

The Use of Budgeting as an Effective Management Tool for Small, Medium and Micro Enterprises during COVID-19 Pandemic: A Perspective from South Africa

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Abstract : Budgets are one of the most important tools that organisations, big or small, need to use as management tools. When organisations, particularly Small, Medium and Micro Enterprises (SMMEs), do not use budgets, they are bound to fail in their infancy stage. The aim of this study was to assess whether or not SMMEs in South Africa used budgets as an effective management tool during the COVID-19 pandemic. For the purposes of this study, data was collected using an online questionnaire (survey). This study used the quantitative research approach. The study used descriptive statistics to analyse the research question. The study found that most SMMEs did not use budgets during the COVID-19 pandemic; one of the reasons, amongst others, was that most of them had to close down during the lockdown, and some of them did not even qualify for government bailout or government grants.

Keywords : budget management, SMMEs, COVID-19, South Africa

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