, with small scale, weak capital strength, and poor anti-risk ability. However, while facing difficulties,

small and micro enterprises also have many opportunities.

This paper consists of five parts. The first part is the introduction. The second part expounds on the current situation of COVID-19 in China and the concept of small and micro enterprises. The third part uses the SWOT analysis method to analyze the enterprise's strengths (S), weaknesses (W), opportunities (O), and threats (T). The fourth part puts forward some suggestions from the aspects of policy and the development of small and micro enterprises. Finally, the fifth part is the conclusion.

2. CONCEPT OF COVID-19 AND CHINESE SMALL AND MICRO BUSINESSES IN 2020

2.1 Epidemic Situation in China

In January 2020, Wuhan announced that the city was closed and that buses, subway, ferry, and long-distance passenger transportation were suspended. In addition, the airport and train stations were temporarily closed. Other cities have also stopped production, and most people live in isolation. The government allocated resources to improve the quarantine capacity and treatment capacity to truly complete the inspection that should be inspected and the collection that should be received. At that time, public health interventions prevented the spread of the epidemic, with the control of COVID-19 in Wuhan and a series of continuous public health interventions.

From April 2020 to now, the epidemic situation in China has been effectively controlled on the whole. More than 1 billion people have been vaccinated with the COVID-19 vaccine [1], laying the foundation for epidemic prevention in China. However, this year, local epidemics have occurred in China one after another. At

the same time, overseas epidemics continue to spread, and the development of the global epidemic situation is not optimistic. The COVID-19 situation in China and the world at present has three characteristics: first, the epidemic situation in China is sporadic, and human beings may coexist with COVID-19 for a long time. According to the requirements of the State Council for the notification of New Coronavirus's joint prevention and control system for further prevention of the disease, epidemic prevention and control tends to be normalized management. Second, because of the different attitudes of different governments towards COVID-19, the Chinese government insists on the supremacy of the people and the supremacy of life. However, the swaying attitude of some western countries has led to the global epidemic that is still very serious and is still developing. The world is a whole, and no government can be alone. China's economic development is inseparable from the world. Many industries involve overseas industrial chains. Therefore, the effect of the global epidemic is bound to impact all walks of life in China.

2.2 Definition and Condition of Chinese Small and Micro Enterprises

2.2.1 Specific Definition Criteria and Role

In 2011, the state issued "The method for the division of large, medium, small and micro enterprises in statistics," adding the category of micro enterprises for the first time. Small and micro enterprises refer to small enterprises, micro enterprises, family workshop enterprises, and individual industrial and commercial households. As for the definition of small and micro enterprises, the state has quantitative definition standards, which are defined in industry type, operating income, number of employees, and total assets. The concrete criteria are listed below.

Table 1. Division standard of small and micro enterprises[2-3]

Industry name	Indicator name	Unit of measure	small enterprises	micro enterprise
Agriculture, forestry, animal	Operating	Ten thousand	50≤Y<500	Y<50
Industry* construction	Employees (X)	people	20≤X<300	X<20
	Operating	Ten thousand	300≤Y<2000	Y<300
Wholesale industry retail	Operating	Ten thousand	300≤Y<6000	Y<300
	Total assets (Z)	Ten thousand	300≤Z<5000	Z<300
Transportation industry* Storage industry*	Employees (X)	people	5≤X<20	X<5
	Operating	Ten thousand	1000≤Y<	Y<1000
Postal industry Accommodation industry	Employees (X)	people	10≤X<50	X<10
	Operating	Ten thousand	100≤Y<500	Y<100
catering Information transmission industry*	Employees (X)	people	20≤X<300	X<20
	Operating	Ten thousand	200≤Y<3000	Y<200
Software and information technology services	Employees (X)	people	20≤X<100	X<20
	Operating	Ten thousand	100≤Y<1000	Y<100

estate management Leasing and business services	Employees (X)	people	$20 \leq X < 300$	$X < 20$
	Operating	Ten thousand	$100 \leq Y < 2000$	$Y < 100$
Other industries not listed* Industry name	Employees (X)	people	$10 \leq X < 100$	$X < 10$
	Operating	Ten thousand	$100 \leq Y < 2000$	$Y < 100$
Agriculture, forestry, animal husbandry and fishery	Employees (X)	people	$10 \leq X < 100$	$X < 10$
	Operating	Ten thousand	$100 \leq Y < 2000$	$Y < 100$
construction Wholesale industry	Employees (X)	people	$10 \leq X < 100$	$X < 10$
	Operating	Ten thousand	$100 \leq Y < 1000$	$Y < 100$
retail Transportation industry*	Employees (X)	people	$10 \leq X < 100$	$X < 10$
	Operating	Ten thousand	$50 \leq Y < 1000$	$Y < 50$
Storage industry* Postal industry	Operating	Ten thousand	$100 \leq Y < 1000$	$Y < 100$
	Total assets (Z)	Ten thousand	$2000 \leq Z < 5000$	$Z < 2000$
Accommodation industry catering	Employees (X)	people	$100 \leq X < 300$	$X < 100$
	Operating	Ten thousand	$500 \leq Y < 1000$	$Y < 500$
Information transmission industry* Software and information	Employees (X)	people	$10 \leq X < 100$	$X < 10$
	Total assets (Z)	Ten thousand	$100 \leq Z < 8000$	$Z < 100$
Real estate development and operation	Employees (X)	people	$10 \leq X < 100$	$X < 10$

In 2020, the registered number of small and micro enterprises had reached 80 million. The governor of the people's Bank of China pointed out that small, medium and micro enterprises contribute more than 50% of China's taxes, more than 60% of GDP, more than 70% of technological innovation, more than 80% of urban labor employment and more than 90% of the number of enterprises[4-5]. Small and micro enterprises are an essential part of China's national economy and play a role in promoting the development of the national economy. On the one hand, it has solved many employment problems. On the other hand, there are many graduates in China every year. The practical ability of many graduates does not match the needs of employers. Therefore, the employment problem of graduates has become one of the critical tasks of the country. Compared with medium and large enterprises, small and micro enterprises have simple recruitment procedures and entry procedures and relatively low requirements, which can quickly absorb employment and reduce social employment pressure. On the other hand, most small and micro enterprises involve people's lives and services, providing services for urban life and facilitating daily life. For example, the development of convenience stores meets the daily needs of both the elderly and office workers. Basic daily necessities can be bought in convenience stores, saving time to go to supermarkets. Convenience stores improve life happiness and help the city run better.

2.2.2 Current Situation

The proportion of small and micro enterprises with less than 10% capacity recovery was about 28.5%. Only

15.3% of small and micro enterprises had a capacity recovery degree of more than 90%[6]. Compared with large and medium-sized enterprises, the resumption of work and production of small and micro enterprises in May 2020 was significantly backward. In 2020, most real economies, including tourism and shopping, hotel accommodation, transportation and tourism, food and beverage, sports, jewelry, and luxury goods, suffered varying degrees of losses in sector development. In addition, trade exports decreased accordingly, and foreign investment also declined. Correspondingly, due to COVID-19, some industries are retrograde, including disinfection and sterilization supplies, medical rescue materials, grain, oil, fruits and vegetables, online e-commerce, online education, express delivery, and other industries. In the long run, the production and living formats will develop towards intelligence and online, which is likely to give birth to new forms.

Compared with 2020, the operating pressure of various industries has changed dramatically in 2021. The working pressure of the leasing service and real estate industries has increased, especially the revenue pressure of the real estate industry has increased significantly. Due to the relatively slow sales growth in 2018-2019 and the policy restrictions of "three red lines" of enterprises and "housing loan concentration management" of banks. That will increase revenue pressure in 2020 and 2021.

Table 2. Pressure ranking of small and micro enterprises in various industries[7]

Industry	2021 revenue pressure ranking	Profit pressure ranking	Cash flow pressure ranking	Cash flow pressure ranking	Comprehensive pressure ranking
Accommodation and catering	1	3	1	1	1
Rental service	3	1	2	2	2
Property	2	2	11	4	3
Entertainment and sports	4	4	9	3	4
Resident services	6	5	3	5	5
Wholesale and retail	5	6	6	6	6
Information software	8	7	7	8	7
Architecture	9	8	4	7	8
Scientific research technology	10	9	5	9	9
Transportation and storage	7	10	8	10	10
manufacture	11	11	10	11	11

3. SWOT-ANALYSIS

The strengths, weaknesses, opportunities, and threats of small and micro corporations are illustrated in Table 3. Four strategic modes can be proposed on these

bases: SO strategy, WO strategy, ST strategy, and WT strategy. After the resume of the SWOT is revealed, the details of these four aspects and the suggestions associated with strategic modes are analyzed.

Table3. Summary of SWOT-Analysis

Internal conditions		Strengths	Weaknesses
External conditions		1) High flexibility 2) Low relative investment cost 3) More innovative ideas	1) Financing difficulties 2) Lack of employment 3) Lack of scientific management system
Opportunities		SO	WO
1) Tax reduction and fee reduction 2) Financing promotion 3) Optimization of the business environment for small and micro enterprises 4) Big data technology development		Make full use of the support policies given by the state and the use of big data to establish an industry database and develop small and micro enterprises with technological innovation.	The construction of a data talent platform strengthens enterprise employment services, reduces employee mobility, promotes professional and technical talents in significant universities and state-owned enterprises to participate in project cooperation, and provides professional and technical consultation and guidance.
Threats		ST	WT
1) Epidemic normalization prevention and control 2) The rise in raw materials		Pay close attention to the development of the epidemic situation in the world and China	At the initial stage, avoid following the trend of mechanization and intelligent

3) Mechanization and intelligence	and the dynamics of relations between China and other countries, use their advantages to seek multi-party cooperation, improve their core technology and transform to technological innovation.	investment, first concentrate on reducing personnel loss and technology development, and indirectly reduce costs by relying on the production lines of some process mature enterprises.
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3.1 Strengths

3.1.1 High Flexibility

The establishment mechanism of small and micro enterprises is very flexible. A few or more people can set up an enterprise. As long as it is not a restricted national industry, it can be engaged even if it fails to operate appropriately [8-9]. It can choose different industries because "the boat is small and easy to turn around," flexibly pursue the hot spots of market development, accurately locate according to the market's needs, and have a high concentration of business decision-making power. It is conducive to enterprises making decisions quickly. Nowadays, a large number of studios belong to small and micro enterprises.

3.1.2 Low Relative Investment Cost

At the initial stage of the establishment of small and micro enterprises, due to the small volume and less investment, on the one hand, the demand for funds is less, which is easier to finance. On the other hand, due to the small number of employees, individual contributions to the enterprise are easier to discover and encourage. Therefore, small and micro businesses will reward their employees more specifically. Due to the limitation of working capital and the number of employees, small and micro enterprises tend to focus on the operation of small products.

3.1.3 More Innovative Ideas

Small and micro enterprises play an essential role in China's technological innovation and new product development. Due to the advantages of small and micro enterprises, they are "small and specialized, small and refined" and have many innovative patterns. With the needs of young and fashion-seeking people, many styles of masks have been gradually derived, which meets the needs of epidemic prevention and control and people's travel and meets the fashion pursuit of fashion people. With the opening of the Tokyo Olympic Games, many masks with the words "China" and the pattern of the five-star red flag have been produced. That has brought new opportunities for many production masks of small businesses and meet the people of both practical and aesthetic demand.

3.2 Weaknesses

3.2.1 Financing Difficulties

On the one hand, traditional financial institutions do not lack stable large-scale customer resources, and the returns they bring are relatively stable. However, small and micro enterprises have frequent funds, low amounts, high loan risk, and a weak ability to resist business risk. On the other hand, there is information asymmetry between financial institutions and small and micro enterprises[10-12]. Small and micro enterprises are small and scattered, and the digital construction of local small and micro enterprises is insufficient. The government has established an Information Center Department, but there are problems such as less authority and complex application procedures, so financial institutions cannot effectively obtain enterprise operation information. The field survey of personnel to obtain enterprise data undoubtedly increases the cost of human resources and time, resulting in the inability of inclusive financial business to provide systematic help.

3.2.2 Lack of Employment

A survey shows that 75% of job seekers say they are unwilling to work in small and micro enterprises, while 22% fail to find a suitable job in a short time and gain work experience in small and micro enterprises. Only 3% of job seekers say they are willing to work in small and micro enterprises, but these job seekers are from vocational and technical colleges [13]. Small and micro enterprises have a significant employment gap with technicians. Due to their small scale and small capital, it is often difficult for technicians to get a good salary. Small and micro enterprises pay more attention to cost control, so there is a pronounced gap with medium and large enterprises in terms of salary, social security, working environment, and promotion opportunities. Therefore, it is not attractive to technical talents. In recent years, China's population structure has changed significantly, the demographic dividend has gradually disappeared, the population is aging seriously, the labor cost has increased, the mobility of ordinary employees has increased, and the demand for professional and technical personnel has increased, increasing the recruitment gap of professional and technical personnel. Small and micro enterprises are facing the difficult situation that talents can't be introduced and retained.

3.2.3 Lack of Scientific Management System

The disadvantages of small and micro enterprises, such as primary backward conditions, small scale, and lack of talents, make it difficult to establish a natural modern enterprise system like medium and large enterprises. Although they have an enterprise structure in form, small and micro enterprises are often family enterprises, or the owner and manager are the same people, so it is easy to have "What I say goes," or great randomness in management. The financial system, and human management system are chaotic. Therefore, many leaders of small and micro enterprises need to do many things personally, supervise and track the results personally, resulting in internal friction of the enterprise and affecting the exertion of department functions. Moreover, some small and micro enterprises managers have backward management thinking, blindly pursue profits, and lack long-term planning for the enterprise, which hinders growth and development.

3.3 Opportunities

3.3.1 Cutting Taxes and Fees and Financing Promotion

In 2020, the national new tax reduction and fee reduction will exceed 2.5 trillion yuan. During the 13th Five Year Plan period, the total amount of recent tax reductions and fees in China exceeded 7.6 trillion yuan [14-15]. Under the epidemic situation, the state has issued relevant tax reduction and fee reduction support policies to promote the development of small and micro enterprises. In terms of tax support, the tax declaration time of small and micro enterprises was extended by no more than three months. Small low-profit enterprises can suspend the payment of current enterprise income tax. In terms of social security and employment support, the contributions of pension, unemployment, and work-related injury insurance units of small and micro enterprises were exempted. Small and micro enterprises in the service industry and individual businesses that rent state-owned houses for operation and have difficulties are exempted from the rent.

According to the data released by the people's Bank of China, as of the third quarter of 2021, the balance of inclusive minor and microloans reached 1.86 billion yuan, a year-on-year increase of 27.4% [16]. Small and micro enterprises can apply to banks for an extension. The executive meeting of the State Council proposed to increase refinancing, focusing on the credit support of small and micro enterprises by small and medium-sized banks, which shows that more financial resources flow to small and micro enterprises to help them tide over their difficulties.

3.3.2 Optimization of The Business Environment for Small and Micro Enterprises

In 2020, China put forward the dual cycle strategy, which referred to the domestic cycle and the mutual promotion of domestic and international double cycles. The domestic process is not to close the door but to expand domestic demand [17-18]. Under the epidemic, people's request for the market is gradually recovering, and retaliatory consumption has appeared. The sales of many small and micro enterprises have increased sharply, and the consumption dividend in China has increased. By expanding domestic demand, attracting foreign investment, stabilizing the industrial chain supply chain, and optimizing the business environment, we can improve the quality of a large domestic cycle, improve China's advantages in participating in the international cycle, and achieve mutual promotion and development domestic and global double processes.

3.3.3 Big Data Technology Development

In 2020, 82% of the small and micro enterprises in mainland China obtained more than 10% of their revenue through online sales, and 94% of the enterprises surveyed in mainland China used social media platforms to achieve their business purposes [19]. With the rapid development of high and new technologies such as 5G, cloud computing, and cloud platform, small and micro enterprises increase their revenue with the development of big data technology. It shows that big data technology has promoted the growth of small and micro enterprises. Big data technology provides a fast platform for the internal management and long-term development of small and micro enterprises. Small and medium-sized enterprises can use big data technology in procurement, development, manufacturing, logistics, sales, and other links, saving costs.

3.4 Threats

3.4.1 Epidemic Normalization Prevention and Control

COVID-19 will not disappear completely. It is also confirmed that the international epidemic situation is very severe at this stage. The number of confirmed cases is increasing, and the outbreak of domestic epidemic has been sporadic. The state still attaches great importance to preventing and controlling the epidemic situation. We must adhere to the overall prevention and control strategy of "external input and internal anti-rebound," and provinces and municipalities have corresponding prevention and control measures. For example, in some areas, the arrival personnel must have a green health QR code and a COVID-19 Nucleic Acid Test. These epidemic prevention measures are bound to reduce the

flow of people, reduce consumption and affect the revenue of small and micro enterprises.

3.4.2 The Cost of Raw Materials Is Increasing

In recent years, China's rapid economic development has been evident worldwide. The United States targets China because, according to China's such development speed, it will inevitably affect the status of the United States as a great power in the future and may lose its advantages. For example, in the morning of the disharmony between China and the United States and the global energy crisis, the coal import price rises, and coal import growth is weak. However, China's electricity mainly depends on thermal power plants in autumn and winter, resulting in losses of thermal power plants, resulting in national power rationing and rising power costs. Due to the small volume of small and micro enterprises, the power cost is a relatively large part of the cost for small and micro enterprises, which will inevitably affect the profits.

3.4.3 The Development of Big Data Brings Mechanization and Artificial Intelligence

In some production processes of small and micro enterprises in the future, mechanization and intelligence will replace manual. For instance, in comparison with traditional manual milking, the application of mechanized milking has greatly improved labor production in dairy farming efficiency, hygienic quality of fresh milk, and milk quality[20-21]. However, some small family farms still have access to manual means, the prices of their products are higher than those that have been mechanized. This leads to small family farms or small and micro enterprises with noncompetitive prices and eventually bankruptcy. With the development of big data technology, mechanized artificial intelligence is developing rapidly. Small and micro enterprises can reduce costs, increase production capacity and increase revenue. Still, on the other hand, it will make it difficult for small and micro enterprises that originally existed by hand to survive and encounter difficulties in transformation. Under the epidemic situation, young people and many elderly people have learned to use networks and electronic products. Scientific and technological innovative small and micro enterprises are bound to develop. However, compared with small and micro enterprises lacking core technology and scientific and technical talents, the survival situation of small and micro enterprises is not optimistic.

4. SUGGESTIONS

4.1 Improve the Security of Financing Support

The state will increase the amount of refinancing,

support local banks to issue loans to small and micro enterprises, use the raised refinancing funds to encourage banks to give more inclusive small and micro credit loans, and small and micro enterprises to make good use of the policies of deferred principal repayment of inclusive loans and credit loan support. Improve the financial service capacity of small and micro enterprises, support small and medium-sized banks to issue special financial bonds for small and micro enterprises, and broaden the sources of small credit funds. Based on the state's increased financial support, the state should also give policy support to relevant science and technology departments. The science and technology departments should provide corresponding scientific and technological guidance for financing small and micro enterprises to transform some small and micro enterprises into innovative science and technology enterprises and ensure the steady development of small and micro enterprises. Credit guarantees shall not be used for the credit business of small and micro enterprises. If a credit guarantee is to be adopted, the universality and reliability of the second repayment source shall be improved under the condition of ensuring the first repayment source.

In addition, improve the financing support for the supply chain of small and micro enterprises, guide financial institutions to expand the acceptance and discount of commercial bills, and support and alleviate the pressure faced by small and micro enterprises due to the occupation of money through rediscount and other tools. For example, when garment factories find cloth factories to buy cloth, they can pay a certain proportion in the bank when they cannot spend large amounts of raw materials to ensure that bank acceptance bills will be issued to cloth factories in the future. The fabric factory can rest assured of the bank's ability to pay, to alleviate the lack of liquidity of small and micro enterprises. For banks, medium and large enterprises can be selected as the core enterprises. By managing the capital flow of their upstream and downstream small and micro enterprises, even if a single enterprise no longer has the expected risk, the risk of the whole supply chain is controllable, and the credit risk can be reduced by expanding the channels to obtain information.

4.2 Strengthen Employment Services

Capable and experienced small and micro enterprises can sign employment security agreements with surrounding counties and townships by themselves. The government can support small and micro enterprises with smaller scale and incompetence. For example, the government takes the lead to divide the small and micro enterprises with employment needs into industries first, and local small and micro enterprises in the same sector jointly sign employment security

agreements with rural residents in surrounding counties. At the same time, Within a reasonable range, the local education administrative department where the enterprise is located shall arrange for migrant workers to attend public compulsory education schools to solve the problem of left-behind children of migrant workers.

For professional and technical talents, the government can establish a professional and technical talent information database, establish a professional and technical talent team, support relevant professional and technical skills in major universities, scientific research institutes, and medium and large state-owned enterprises to join the talent team, encourage prospective technical talents to work part-time in one or several small and micro enterprises or participate in project cooperation, and provide professional and technical consultation and guidance.

4.3 Using Big Data to Improve Anti-Risk Ability

Due to their disadvantages and complex external environment, small and micro enterprises cannot find all kinds of risks in time, which may not be remedied when the stakes are exposed. They can use the advantages of big data to comprehensively monitor the internal and environment of the enterprise to "save against a rainy day" and find the hidden risks of the enterprise as soon as possible. Combine risk identification with risk early warning. Firstly, data collection can obtain more standardized and complete information from within the enterprise. In contrast, external information collection needs to use big Internet data, interpersonal networks, field investigation, and other methods. Secondly, the collected complex data can be analyzed through scientific and technological means such as big data and artificial intelligence for further classification and integration. Small and micro enterprises in the same industry can carry out partial data sharing and strategic cooperation through openness to form a risk dynamic early warning database shared by the industry, which can include previous real cases and suitable treatment methods, and assist enterprises in making risk treatment plans in combination with existing risks.

Small and micro enterprises use the Internet and big data technologies to transform to cross-border e-commerce, expand overseas markets through online sales, and seek more new business opportunities in overseas markets. Due to the epidemic's impact, the housing economy has rapidly expanded to the online economy. More and more overseas consumers have started e-commerce shopping, and online users have increased sharply. The founders of many small and micro enterprises are the younger generation, making better use of the digital big data platform and quickly completing complex processes such as product selection, procurement, sales, logistics, customs

declaration, collection, and foreign exchange settlement. Combined with emerging technologies related to big data, promote the development of small and micro enterprises to intelligence, borrow people's "wisdom", and create the "wisdom" of things.

The government has established a big data platform to connect the information of employment, social security, and other departments, promote the information symmetry between small and micro enterprises and job seekers, unblock their communication channels, guide enterprises to do recruitment planning so that enterprises and job seekers can timely obtain market and bilateral information. Through the extensive data analysis of various departments, the government can determine off-season and peak season job shortages in some small and micro enterprises. In the peak season, the government can carry out special job fairs.

5. CONCLUSION

Multifaceted problems are hindering the recovery and development of Chinese small and micro enterprises in the COVID-19 pandemic, which are related to both the internal operation and the outside impact. Nevertheless, there must be corresponding measures to help resolve those problems and push small and micro enterprises to the track of healthy development. Only based on the rational and comprehensive analysis of both external issues and internal operation can effective countermeasures be formed to help small and micro enterprises overcome obstacles caused by the outbreak of the COVID-19 pandemic. SWOT is mainly divided into two parts. One is to analyze the internal conditions of the enterprise, namely strengths and weaknesses. The other part explores external conditions, namely opportunities and threats. After detailed analysis, four strategic modes can be proposed: SO (Using of the support policies and developing an industry database), WO (Improving enterprise employment services, promoting cooperation between universities and enterprises and providing professional and technical consultation and guidance.), ST (Looking for multi-party cooperation with strengths and turning to technological innovation under the epidemic situation) and WT (focusing on reducing personnel loss and costs without mechanization and intelligent investment). Based on this, specific suggestions are given for improving and developing Chinese small and micro enterprises because of their disadvantages and threats. According to the national policy of increasing refinancing, the security of loans will be ensured, the loan risks will be reduced, the channels for the sources of small refinancing funds will be broadened, and scientific and technological policy assistance will be given to small and micro enterprises to make the transition and develop towards innovative science and

technology, to ensure the efficiency of the use of funds. Helping small and micro enterprises solve the family problems of their labor workers and improve employee satisfaction is one of the effective ways to reduce employee mobility. Solving the technical guidance problem of small and micro enterprises is also necessary to strengthen their anti-risk ability. Using data collection and integration to create an industry database of small and micro enterprises form an industry shared risk dynamic early warning database and improve their ability to deal with risks. These suggestions, associated with the current stage of China's small and micro enterprises, are provided to improve business conditions and promote better development in the epidemic context.

By analyzing the difficulties and challenges faced at home and abroad under the epidemic situation, this paper hopes to provide valuable suggestions for the daily operation and future development of Small and micro enterprises in China. The small and micro enterprises in this paper can't cover the characteristics and development of small and micro enterprises in all industries. Some small and micro enterprises, in particular sectors, have their unique development characteristics. Small and micro enterprises in different sectors will be studied in the future.

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