

Impacts of COVID-19 Pandemic on the SMEs Performance in Nigeria

Franklin Orujekwe, Rossazana Bt Ab Rahim, Nur Zaimah
Ubaidillah

Faculty of Business and Economics, Universiti Malaysia Sarawak, 94300, Kota Samarahan,
Malaysia

To Link this Article: <http://dx.doi.org/10.6007/IJARSS/v14-i1/19361>

DOI:10.6007/IJARSS/v14-i1/19361

Published Date: 05 January 2024

Abstract

Purpose: This study aims to examine the multifaceted impacts of the internal and external factors arising from the COVID-19 pandemic on the small and medium-sized Enterprises (SMEs) in Nigeria. By analysing the internal factors (downsizing and fear of existing business), and external factors (reduction in demand and revenue reduction), the research seeks to provide valuable insight for policymakers, business owners, and stakeholders, ultimately contributing to the development of targeted strategies for enhancing SMEs' performance and fostering economic recovery in Nigeria. The following null hypothesis guided this study, and was tested at 0.05 level of significance. H0: There is no significant impact of internal factors on SMEs performance in Nigeria; H1: There is no significant impact of external factors on SMEs performance in Nigeria; H2: There is no significant impact of covid-19 on SMEs performance in Nigeria. **Methodology:** This proposed research methodology was based on a cross-sectional and quantitative investigation with a snowball sampling approach. Company owners, managers, and supervisors of SME's are sent online questionnaires. The online questionnaire was distributed mostly to SMEs based in cities because the average number of SMEs in Nigeria's cities probably accounts for more than half of all SMEs. This study used an online survey on Google questionnaire that was sent to approximately 100 people; however, by using the snowballing method of sampling, the number of people who participated rose to 300 people from all parts of Nigeria (North and South) who live in the country's cities. The questionnaire was designed in open and closed end pattern which will be administered to the small and medium scale enterprises directly; and adopts various measurement methods, including Likert scale, multiple choice and ranking method. Regression analysis was employed to measure these impacts from the stated null hypotheses. The data-gathering instrument for this study was a social media-based questionnaire. The questionnaire was designed to obtain quantitative data and information in those locations, to identify the impact of the COVID-19 pandemic on SMEs, recovery method, and constrains to recovery. The data obtained was presented in tables and analysed using mean, percentages, and standard deviation.

Findings: Findings from the study revealed that SME's need to constantly measure their performances during crises such as covid-19, to be able to take decisions on: continuing,

fortifying, or downsizing their businesses. Adapting to the rapid and changing innovation helps in identifying new business opportunities during covid-19. The study also found out that there is a relationship between SME performance; and downsizing/ fear of existing business respectively; while there is equally a positive relationship between SME performance; and reduction in demand/ revenue reduction respectively. **Policy Implications:** Government should implement fiscal policy measures that would complement the nation's current monetary policies in order to raise the purchasing power of the people and promote family consumption. National or international border closures should be done in such a way as not to frustrate the business operations of SME's during pandemic crises. Government can equally find a way to support employees of SMEs of non-government institutions augmenting for the half salaries they are forced on during the pandemic.

Keywords: Nigeria Economy, Covid-19, Performance, Small and Medium Enterprises

Introduction

This study explores the complex relationships between the COVID-19 pandemic and internal and external factors affecting the performance of small and medium-sized enterprises (SMEs) in Nigeria. It explores the effects of both external factors – such as a decline in revenue and a reduction in demand – and internal issues – such as downsizing and the anxiety surrounding current business instability. In order to help policymakers and business leaders formulate focused strategies to support SME resilience and promote post-pandemic recovery in the Nigeria business landscape, this research aims to clarify the complex interactions between these factors through a thorough analysis.

Small and medium enterprises (SMEs) are facing unprecedented challenges to their performance and resilience due to the COVID-19 pandemic. World Health Organization announced the outbreak of Coronavirus (COVID-19), which originated from Wuhan China, rapidly spreading around the world (Kapata et al., 2020). In February 2020 the first case of the virus was confirmed in Nigeria; considering the fact that Nigeria is the most populous African country placed it on high risk (Olaofe et al., 2020). The first record of the virus infection was in Lagos, the largest city in Nigeria (Ebenso et al., 2020). However, since the 25th of March there has been a geometric increase of the virus in Nigeria, which compelled the Federal government to impose an immediate lockdown (Joseph 2020). The pandemic has crumbled the global market, affected most economic sectors and involuntarily boosted other sectors (essential good). As Africa grip for the outcome during the pandemic and aftermath of the pandemic, working solidarity helps strengthening the economy of West Africa (Ime et al., 2020). The eventuality of more cases emerging from Africa as a case of rapid infection has weakened their economy and health system. Thankfully, with the effective cooperation from World Health Organization, Federal, State health ministries, there has been prompt and effective approaches to COVID-19 outbreak in Africa (Ohia et al., 2020).

When catastrophe interrupts a company's operations, business resilience triggers the ability for the firm to survive, recover, and expand. Survival implies that the company stays in business after the crisis, but its performance falls short of what it was before the crisis (Huang et al., 2020). Financial sustainability of small and medium-sized companies has direct and significant impact on growth and development of a country's economy (Sabău-Popa et al., 2020). Small enterprises are related to minimal capital and cling to area of operation with basic management structure, it's actively managed by a sore proprietor and highly personalized (Ebitu et al., 2016). Government decision was taken to slow down the spread of the virus; however, it also came with a negative impact on citizens. Businesses and offices

closed, leading to lose of job in Nigeria, hence increasing crime rate as a result of the lockdown (Saidu et al., 2020) and increase price of agricultural products as a result of inflation (Francis et al., 2020). Vandenberg (2020) on SME lockdown challenges listed lack of operational cash flow, drop in demand for production and service, business closure, opportunity reductions, issues with business changing strategy; as well as difficulties in obtaining raw materials

COVID-19 crisis intervention fund of 500 billion Naira budget was set up to cover needed health care funding, temporary fiscal support package (not yet finalized) to help taxpayers and incentivize employers retain their employees (Margevich et al., 2020). According to International Monetary Fund (IMF, 2020) contingency fund of nine hundred and eighty-four million Naira (984 million) was released to Nigeria Centre of Disease Control (NCDC) and additional Six billion five hundred Million Naira (6.5 billion) was allocated for testing kit purchase and setting up isolation centres and training medical personnel. However, in Lagos state in Nigeria (epicentre COVID-19), Ten Billion Naira was granted (10 billion) to help tackle the outbreak in the State.

During a crisis, most businesses instantly go into crisis mode and begin reducing costs across the board, from day-to-day operations to labour. Although this strategy has helped some businesses survive the crisis, a sole concentration on cost-cutting can lead to a variety of issues, including decreased product quality, customer discontent, a lack of post-crisis development, and staff emotions of pessimism and disempowerment. As a result, striking a balance between cross-cutting and investment is critical to surviving and growing after the crisis (Huang et al., 2021). More significantly, as a result of the widespread coronavirus epidemic, manufacturing factories have ceased operations. Furthermore, due to a lack of raw material supply, small and medium enterprises are unable to compete, and as a result, there is a shortage of items on the market. This predicament has two important ramifications for small businesses. To begin with, most industrial industries have shut down. Second, manufacturers with accessible resources for manufacturing will almost certainly raise the price of the product, ensuring inflation. This scenario is uncomfortable and perhaps unbearable due to a lack of financial resources (Amuda 2020).

SMEs performance, enhance the provision of values for its stakeholders and this include; owners, customer's government and the society (Aladejebi et al., 2018). The past industrialization policies favouring medium and large enterprise helps to stimulate growth and development of the economy and creating SMEs as an agitator to industrialization quest for effective growth of Nigeria economy (Adegbemi et al., 2013). SMEs are responsible for the various goods and services, motivating entrepreneurial spirit and repairs of second handed products in Nigeria, 50% of the SMEs constitute mostly in distributive trade which includes 10% in manufacturing, 30% in agriculture and 10% in service total they account for 50% of Nigeria GDP (Grace et al., 2008). Today, The SMEs contribute significantly to Nigeria's growth, creating jobs, exporting, and innovating new technologies in addition to increasing the GDP. According to Umar, Alasan, and Mohammed (2020), SMEs contributed 54% of Nigeria's GDP in 2013 and 7.27% of its exports, while the Nigeria Bureau of Statistics reported that 59 million Nigerians, or 84.02% of the country's total labour force, were employed in the MSMEs sector in 2014.

SMEs in Nigeria are heterogeneous group of business which usually operate in different economy sectors (Grace et al., 2008). SME sector is categorised into three sectors; micro, SMEs or businesses; differing in either a developing or developed countries (Bello et al., 2015), while the investment financing for SMEs includes owner's savings local authorities, moneylenders and source from informal financial sectors (Gbandi et al., 2014). Lagos State

has population of about 21 million, with highest number of SMEs in Nigeria total of 8,395 (11.5%), Oyo State with 6,131 (8.4%), Osun State with 3,007 (4.1%). The lowest recorded are Borno State 538 (0.7%), Bayelsa State 300 (0.4%) and Yobe State 102 (0.1%) (Bamidele 2019). In Nigeria small businesses are associated with the little capital layout with basic fixed assets which is highly localized in area of operation and most times with unsophisticated management structure. Hence, SMEs play an essential role on economic development of Nigeria (Ebitu et al., 2016) as they are considered as the foundation of which larger businesses are built (Adegbemi et al., 2013). Employment creation and high standard of living provide competition and needs of society and other employment sectors (Ebitu et al., 2016). National Bureau of Statistics report show that the estimated number of MSME's in Nigeria is 41.5million which is distributed across the 36 states with the highest contribution to be Micro enterprises which account for 99.8% and small enterprises respectively (Abubakar et al., 2020). According to the National Bureau of Statistics Report (2017), the total SMEs in Nigeria comprise: Micro-41,469,947; Small-71,288; and Medium-1,793; totalling SME-41,543,028.

It is important to investigate how the COVID-19 pandemic has affected Small and Medium-sized Enterprises (SMEs) in Nigeria for a number of reasons. These include the effects of external factors like decreased demand and revenue declines, as well as internal factors like downsizing and fear of existing business instability. Basically, small and medium-sized enterprises (SMEs) are the mainstay of the Nigeria economy, making a substantial contribution to employment and economic expansion. Policymakers and business leaders must comprehend the complex dynamics of how internal and external factors affect their performance in global crisis in order to develop targeted interventions and resilience strategies. This research adds to the larger conversation on improving the flexibility and sustainability of business in addition to offering insightful information about the difficulties faced by SMEs.

The significance of exploring the impact of internal factors and external factors stemming from the COVID-19 pandemic of Small and Medium-sized Enterprises (SMEs) in Nigeria, lies in **its** potential of offer crucial insight for effective policymaking and business strategy development. Since SMEs are essential to the Nigerian economy, it is critical to comprehend how these variables interact to influence their performance in order to reduce difficulties, build resilience, and create focus support systems. The results of this research can help stakeholders, policymakers, and business owners understand the unique challenges that small and medium-sized (SMEs) face. This will allow for the creation of targeted interventions that will support recovery, sustainability, and general economic growth in the wake of the pandemic.

Objective of the Study

The general objective of this study is to assess the impacts of COVID-19 pandemic on the SMEs performance in Nigeria.

Specific, the study sets to

1. investigate the impact of the internal factors on SMEs performance in Nigeria
2. examine the impact of external factors on SMEs performance in Nigeria
3. investigate the impact of COVID-19 on SME's performance in Nigeria

Review of Related Literature

The business sector in most economies is classified mainly under micro, small and medium sized firms, hence this study targets SMEs, while measures of response and resilience has been attributed to coping with crises (Rodrigues et al 2021). SMEs will most likely choose a number of coping mechanisms while the COVID-19 transmission phase progresses, ranging from limiting current consumption to disposing of productive assets. These latter techniques are particularly concerning since they may diminish SMEs' ability to earn money in the future, perhaps resulting in non-resilience (Helgeson et al., 2020). Small businesses benefit from outside assistance because it gives them with the expertise they need to create and implement new ideas. The business informational assistance acquired from enterprise's surrounding environment is generally the foundation for innovations. Enterprise innovations are the outcome of blending information gained from their external environment with internal expertise. External assistance also offers an organisation with human and financial resources to boost internal innovation (Adam et al., 2021).

Conceptually, **SMEs** according to the European Commission (2016), are small businesses with fewer than 50 employees and annual sales of less than €10 million, medium-sized businesses with fewer than 250 employees and annual sales of less than €50 million, and micro-enterprises, which have fewer than 10 employees and annual sales of less than €2 million. SMEs are seen as a big economic driver and one of a nation's leading indicators of economic progress, significantly boosting a nation's GDP in both developed and developing nations (Rumanti & Septiningrum, 2022). Research on the performance of SMEs is crucial because it may have a significant impact on both GDP and unemployment; it also enables researchers to keep up with the fast changes in the global economy and comprehend the interdependencies between different national economies (Cicea, et al. 2019). SMEs are an equal representation of the framework for free enterprise and entrepreneurship, two key components of a competitive economy (Tomovska et al. 2016). According to Mahmudova and Kovács (2018), Small and Medium Enterprises (SMEs) play a significant role in the development of a nation's economy because they support necessary sustainability and innovation as well as the supply of goods and services to the economy as a whole. SMEs also create jobs for people in rural and urban areas.

Downsizing in Business is frequently used in business to refer to downsizing, which is reducing operating expenses and making a firm leaner by reducing the personnel, shutting down facilities, and enhancing departmental productivity and efficiency (Market Business News, 2023). In order to increase organizational performance, productivity, efficiency, and competitiveness, management undertakes a series of duties and actions (policies and practices) (DeYoung & Mirabel, 2015). In order to proactively or reactively improve an organization's performance, downsizing typically takes the form of staff layoffs and redundancies (Shalini & Maiya, 2019). The purpose of downsizing is to restructure a company in order to increase its competitiveness, improve efficiency (by substituting machinery for employees), reduce costs, boost profits by cutting overhead costs, and respond to a decline in the demand for the company's goods or services (Market Business News, 2023). To increase organizational performance, downsizing is meant to be used. The longer-term objective may be to achieve enhancements in terms of increased competitiveness, effectiveness, efficiency, and productivity (Ogunbote, 2018). In contrast to reactive downsizing, which is a managerial response to a short-term crisis or a particular business requirement, proactive downsizing is a purposeful move intended to achieve long-term organizational aims, according to Shalini and Maiya (2019). In order to increase business performance through a decrease in

personnel, downsizing is thus seen as a planned occurrence including a variety of organizational policies and practices (Datta & Basuil, 2013).

Fear of Existing Business: Small and medium-sized businesses (SMEs) throughout the world have been severely scared by the widespread, unprecedented COVID-19 epidemic, placing them under extreme pressure to maintain their operations (Muhamad, et al 2022). As discussed by Jamieson, et al (2012), big businesses have intimidating characteristics: typically for more than ten years; invested early enough thanks to the boom years in infrastructure and other resources; maximized and maintained their relationships with contacts; willing and able to diversify and respond flexibly to changing conditions and emergent opportunities; changing market, and supplied customers with appropriate goods/services that they want; strong leadership in terms of stability, expertise, and experience. There are growing evidences that majority of non-essential enterprises were obliged to temporarily close down in order to escape the epidemic, which led to serious logistics issues, a workforce shortage, and poor sales results (Muhamad, et al. 2022). For SMEs to survive and flourish, they have to battle with local firms and giant corporations with deep finances, who can easily outwit small enterprises, both in the physical and the digital worlds (Whatman, 2018). Small firms may feel unable to compete in markets dominated by large corporations with substantial marketing expenditures and economies of scale (Lum, 2017). Even though the struggle is usually unwinnable, small company owners may compete with these bigger, more established companies by remembering that all of these giants were originally start-ups or tiny firms that developed to their current size by outgrowing other huge businesses of the era (Whatman, 2018). Small firms who have fear of existing and established businesses look like they will never win on price, but they can compete on value and service, while the more specialised their product or service, the better; by being flexible and adaptable to meet customers' needs, and through the clever use of social media (Lum, 2017). Although media advertising campaigns and lower prices does not guarantee influencing customer choices; quality, flexibility, and personal service are proving to be effective tools for carving out a niche in even the most competitive of markets (Lum, 2017).

Reduction in Demand is a very visible consequence which occurs when consumers of particular products seem handicapped or restricted to only purchasing low quantities of products unlike before, mainly because of drops in their financial abilities or restriction in movements during covid-19 pandemic. In local markets where containment measures have been implemented, SMEs always suffer the burden of a decline in global demand for their goods and services (OECD, 2020). A sudden drop in regular trade demand disrupts the company's cash inflow since SMEs primarily rely on the velocity of money; as a result, a decrease in consumer demand forces SMEs to close their doors owing to a lack of working capital (Hossain et al., 2022). Due to their smaller size, SMEs may find it more difficult to access alternative options like teleworking, digitalization, and technology adoption due to their lower resilience and flexibility in coping with the costs these shocks involve (OECD, 2020). This demand shock underscores the difficulties in adapting to the financial shock induced by COVID-19-related disruptions because SMEs that had temporarily closed during the pandemic primarily cited declines in demand and staff health concerns as the reasons for closure (Bartik, et al 2020). In this pandemic, SMEs are dealing with a variety of issues, including a decline in demand, supply chain interruptions, cancellation of export orders, a scarcity of raw materials, and transportation issues, all of which lead to a decline in demand (Hossain et al., 2022). Many SMEs are having a difficult time covering workers' salary and sick leave as a result of the collapse in supply and demand (OECD, 2020).

Revenue Reduction is another significant consequence encountered by SMEs during the covid19 pandemic. As many SMEs were forced to either close down or sack some employees, their revenue generation dropped significantly. Due to the pandemic crisis, the majority of SMEs experience significant income losses, while the revenues of independent contractors are significantly reduced (OECD, 2020). While income is geometrically declining during COVID-19 problems, the majority of SMEs are cutting personnel costs (Enesi & Ibrahim, 2021). When there are no technological equivalent of reduced costs of production and staff, the generated revenue is bound to drop to a point barely able to marginally keep the company alive. According to Enesi and Ibrahim (2021), one of the COVID-19 pandemic's effects is the loss of qualified employees brought on by staff wage reductions, which is followed by poor revenue or income creation. While it is very difficult to survive with lower income, employment losses, and to keep their enterprises alive, both small and large firms are facing difficulties as a result of the COVID19 pandemic damage over the world (Engidaw, 2022). Small enterprises may have had greater relative revenue losses during the COVID-19 crisis than bigger corporations (Fairlie & Fossen, 2022). Hence it is still not out of place to capture how SMEs faired with reduced revenues during the pandemic crises. Currently the rapid increase of COVID-19 infection has beaten all odds to suppress the infection (Seleman et al.,2020), delaying the worst to come by providing immediate treatment (Rabiu et al.,2020). As the cure for COVID-19 is yet to be found to stabilize the world, the spread of the virus will increase and death rate will significantly increase in Africa, however, the only measure is to contain the transmission to reduce death rate across Africa (Seleman et al.,2020). Decision of the Federal government for her citizens to stay at home to reduce infection has a negative impact on the citizens and economy (Saidu et al., 2020).

Despite the fact that in 2020, the CBN introduced the N50bn Targeted Credit Facility as a stimulus package to support households and Micro, Small and Medium Enterprises affected by the COVID-19 pandemic (Dan-Awoh, 2023; KPMG International 2023); a lot of SMEs could not survive the pandemic wave. It is possible that small and medium-sized businesses had difficulties accessing these funds or acquiring equity financing from financial institutions or people; while the terms of accessing them are often harsh or unfavourable; being well aware that around 80% of SMES do not survive due to lack of funding (Osotimehin et al., 2014). While funding is not the only issue that SMEs face, it is perhaps the most difficult. Because of the requirement for permanent assets such as land, SME investment, like any other investment in the real sector of the economy, is relatively bulky. Nigeria places a greater emphasis on SMEs than bigger companies' construction, machinery, equipment, and mobile assets (Evbuomwan et al., 2013).

Another worrying issue is the geographic spread of the macroeconomic intervention. The spread and balance of these government interventions are expected to vary across regions based on country characteristics. Unfortunately, the longer the pandemics impact on economic activity, the greater the impact on the SME due to broken economic links within the transaction cycle, which will contribute to liquidity issues. In addition, people's tendency to save the profits and proceeds gets tighter, leading to varied impacts on the stakeholders in the SME industry. Larger, well-established businesses may be in a better financial position to resist the consequences. On the other hand, a handful of players will be particularly vulnerable to the long-term consequences and may suffer significant difficulties (Fabri et al., 2020). The containment measures of COVID-19 such as total lockdown, restrictions on movement affected production level, reduced sales and revenue and cause cash trap. SME are affected as they cannot utilize storage capacities well, because their supply

channel is rendered ineffective, once supply channel is disrupted, SME face shortage in demand on their product, which also cause a decline on revenue, Supplies also lose their raw materials as they cannot provide effectively (Sun et al 2021).

There have been several studies on the impact of COVID-19 on SME’s performance; such as (Shwede, et al 2022; Roy & Parambil, 2021; Thukral, 2021; Klein, et al 2021; and Fairlie, et al 2022); but none categorically discussed it on Internal factors (Downsizing & Fear of Existing Business) and External factors (Reduction in Demand & Revenue Reduction) on SMEs performance. Also, to the knowledge of the researcher, no study in the above dimensions has been carried out in Nigeria, revealing a gap to be filled by the present study.

Methodology

This proposed research methodology was based on a cross-sectional and quantitative investigation with a snowball sampling approach. Cross-sectional surveys are non-interventional research methods that provide a snapshot of a population or phenomenon at a specific time (Cherry, 2022). Company owners, managers, and supervisors of SME's are sent online questionnaires. The online questionnaire was distributed mostly to SMEs based in cities because the average number of SMEs in Nigeria's cities probably accounts for more than half of all SMEs. This study used an online survey on Google questionnaire that was sent to approximately 100 people; however, by using the snowballing method of sampling, the number of people who participated rose to 300 people from all parts of Nigeria (North and South) who live in the country's cities. The questionnaire was designed in open and closed end pattern which will be administered to the small and medium scale enterprises directly; and adopts various measurement methods, including Likert scale, multiple choice and ranking method.

The following null hypothesis guided this study, and was tested at 0.05 level of significance. H0: There is no significant impact of internal factors on SMEs performance in Nigeria; H1: There is no significant impact of external factors on SMEs performance in Nigeria; H2: There is no significant impact of covid-19 on SMEs performance in Nigeria. Regression analysis was employed to measure these impacts.

Conceptually, the methodology is stated thus

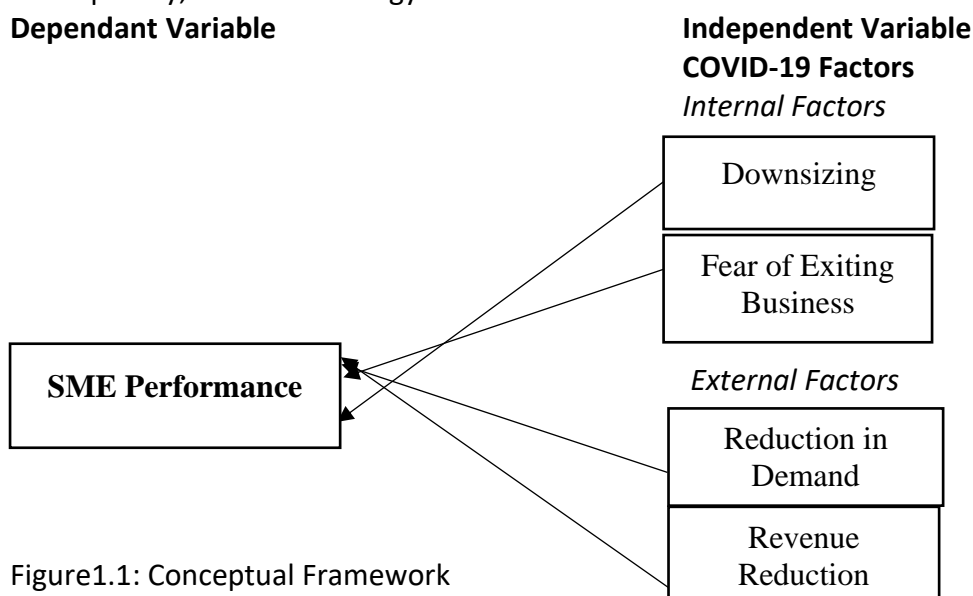


Figure1.1: Conceptual Framework
Source: Korankye (2020)

The conceptual framework aims to address business resilience variable, this comes from the internal factors (technology, supply and demand) in an organization. The level of resilience barriers and risk varies between SME according to their size (small or medium). It is not enough for the company to focus on the internal factors which can be controlled by their decision making, it is also relevant they focus on the enabling factors that can influence their progress. The data-gathering instrument for this study was a social media-based questionnaire. The questionnaire was designed to obtain quantitative data and information in those locations, to identify the impact of the COVID-19 pandemic on SMEs, recovery method, and constrains to recovery. The data obtained was presented in tables and analysed using mean, percentages, and standard deviation.

The data obtained was presented in tables and analysed using mean, percentages, and standard deviation. For the benefit of proper analysis and clarity, data was processed into mathematical table and charts, based on SMEs ranking, businesses that was able to recover after the lockdown and to confirm other variable which had impact on their resilience, the data gathered will be analysed quantitatively (Akintola et al., 2021).

The data was analysed and decisions will be based on the item mean scores. Arithmetic mean was used for all the questions. The questionnaire was weighted thus;

Strongly Agree	3.50 - 4.00
Agree	2.50 – 3.49
Disagree	2.00 – 2.49
Strongly Disagree	1.00 – 1.99

The midpoints for responses in the four-points scale is 2.50, which will be calculated as follows: $4+3+2+1 = \frac{10}{4} = 2.50$. Items to the values of 2.50 and above will be interpreted as “positive” while items with the values below 2.50 will be interpreted as “negative”. The percentages are weighted thus; Yes/ Positive- 50% and above; No/ Negative- 0-49%

Results And Discussion

Interpretation of Results

This section includes an overview of the impacts of COVID-19 pandemic on the SMEs performance in Nigeria. After conducting the online questionnaire, these issues were discussed: measuring SMEs performance; internal factors (Downsizing & Fear of Existing Business) on SMEs performance; external factors (Reduction in Demand & Revenue Reduction) on SMEs performance; and the impact of COVID-19 on SME’s performance in Nigeria. Table 1 below shows the identification of each respondent.

Table 1

Personal Information

S/N	ITEMS	PARAMETERS	FREQUENCY, Total=300
1	Age Group	Below 20	6 (2%)
		21 to 30	36 (12%)
		31 to 40	116 (39%)
		41 to 50	142 (47%)
		Above 51	0
2	Gender	Male	210 (70%)
		Female	90 (30%)
3	Nationality	Nigerian	300 (100%)
4	Marital Status	Single	196 (65%)
		Married	104 (35%)
5	Highest Educational Qualification	PhD.	8 (3%)
		Masters	50 (17%)
		Higher National Diploma or First Degree (HND/BSc)	172 (57%)
		National Diploma (ND/OND)	30 (10%)
		High School Certificates	40 (13%)
		Total	300 Each

Table 1 presents the personal information of the respondents. In the age group, 47% of the respondents were within the age range of 41 to 50; while 39% of the respondents were within 31-40 years old. The rest are 30 years and below. The table reported that 70% of the respondents were male, while 30% made up the female respondents. Also, 65% of the respondents were single, while 35% were married. In the Highest Educational Qualification category, 57% of the respondents had their Higher National Diploma or First Degree (HND/BSc), while 13% had their High School Certificates.

Measuring SMEs Performance

Table 2

Measuring SMEs Performance

S/N	Items	SD	Mean	DE	Rank
6	To maintain the needed profits, SMEs reduce the number of employed employees during covid-19	1.13	3.72	SA	5 th
7	The movement restriction during covid-19 affects firm's business performance	1.44	3.91	SA	3 rd
8	Drop in market demand affects overall firm performance	.92	4.31	SA	1 st
9	Adaptation to the rapid and changing innovation helps in identifying new business opportunities during covid-19	.96	3.80	SA	4 th
10	During covid-19 cash flow problems affect firms' business performance	.83	4.0	SA	2 nd
11	Increased innovation via digital technologies helps firms to reduce operating cost and enhance performance	1.11	3.59	SA	6 th
12	Stimulus package received during covid-19 pandemic help in maintaining the firm's financial strength that enhance firm performance	1.13	3.06	SA	7 th
Average			3.77		

KEYS: SA – Strongly Agree; A – Agree; D – Disagree; SD – Strongly Disagree

Table 2 presents the responses on SMEs Performance. It can be deduced from the table that drop in market demand affects overall firm performance (4.31); during covid-19, cash flow problems affect firms' business performance (4.0); while the movement restriction during covid-19 affects firm's business performance (3.91). It was further revealed that adaptation to the rapid and changing innovation helps in identifying new business opportunities during covid-19 (3.80); while to maintain the needed profits, SMEs reduce the number of employed employees during covid-19.

From the findings of this study, majority of the SME's maintained their company's needed profits by reducing the number of employees they had during the covid-19 pandemic. Some employers added that they had to cut down redundant job activities, and sack workers who do not have much to contribute to their companies. Engidaw (2022) in support posited that SMEs normally suffer from high losses and reduced sales volume, with inabilities in meeting agreement and contract terms, staff number reductions, and even closing down of their businesses during or after crises. Surprisingly, employers whose businesses are in their start-up stages stated that their businesses somehow thrived better during the crisis periods. To this, Ma, Liu, & Gao (2021) opined that COVID-19 helped SMEs survive because of weak employment and GDP growth in various countries.

The findings of the study also reveal that movement restrictions during covid-19 pandemic affect firm's business performance in Nigeria. Movement of retail goods from their wholesale depots and ports had difficulties in inter-state transits. Some respondents who deal on perishable goods lamented of how their goods perished around them, and on transit because of movement restrictions. Turkson, et al. (2021) stated that the more the spreading

of the pandemic, the more the restrictions a government might have to place on its citizens; while these restrictions were (and are still) likely to expose businesses to extreme economic conditions threatening their very existence.

The respondents equally agreed that a drop in the market demand for their goods affect the overall performance of their businesses. Since most Nigerian businesses were not thriving online, making sales during the pandemic became a challenge. Most local businesses were taken unawares and had not enough time to migrate online, which subsequently resulted in a drop in sales and overall business performance. Consolidating this finding, Pettinger (2021) argued that a fall in demand could occur because of lower disposable income or decline in the popularity of the good; also, as your income increased you would want to spend more. This has effect on the market demand for good and services, and subsequently on business performance.

Majority of the respondents feel that adapting to the rapid and changing innovation helps in identifying new business opportunities during covid-19. Few respondents confessed to having tried their hands on other businesses entirely new, which looked to be thriving during the period, such as importing and producing facemasks and hand sanitizers. Some respondents brainstormed on the idea of another business that could stand the crises, as well as starting classes on making use of and incorporating ICT technologies in their businesses. Guckenbiehl (2022) affirmed that SMEs, including start-ups, change their business models in response to crises, while innovating firms stand a better chance of adapting to the COVID-19 crisis (Krammer, 2022).

During covid-19, majority of the respondents agreed to having cash flow problems affecting their business performances. Making profits and getting cash from their business became tough, especially for business people who hardly made sales. Access to financing constraints exacerbated pandemic-induced credit risk as well as short-term liquidity/cash flow problems because financially constrained firms are more likely to experience liquidity and cash flow problems during the covid-19 crises (Khan, 2022). Factors that determined the decline of companies during the pandemic were major difficulties in providing the necessary financing and liquidity, blocking credit, declining demand for products and services, high taxation, rising prices for raw materials, exchange rate increases and inflation (Ionescu & Nrghina, 2021).

By venturing into increased innovation via digital technologies, majority of these small firm owners were able to reduce operating cost and enhance performance. As argued by Heredia (2022) *digital capabilities positively affect a firm through reduced costs and increased flexibility*. In order to determine which technologies are relevant and how they will be used in organizational processes and business offerings, organizations must reassess their present capabilities, structures, and cultures. (Saarikko, Westergren, & Blomquist, 2020).

The respondents agreed that stimulus packages received during covid-19 pandemic helped in maintaining the firm's financial strength that enhances firm performance. Most of them did not receive the packages directly, but have friends who benefited; while majority stated that there was none given to them by the Nigerian Government, to directly alleviate the trauma facing their firms at that period. Igan, Mirzaei and Moore (2022) stated that there were Fiscal stimulus packages implemented during the pandemic aimed to support businesses and households in developed countries which included tax cuts and relief measures, cash handouts and social welfare payments. Bose, et al (2022) conclusively noted

argued that the negative impact of COVID-19 on firm value is less pronounced for firms with better sustainability performance.

Internal Factors (Downsizing & Fear of Exiting Business) Influencing SMEs Performance

I. Downsizing

Table 3

Downsizing

S/N		SD	Mean	DE	Rank
13	The management in my workplace ethically reduce the numbers of employees during covid-19	1.07	3.43	SA	3 RD
14	Those employees who were relief of their duties during covid-19 are those who add no value to the business.	1.14	2.44	D	7 TH
15	The relieved employee's emotional well-being was dully considered before asking them to leave	1.34	2.73	A	6 TH
16	The behaviour of SMEs during covid-19 movement restriction is to cut operating cost	.81	3.69	SA	2 ND
17	Reliving employee among SMEs dampens SMEs competitiveness	1.11	3.29	SA	5 TH
18	SMEs employees during covid-19 lose their sense of job security	.71	3.92	SA	1 ST
19	Downsizing exercise was carried out by expert managers	.99	3.34	SA	4 TH
Average		1.02	3.26		

KEYS: SA – Strongly Agree; A – Agree; D – Disagree; SD – Strongly Disagree

Table 3 presents respondents' information on downsizing. It was strongly agreed from the table that the SMEs employees during covid-19 lose their sense of job security (3.92), while their behaviour during movement restriction is to cut operating cost (3.69). The management in the respondents' workplace ethically reduce the numbers of employees during covid-19 (3.43), while it was confirmed that downsizing exercise was carried out by expert managers (3.34). Furthermore, it was strongly agreed that reliving employee among SMEs dampens SMEs competitiveness (3.29), while the relieved employees' emotional well-being was dully considered before asking them to leave (2.73).

The management in the respondents' SME workplace ethically reduced the numbers of employees during covid-19. They still wanted to be in operations, but deem the retrenchment of staff as the surest means of remaining in operations, while they bid to sustain their operations' tempo. On the contrary, employees as reported by Forbes, et al (2020) would want more flexibility and the ability to work from home on regular basis; while they ask to formalise these new arrangements when the pandemic is under control.

Most of the respondents agreed that those employees who were relieved of their duties during covid-19 are those who add no value to the business. This is entirely true as no employer would want to lay-off valuable and useful employees, especially if they still wish to remain in full operations. Tušl (2021) observed that about 30% of employees reported that their work and private life had worsened, whereas about 10% reported improvements in work and 13% in private life. The employees with high negatives are at more risk of being laid-off.

The respondents disagreed that relieved the employees' emotional well-being were dully considered before asking them to leave. Their different perceptions and reaction show that the employers do not care how they will survive when sacked; all they cared for was how their business will thrive without the sacked workers. Most SME's do not even have relief and lay-off entitlements for their workers. Job security and risk, as stated by Young (2012) is a significant source of stress for employees and tends to impact far beyond job performance, to the home and family lives of staff members. Hence, should be taken seriously by every employer.

It was agreed that most behaviour of SMEs during covid-19 movement restriction was to cut operating cost. Every prudent and efficiently managed SME would want to cut cost, especially when producing at or below the production cost. OECD (2020) SMEs may have less resilience and flexibility in dealing with the costs of shocks; while a reduction in production, the costs of underutilised labour and capital weigh greater on SMEs than larger firms. Stemmler (2022) added that some government designated services were tagged "essential," to help them remain (partially) open as well as being granted other preferential treatment.

The respondents agreed that reliving employees in SMEs dampens their competitiveness. This could be because the human resource strength of the firm is always needed if any firm intends to challenge and compete with other firms. Except in cases where laying off of staff is for improved productivity like the cases of technological adaptations, the results of laying off means to lose interest in competing with other firms. To this end, Adian (2020) during the crisis's firms in Ghana and Senegal for example mostly reducing hours or pay, while firms in Bangladesh and South Africa were more likely to lay off employees. Buteau and Chandrasekhar (2020) noted that in India, 25% of them are unable to pay salaries. Hence, some SME's reduced their permanent workers, larger firms are found to be more capable of utilizing temporary workers to quickly adjust the size of their workforce (Adian, 2020).

It was agreed by majority of the respondents that SMEs employees during covid-19 lose their sense of job security. The rate and manner of laying-off and retrenchment of workers all around the world and on the news must have instigated this response. In as much as government tried supporting firms and protecting jobs through job retention schemes, millions of workers across the G20 have lost their jobs, many self-employed workers saw their incomes collapse (International Labour Organization, 2020). To Miquel, et al (2022), job insecurity, adverse employment environments, long periods of quarantine and isolation, work rights exploitation, and uncertainty about the future are strongly associated with senses of job security and mental state.

Furthermore, the respondents agreed that downsizing exercise was carried out by expert managers, mainly because this decision is a top management one. Korman and Mujtaba (2020) stated that firm executives announced closure of parts of their operations and facilities while laying-off thousands of workers to prevent companies from going bankrupt; while other firms and managers have terminated or laid-off their employees through a very socially responsible or ethical means.

Fear of Existing Business

Table 4

Fear of Existing Business

S/N	Items	SD	Mean	DE	Rank
20	During covid-19, established SMEs are real threat to newly formed SMEs	.95	3.74	SA	4 th
21	Aggressive marketing is done over social media to project the SMEs' product during covid-19 movement restriction	.97	3.38	SA	6 th
22	Existing business of over three years has knowledge on how to manage themselves better during economic downturn	.79	3.83	SA	3 ^d
23	Existing business has in-depth experience of market behaviour	.92	3.53	SA	5 th
24	Existing business with large market share intimidates new firms thus, creating fear of market entering	.71	4.15	SA	2 nd
25	Existing businesses sometimes create unfriendly competition	.62	4.27	SA	1 st
Average		.83	3.82		

KEYS: SA – Strongly Agree; A – Agree; D – Disagree; SD – Strongly Disagree

Table 4 showcases respondents' information on Fear of Existing Business. From the table, respondents strongly agreed that existing businesses sometimes create unfriendly competition (4.27); already existing businesses with large market share equally intimidates new firms thus, creating fear of market entering (4.15). the table equally revealed that existing business of over three years has knowledge on how to manage themselves better during economic downturn (3.83) while these established SMEs are real threat to newly formed SMEs during the pandemic (3.74). it was further strongly agreed that existing business has in-depth experience of market behaviour (3.53), they employ aggressive marketing over social media to project the SMEs' product during covid-19 movement restriction (3.38).

On the fear of already existing businesses, established SMEs are real threat to newly formed SMEs during Covid-19 crises. Most respondents confessed to being intimidated by the presence of other bigger firms, especially because of their resilience capacity and pare resources. Thukral (2021) SMEs are significantly affected by COVID-19 compered to large firms as they over-represent hardest-hit sectors such as retail, hospitality, food services, entertainment services, and construction. SMEs as emphasized by Du, et al (2022) have been hit hard by the coronavirus (COVID-19) outbreak, which has jeopardized their going out of business altogether.

It was revealed from the responses that aggressive marketing is done over social media to project the SMEs' product during covid-19 movement restriction. SME's rising up will have a lot to do to match up the prowess of the well-established firms to be able to remain afloat in the industry during the crises. Klein and Todesco (2021) Social networks were widely used to promote sales (e.g., Instagram, Facebook, WhatsApp) while most SMEs embarked on paying for online advertisements for the first time. In support of this, Hossain, et al (2022)

stated that enterprises that made the best use of digital platforms through technology, digital marketing, and innovations secured the peak of success and profitability. However, smaller firms need to engage these digital platforms if they are to prove competitive.

On having knowledge on how to manage firms better during economic downturn, the respondents agreed that existing businesses of over three years are better equipped knowledge-wise on how to sustain their businesses in time of pandemic crises. Pearce and Robinson (2002) advised that the managers' responses during this downturn should be influenced by the cyclical nature of their established industry; so as to enhance their capacities to weather the period of recessionary turmoil through reduced inflation and interest rates. Frick (2019) argued that a company's performance during and after pandemic-influenced recession depends not just on the decisions it makes but also on who and what type of firm makes them.

The respondents agreed that the existing business have in-depth experience of market behaviour more than newly developing SME's. Some respondents were of the opinion that conversancy over the years with the market and built relationships with clients is behind this decision. Entrepreneur Staff (2023) posited that most standard firms engage in market research, a well-developed market segmentation (identifying specific groups within a market) and product differentiation (creating an identity to distinguish it from other competitors). Established businesses must have built up an in-depth picture of what customers want, how they behave and which of their marketing approaches work best (Info Entrepreneurs, nd), which is an advantage over SME's.

It was equally agreed by the respondents that existing business with large market share intimidates new firms thus, creating fear of market entering. This, as previously highlighted is based on already built connection and expertise over the years, making it difficult for newly coming firms to gather grounds and compete. Marshall (2021) with direct or indirect restrictions, the number of players within an industry allows the incumbents to earn excess profits, hence deterring new entrants from venturing into a sector. Certain market characteristics pose higher barriers to entry for small entrants, while large entrants are less affected; while incumbents' firms may react differently to small-scale entrants compared to large-scale entrants (Blees, et al 2003).

It is possible that existing businesses sometimes create unfriendly environments too. Competition in businesses helps firms to enhance their products and operational efficiency (Indeed Editorial Team, 2022). Screen mobile (2021) Competition in business decreases an individual company's market share and shrinks the available customer base, especially if demand is limited; forcing lower prices for firms to stay competitive, and decreasing profit margins for sale.

RQ 1: Impact of the Internal Factors on SMEs Performance in Nigeria

Table 5

Regression Analysis on the Impact of the Internal Factors on SMEs Performance in Nigeria Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.764	.086		-8.868	.000
DOWNSIZING	.283	.046	.265	6.213	.000

FearofExistingBusiness	.948	.056	.719	16.838	.000
------------------------	------	------	------	--------	------

a. Dependent Variable: SME PERFORMANCE

From table 5, the coefficients of downsizing and fear of existing business were significant since $p = .000 < 0.05$. Hence, there is a positive relationship between SME performance; and downsizing/ fear of existing business respectively. An increase (decrease) in downsizing increases (decreases) SME performance by 28.3 % while an increase (decrease) in fear of existing business increases (decreases) SME performance by 94.8%.

External Factors (Reduction in Demand & Revenue Reduction) Influencing SMEs Performance

I. Reduction in Demand

Table 6

Reduction in Demand

S/N		SD	Mean	DE	Rank
26	During the covid-19 movement restriction, there is increase in price of products and services	.74	4.13	SA	2 nd
27	The material needed for production during covid-19 movement restriction are scarce	.60	4.27	SA	1 st
28	The cost of making quality product during covid-19 skyrocket the price	.89	3.83	SA	4 th
29	Consumers during covid-19 opt for cheaper products	.96	3.53	SA	6 th
30	There is low product demand on product that has low customer rating on social media	.91	3.79	SA	5 th
31	Competing firms produce in larger quantity thus, they are able to sell at cheaper price	.80	4.00	SA	3 rd
Average		.81	3.92		

KEYS: SA – Strongly Agree; A – Agree; D – Disagree; SD – Strongly Disagree

Table 5 reveals respondents' information on reduction in demand. The respondents strongly agreed that the materials needed for production during covid-19 movement restriction are scarce (4.27), and that during the covid-19 movement restrictions, there is increase in price of products and services (4.13). It was also strongly agreed that competing firms produce in larger quantity thus, they are able to sell at cheaper price (4.0), while the cost of making quality product during covid-19 skyrocket the price (3.83). Furthermore, there is low product demand on products that have low customer rating on social media (3.79). while consumers during covid-19 opt for cheaper products (3.53).

The SME respondents agreed that during the covid-19 movement restrictions, there is increase in price of products and services. Most respondents were of the opinion that shipping-in more products and transporting them to their various retail points for sale was very difficult, hence inflating their prices. COVID-19 resulted in restrictions in mobility of workers, changes in taste and demand of consumers, closure of food production facilities, restricted food trade policies, and financial pressures in food supply chain (Aday & Aday, 2020).

Consequently, the material needed for production during covid-19 movement restriction was very much scarce, as agreed by the respondents. Because state borders were

sealed and movement of people was restricted, local food processing and local food supply chains were stuck, as well as minimized migration of people from rural to urban areas (Dharmalingam, et al 2021). COVID-19 is exacerbating food shortages, as food imports, transportation and agricultural production have all been hampered by a combination of lockdowns, travel restrictions and physical distancing measures (WHO Africa, 2020). The resultants of these restrictions were felt mainly by low-income households and those working in the informal economy due to their loss of livelihoods and inability to access markets.

The cost of making quality product during covid-19 skyrocketed the prices. It was obvious that the restrictions and policies led to increases in the prices of products as well as their raw materials. Gama care (2021) these sky rotted prices includes on raw materials used in construction, car manufacturing, e-commerce; and the prices of precious metals such as gold, silver, and platinum (Rajput, 2021).

Consequently, the respondents agreed that consumers, during covid-19 opt for cheaper products within their purchasing powers. Several factors that inflate the prices of materials such as travel restrictions, closure of shopping malls and supermarkets; reduced product availability at stores; all influence consumers' option of going for cheaper (Patil, et al 2022). On the other hand, sales of luxury products and services witnessed a slump because of long queues, uncertainty in opening and closing times, unavailability of items, and restrictions on purchase quantity (Patil, et al, 2022). During the pandemic, consumers began shopping differently — reprioritizing what is essential and what is needed more than ever before (Morgan, 2020).

The respondents agreed that there is low demand on products that has low customer rating on social media. The main reason behind this as agreed is that online reviews are more influential, while the impact of consumer reviews across products in the same product category varies and influences demand (Zhu, et al, 2010). Any demeaning message can affect all site visitors and subsequently patronisers of the product. In recent researches the volume and nature of online consumer reviews significantly impact product sales (Chen, et al 2011; Zhu, et al, 2010; Liu, 2006).

It was also concluded that since competing firms produce in larger quantity, they are able to sell at cheaper price. As long as more is sold, the little profits can make up for the cheaper prices, attract more customers, and still enjoy monopoly through selling at that price. According to Lumen (n.d) a perfectly competitive firm can sell large quantities of products, as long as it accepts the prevailing market price; while revenue is going to increase as the firm sells more.

Revenue Reduction

Table 7

Revenue Reduction

S/N		SD	Mean	DE	Rank
32	During the covid-19 movement restriction, there is increase in price of products and services	.74	4.13	SA	2 ND
33	The material needed for production during covid-19 movement restriction are scarce	.60	4.27	SA	1 ST
34	The cost of making quality product during covid-19 skyrocket the price	.89	3.83	SA	4 th
35	Consumers during covid-19 opt for cheaper products	.96	3.53	SA	6 th
36	There is low product demand on product that has low customer rating on social media	.91	3.79	SA	5 th

- 37 Competing firms produce in larger quantity thus, they are able to .81` 4.00 SA 3rd
sell at cheaper price

KEYS: SA – Strongly Agree; A – Agree; D – Disagree; SD – Strongly Disagree

Table 6 reveals respondents' information on revenue reduction. The respondent strongly agreed that the materials needed for production during covid-19 movement restriction are scarce (4.27), while there was increase in price of products and services (4.13). They equally strongly agreed that competing firms produce in larger quantity thus, they are able to sell at cheaper price (4.0), the cost of making quality product during covid-19 equally skyrocketed the price (3.83). Furthermore, the table showed that there is low product demand on product that has low customer rating on social media (3.79).

The findings from the respondents indicate that during covid-19, the company records low customers' patronage. Lot of factors can be linked to this; however, restrictions and lockdowns were most indicated as main reasons why there was low patronage. Eke and Ikegwuru (2020) posited that the use of supermarkets in Nigeria is significantly and favourably correlated with coronavirus control measures. Due to the lack of alternative purchasing options caused by the COVID-19 Crisis, consumer behaviour and patronage changed; favouring supermarkets, which are heavily frequented. *Even* business and transport owners in FUNAAB have lamented low patronage as a result of the COVID-19 lockdown (*Funaab, 2020*).

It was also reported that low patronage is because of reduced purchasing power. Majority of the respondents stated that they can only buy more when they have enough money with them. But a critical period marred by lack of business sales and job losses, patronizing their businesses became an issue as a result of low purchasing power. According to Awoyinfra (2020), the government should implement fiscal policy measures that would complement the nation's current monetary policies in order to raise the purchasing power of the people and promote family consumption. Due to consumers' restricted purchasing capacity and the increasing economic situation, manufacturers similarly repackaged a number of consumer goods, notably those offered in sachets, into smaller quantities (Tunji, 2022).

Majority of the respondents were of the view that since nobody knows when the world will become stable, everyone tries to safe the little money they have. The trauma of everything crashing at the same time made it look so safe to hold back money instead of spending on frivolities. Emerging markets are at high risk, facing the dreadful challenge of fighting the virus in densely populated cities and poverty-stricken slums—where social distancing is hardly an option (Georgieva, 2020). Furthermore, for youths who start their careers at the bottom of their earning potential, worrying about saving has never been easy. Saving money, however, is particularly challenging, in addition to loan debt, housing and food prices are still high, despite a slowing of inflation (Simonetti, 2023).

From the SME's perspectives, customers were unable to access their products due to movement restrictions. According to Aday (2020) national or international border closures and the changes in demand of consumers are important causes to this trend. OECD (2020) posits that it is important not to add to costs for traders and consumers; and advisable to avoid export restrictions on essential goods, such as medical equipment and, especially, food products.

It was agreed in concord that most of the SME's targeted customers were paid half salaries during covid-19 movement restriction. Most employers could not cope with paying full salaries to their workers inasmuch as them being redundant as a result of the restrictions

and lockdowns. Some employers paid at least 50% of usual wages for workers whose job has been temporarily suspended, and are partially reimbursed by the state in some foreign countries (OECD, 2020). Also, most employers—large, medium-sized, and small—are temporarily reducing salaries and hourly pay in reaction to their income losses from the coronavirus pandemic (Miller, 2020).

Due to movement restriction order by the government, the profit made by the firm has greatly reduced in agreements with the respondents' viewpoints. When the number of working hours has been cut short, and the quantity of goods imported are limited, as well as other consumer influencing factors; the number of profits made can be seen reduced. The lockdown measures that were chosen and put into effect, which stopped production, limited the movement of people and commodities, closed borders, created logistical challenges, and slowed down trade and economic activity, are mostly to blame for the disruptions in profits (PWC, 2020). World Bank (2020) opined that businesses might find it hard to service debt; bankruptcies and defaults could result in financial crises in many countries.

The SME respondents unanimously agreed that the decrease in product demand significantly affect firm's revenue. Just as seen in the law of demand and supply, decrease in demand for goods will reduce the sales made from them, and subsequent revenue generated from them. With the knowledge that when a quantity effect is elastic, it outweighs the price effect, and when a price effect is inelastic, it outweighs the quantity effect, this information can be used to optimize revenue or expenditure (Hutchinson, 2017).

Finally, the SME respondents agreed that the availability of substituted goods contribute to revenue reduction. When there are alternatives to customer's choice of product or brand, it reduces the revenue generated by an SME. In most cases, substitute goods are always cheaper, and may not be in the custody of particular business owner. The business owner may have to source the good from another business owner, while the profits are either shared disproportionately or not given at all. By offering similarly beneficial alternatives, substitute items provide customers more options when making selections about what to buy. Yet from a business's standpoint, competing products cause conflict and price (CFI Tem, 2022). When competitors' products beat their own offers by a wide margin, some businesses are even forced out of business.

RQ 2: Impact of the External Factors on SMEs Performance in Nigeria

Table 8

Regression Analysis on the Impact of the External Factors on SMEs Performance in Nigeria
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.266	.061		-20.712	.000
	Reduction in Demand	.904	.102	.683	8.830	.000
	Revenue Reduction	.387	.100	.300	3.878	.000

a. Dependent Variable: SME Performance

From table 8, the coefficients of reduction in demand and revenue reduction were significant since $p = .000 < 0.05$. Hence, there is a positive relationship between SME performance; and

reduction in demand/ revenue reduction respectively. An increase (decrease) in reduction in demand increases (decreases) SME performance by 90.3 % while an increase (decrease) in revenue reduction increases (decreases) SME performance by 38.7%.

Impact of COVID-19 on SME's performance in Nigeria

Table 9

Impact of COVID-19 on SME's performance in Nigeria

S/N		SD	Mean	DE	Rank
38	During covid-19, the company records low customers' patronage	.82	4.02	SA	3 RD
39	I believe the low patronage is because of reduced purchasing power	.73	4.07	SA	1 ST
40	Since nobody knows when the world will become stable, everyone tries to save the little money they have	.87	3.71	SA	5 TH
41	Customers were unable to access our product due to movement restriction	.82	3.84	SA	4 th
42	Most of the firm targeted customers were paid half salary during covid-19 movement restriction	.80	4.06	SA	2 ND
43	Consumers during covid-19 opt for cheaper products	.93	3.59	SA	7 TH
44	There is low product demand on product that has low customer rating on social media	1.0	3.67	SA	6 TH
	Average	.85	3.85		

KEYS: SA – Strongly Agree; A – Agree; D – Disagree; SD – Strongly Disagree

Table 7 reveals respondents' information on impact of covid-19 on SME's performance in Nigeria. From the table, it was strongly agreed that low patronage is because of reduced purchasing power (4.07), while most of the firm targeted customers were paid half salary during covid-19 movement restriction (4.06). It was equally found that during covid-19, the company records low customers' patronage (4.02) and they were unable to access our product due to movement restriction (3.84). It is uncertain when the world will become stable, everyone tries to safe the little money they have (3.71); and there is low product demand on product that has low customer rating on social media (3.67), hence consumers during covid-19 opt for cheaper products (3.59).

The findings from the respondents indicate that during covid-19, there is low patronage is because of reduced purchasing power. As people have less funds on them mainly as a result of being meticulous in spending or job loss and non-payment of salaries, and also as a result of uncertainties around how much longer the pandemic may last; their purchasing power for goods and services from the SMEs tend to drastically reduce. Adekoya (2020) established that the pandemic has forced many Nigerians to buy locally produced goods on account of distortions in global economy and supply chain; while weakened consumer's purchasing power and lockdown tremendously affected sales and production, in Q1 of 2020. Tunji (2022) stated that the persistence of low purchasing power around consumers amid worsening economic conditions has also forced manufacturers into repackaging most consumer products in sachet forms into smaller quantities, to be sold at same of higher price. Initiating policies to strengthen the purchasing power of consumers stimulates aggregate demand and

deliberately support industries to reduce the production cost of manufactured products in the country (Tunji, 2022).

It was also found out that most of the firm targeted customers were paid half salary during covid-19 movement restriction. The employers should not take this whole blame because it is really difficult to keep up with productions when the prices of raw materials and other factors of production are high, and when there are import restrictions as well as restrictions on searching and movement of goods. Hence, instead of closing down entirely or sacking the employees; it is commendable to place workers on half salary. According to Miller (2020) employers (large, midsize or small) are cutting salary and hourly wages, at least temporarily, in response to their revenue losses during the coronavirus pandemic, as 50% of the employees cannot afford to pay employees for a full month under quarantine. Even the aviation agencies and Federal Airports Authority of Nigeria (FAAN) in Nigeria placed their workers on half salaries from the month of May 2020 as one of the strategies to survive the pandemic; pledging to pay the balance after resumption with improved revenue generation (Osinusi, 2020).

During covid-19, it was observed that SMEs records low customers' patronage. This is a dire consequence of low consumer power on the part of the client, as well as conservative spending nature and lack of funds. During the crises, traders, and drivers bemoan low patronages on campus (FUNAAB, 2020). As discussed by Acee-Eke and Ogonu (2020) SMEs needed new strategies (innovation, knowledge, empathy) for their survival, profitability, and sustainability; while their businesses are choked with uncertain financial incentives, high operating costs, and lack of stimulus package as they depend on customer patronage (loyalty and retention) for survival.

The study found out that customers were unable to access products from SMEs due to movement restrictions. There were tough movement restrictions placed in all places around which drastically restrained customers from accessing goods and services from the SMEs. Furthermore, it was difficult moving required goods round to their various retail outlets. According to Aday and Aday (2020) movement restriction (national or international border closures) restricted customers from going to restaurants, instead they prepare their meals at home; while consumers do not want to go to markets and supermarkets to avoid contacting the virus at the stores. Hence, SMEs switched to Online shopping because of government-imposed restrictions and consumer anxiety over the potential health risk associated with in-store shopping (Shaw et al, 2022).

At the peak of the pandemic, it was uncertain when the world will become stable; while everyone tries to save the little money they have, avoiding frivolous spending. Some SMEs were unsure where and when the next meal would be coming, as most were closed or shut down; or producing on lower frequency and capacity. According to Parker, et al (2020) about half of lower-income adults who were used to savings now save less than before the outbreak in the U.S.; 56% of the adults who have been saving money before the pandemic say they have not been able to put the same amount as usual into savings, while 13% have been able to put more. Looking only at respondents who can usually put money into savings, 36% are able to save less than they did before the coronavirus outbreak, while 19% say they are saving more and 44% say they are saving about the same (Parker, et al 2020). Horowitz, et al (2021) posited that a lot of SMEs were already struggling to save money before the coronavirus outbreak hit; while a plurality of lower-income adults is saving less during the pandemic.

The findings further revealed that there is low product demand on product that has low customer rating on social media. Most SMEs in Nigeria from their responses seem not to be

giving customer ratings the desired attention; maybe because they could not move their businesses online in the first place, while the few that did, were not attentive to online customer ratings. While modern days’ consumers often seek others’ opinions about a product before deciding on purchase through magazines, specialized review websites, social media pages, asking their family members and friends for recommendations (Dwiveldi, 2021); aspiring SMEs are expected to pounce on such privilege and opportunity to make the most satisfying sales and profits. Social media use allows a firm to control its information broadcast, connect and converse with its targeted customers, creating better and stronger customer engagement; and promoting their products (Eslami et al, 2022).

The study finally revealed that consumers during covid-19 opt for cheaper products. As a result of the low purchasing power, customers’ struggles to save, carefulness against spending extravagantly and uncertainties as to when the pandemic will subside; consumers mostly tend to go for cheaper and less expensive products. In support of this finding, Abdelnour, et al (2020) opined that building new pricing discipline, flexibility, and capabilities now can create long-term competitive advantages; while success-minded SMEs are adapting to their customers’ immediate and changing needs while they consider longer-term implication. JPMorgan (2020) posited that there are products that are seriously sought despite the pandemic such as essential items from grocery stores or pharmacies; while there were rampant panic buying of goods all forced their prices up. Leaders in SMEs in charge of pricing can focus on being creative in meeting customer needs while preserving value, driving strong pricing discipline, and investing boldly in capabilities for the future (Abdelnour, et al, 2020).

Impact of the Covid-19 on SMEs Performance in Nigeria

Table 10

Regression Analysis on the Impact of Covid-19 on SMEs Performance in Nigeria

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.818	.051		-16.114	.000
	COVID19 (RID;RR;D;FEB)	1.236	.013	.983	92.606	.000

a. Dependent Variable: SME Performance

From table 8, all the independent variables namely [Reduction in Demand (RID); Revenue Reduction (RR); Downsizing (D) & Fear of Exiting Business (FEB)] were collapsed into COVID19, and its impact measured against the SME Performance through regression analysis. The coefficients of these independent variables “COVID19” were significant since $p = .000 < 0.05$. Hence, there is a positive relationship between the impact of COVID19 (independent variables) and SME Performance. An increase (decrease) in COVID19 factors increases (decreases) SME performance by 123%.

Conclusion

Recommendations

The following recommendations are given to SME managers and owners to properly address the difficulties and challenges they face when carrying their businesses aloft the covid-19 storm. The proposed recommendations are as follow

- SME's need to constantly measure their performances during crises such as covid-19, to be able to take decisions on: continuing, fortifying, or downsizing their businesses. The SMEs need to measure performances to find out when and how they are having high losses and reduced sales volume, meeting up with target accomplishment, staff number reductions, and even when to close down of their businesses during or after crises; especially when their businesses are at start-up stages. SME's dealing on perishable goods should expect restrictions during pandemics and plan ahead in making enough goods circulate around the country. SMEs are equally advised to explore and embrace the opportunity of having an online hybrid version of their businesses to thrive, even when there are restrictions of movements to avoid drop in sales and overall business performance. *Digital* capabilities positively affect a *firm through reduced costs and increased flexibility*. Adapting to the rapid and changing innovation helps in identifying new business opportunities during covid-19. The SMEs are equally advised to get financially literate, and equipped to be able to account for their profits, as well as manage their losses for improved business performance. They should understand cash flow analysis, taxation quota and rights, sales and financial education, and Fiscal stimulus packages implemented during the pandemic aimed to support businesses and households in developing countries.
- Downsizing as an internally influencing factor on SME performances is recommended, to know how to sustain operations while ethically reducing the numbers of employees during pandemic crises. They can research and explore more means to make their work activities more flexible, as well working from home possibilities. They should learn how to assess staff performance and take precautions against laying-off valuable and useful employees, especially if they still wish to remain in full operations during pandemics. It is equally recommended that the relieved employees' emotional well-being was dully considered before asking them to leave. They should factor-in compensations, lay-off entitlements and survival of sacked workers too. Furthermore, they should be aware that laying-off more workers reduce the competitive strength and advantage they have against other competing firms. Except in cases were laying off of staff is for improved productivity like the cases of technological adaptations, the results of laying off means to lose interest in competing with other firms, and should be taken into considerations.
- On the fear of already existing businesses, start-up SMEs should endeavour to resist intimidation and threats from established SMEs, and should not regard them as threats during Covid-19 crises. They should build up their resilience and diversify their resort lifelines to survive rainy days. Intimidated SMEs should explore the options of aggressive marketing over social media to project their products during covid-19 movement restriction, and engage these digital platforms if they are to remain competitive. They can ask and make enquiries to have knowledge on how top firms manage economic downturn, and the managerial requirements needed for such. An understanding of market behaviour and how relationships with clients are built, as well as having a picture of what customers want, and which of their marketing approaches work best gives valuable advantage.

- There is a relationship between SME performance; and downsizing/ fear of existing business respectively. An increase (decrease) in downsizing increases (decreases) SME performance while an increase (decrease) in fear of existing business increases (decreases) SME performance.
- Reduction in demand as an externally influencing factor on SME performances is a critical area to fix if SMEs intend to sustain their operations during covid-19 pandemic. Shipping-in goods can be done in good time and in large quantity to wholesale stores before transporting them to their various retail points for sale prior to pandemic restrictions. The scarce materials needed for production during covid-19 movement restriction, can be brainstormed on to possibly start creating and reproducing them internally. This will equally help in curtailing the increases in prices of products caused by restrictions and policies. Attention should be paid to online reviews as they help showcase the shortcomings of the products, and sometimes constructive criticisms on how the products can be improved on. Prompt responses and reactions to queries should be maintained. Any demeaning message can affect all site visitors and subsequently patronisers of the product.
- There is a positive relationship between SME performance; and reduction in demand/ revenue reduction respectively. An increase (decrease) in reduction in demand increases (decreases) SME performance while an increase (decrease) in revenue reduction increases (decreases) SME performance.
- Government should implement fiscal policy measures that would complement the nation's current monetary policies in order to raise the purchasing power of the people and promote family consumption. National or international border closures should be done in such a way as not to frustrate the business operations of SME's during pandemic crises. Government can equally find a way to support employees of SMEs of non-government institutions augmenting for the half salaries they are forced on during the pandemic. Government can equally place sacked SME employees on temporary salaries pending when the pandemic is over. Finally, the lockdown measures instituted by the government should not be such that stops production, neither should it limit the movement of goods/ commodities, close borders against imports, nor slow down trade and economic activities.

Conclusion

This study explores the impacts of COVID-19 pandemic on the SMEs performance in Nigeria. It identified the impact of the internal and external factors on SMEs performance in Nigeria through qualitative-based research with the help of online questionnaire. The findings of this study showed that the SMEs need to measure performances to find out when and how they are having high losses and reduced sales volume, meeting up with target accomplishment, staff number reductions, and even when to close down of their businesses during or after crises; especially when their businesses are at start-up stages. Downsizing as an internally influencing factor on SME performances is recommended, to know how to sustain operations while ethically reducing the numbers of employees during pandemic crises. They should factor-in compensations, lay-off entitlements and survival of sacked workers too. Furthermore, they should be aware that laying-off more workers reduce the competitive strength and advantage they have against other competing firms and should instead adopt technology and flexibility in their work approach. They should build up their resilience and diversify their resort lifelines to survive rainy days, exploring the options of

aggressive marketing over social media to project their products during covid-19 movement restriction, and engage these digital platforms if they are to remain competitive. Government can equally find a way to support employees of SMEs of non-government institutions augmenting for the half salaries they are forced on during the pandemic. Finally, the lockdown measures instituted by the government should not be such that stops production, neither should it limit the movement of goods/ commodities, close borders against imports, nor slow down trade and economic activities.

References

- Abdeinour, A., Babbitz, T., & Moss S. (2020). Pricing through the pandemic: Getting ready for recovery. <https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/pricing-through-the-pandemic-getting-ready-for-recovery>
- Abubakar, A., Kale, Y., & Olarewaju, I. (2020). National Survey of Micro Small and Medium Enterprises (MSME's) 2017. Retrieved from Nigeria.
- Acee-Eke, B. C. & Ikegwuru, M-K (2020). Coronavirus Containment Measures and Patronage in Supermarkets: An Empirical Study. *Contemporary Marketing Research Journal (CMRJ)* Vol.7, No.3.
- Adam, N. A., & Alarifi, G. (2021). Innovation practices for survival of small and medium enterprises (SMEs) in the COVID-19 times: the role of external support. *Journal of innovation and entrepreneurship*, 10(1), 1-22.
- Aday, S, & Aday, M. S. (2020) Impact of COVID-19 on the food supply chain, *Food Quality and Safety*, Volume 4, Issue 4, December 2020, Pages 167–180, <https://doi.org/10.1093/fqsafe/fyaa024>
- Adegbemi B.O O., Ismail O. F., & D.A., H. (2013). Small and Medium Scale Enterprises Financing and Economic Growth in Nigeria. *European Journal of Business and Management*, 5(4), 130-136.
- Adekoya, F. (2020). Poor patronage, weak purchasing power drive unsold inventory to N420 billion. *The Guardian*. <https://guardian.ng/business-services/poor-patronage-weak-purchasing-power-drive-unsold-inventory-to-n420-billion/>
- Adian, I., Doumbia, D., Gregory, N., Ragoussis, A., Reddy, A., Timmis, J. (2020). Small and Medium Enterprises in the Pandemic Impact, Responses and the Role of Development Finance. Policy Research Working Paper 9414. World Bank Group.
- Akintola Abayomi I, Angioha, Pius U., Thelma Abang, & Etta Eugene O. (2021). COVID 19 Pandemic and Entrepreneurship Enterprise in Calabar, Cross River State, Nigeria. *Journal of Good Governance and Sustainable Development in Africa*, 6(1), 23-29
- Aladejebi, & A., O. (2018). Predictors of Firm Performance Among Selected SMEs in Lagos, Nigeria. *International Journal of Applied Research*, 4(6), 08-17.
- Amuda, Y. J. (2020). impact of coronavirus on small and medium enterprises (smes): Towards postcovid-19 economic recovery in Nigeria. *Academy of Strategic Management Journal*, 19(6), 1-11.
- Awoyinfa, S. (2020). Patronage of Nigeria-made products still low, say manufacturers. *Punch*. <https://punchng.com/patronage-of-nigeria-made-products-still-low-say-manufacturers/>
- Bamidele S., A., (2019) Businesses boom as South-West States rank top on SMEs in Nigeria. <http://nairametrics.com/2019/07/13/businesses-boom-as-south-west-states-rank-top-on-smes-in-nigeria>

- Bartik, A. W., Bertrand, M., Cullen, Z., Glaeser, E. L., Luca, M., & Stanton, C. (2020). The impact of COVID-19 on small business outcomes and expectations. *Proceedings of the National Academy of Sciences*, 117(30), 17656-17666.
- Bello A., & Z., M. (2015). Impact of Banking Sector Credit on the Growth of Small and Medium Enterprises (SME's) in Nigeria. *Journal of Resources Development and Management*, 15, 01-09.
- Blees, J., Kemp, R., Maas, J., & Mosselmn, M. (2003). Barriers to Entry: Differences in barriers to entry for SMEs and large enterprises. *SCientific ANalysis of Entrepreneurship and SMEs*. <https://core.ac.uk/download/pdf/7074647.pdf>
- Bose, S., Shams, S., Ali, M.J., & Mihret, D. (2022). COVID-19 impact, sustainability performance and firm value: international evidence. *Accounting & Finance*. 2022 Mar; 62(1): 597–643.
- Buteau, Sharon, and Ashwin Chandrasekhar. 2020. "Covid-19: Assessing Vulnerabilities Faced by Microenterprises." *Ideas for India*. <https://www.ideasforindia.in/topics/macroeconomics/covid-19-assessing-vulnerabilities-faced-by-microenterprises.html>
- Cakir, M. S., Wardman, J. K., Trautrim, A. (2022). Ethical leadership supports safety voice by increasing risk perception and reducing ethical ambiguity: Evidence from the COVID-19 pandemic. *Risk Analysis, An International Journal*. <https://doi.org/10.1111/risa.14053>
- Chen, Y., Fay, S., Wang, Q. (2011). The Role of Marketing in social media: How Online Consumer Reviews Evolve. *Journal of Interactive Marketing* · January 2011 DOI: 10.2139/ssrn.1710357 <https://www.researchgate.net/publication/228150448>
- Cherry, K. (2022). How Do Cross-Sectional Studies Work? Gathering Data from A Single Point in Time. <https://www.verywellmind.com/what-is-a-cross-sectional-study-2794978>
- Cicea, Claudiu, Ion Popa, Corina Marinescu, and Simona Cătălina Ștefan. 2019. Determinants of SMEs' Performance: Evidence from European Countries. *Economic Research-Ekonomska Istraživanja* 32: 1602–20.
- Dan-Awoh, D. (2023). SMEs adopt new survival strategies as economy slides further. <https://punchng.com/smes-adopt-new-survival-strategies-as-economy-slides-further/>
- Datta, D. K. & Basuil, D. A. (2013). Does Employee Downsizing Really Work? The Empirical Evidence. July 10.1007/978-3-319-08186-1_12 https://www.researchgate.net/publication/300008287_Does_Employee_Downsizing_Really_Work
- Dharmalingam, B., Nandagopal, M. S., Thulasiraman, V., Kothakota, A., & Rajkumar, (2021). Short food supply chains to resolve food scarcity during COVID-19 pandemic—An Indian model. *Advances in Food Security and Sustainability*. 2021; 6: 35–63. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8514902/>
- Du, L., Razzaq, A. & Waqas, M. (2023). The impact of COVID-19 on small- and medium-sized enterprises (SMEs): empirical evidence for green economic implications. *Environ Sci Pollut Res* 30, 1540–1561 (2023). <https://doi.org/10.1007/s11356-022-22221-7>
- Dwivedi, Y. K., Elvira Ismagilova, D. Laurie Hughes, Jamie Carlson, Raffaele Filieri, Jenna Jacobson, Varsha Jain, Heikki Karjaluoto, Hajer Kefi, Anjala S. Krishen, Vikram Kumar, Mohammad M. Rahman, Ramakrishnan Raman, Philipp A. Rauschnabel, Jennifer Rowley, Jari Salo, Gina A. Tran, Yichuan Wang, (2021) Setting the future of digital and social media marketing research: Perspectives and research propositions, *International Journal of Information Management*, Volume 59, 2021, 102168, <https://doi.org/10.1016/j.ijinfomgt.2020.102168>

- Ebenso, B., & Otu, A. (2020). Can Nigeria Contain the COVID-19 Outbreak Using Lessons from Recent Epidemics? *The Lancet Global Health*, 1. doi:10.1016/s2214-109x(20)30101-7
- Ebitu E. T., Basil G., & A., J. (2016). An Appraisal of Nigeria's Micro Small and Medium Enterprises MSMES Growth Challenges and Prospects. *International Journal of Small Business and Entrepreneurship Research*, 4(4), 1-15.
- Ebitu E. T., Basil G., & A., J. (2016). An Appraisal of Nigeria's Micro Small and Medium Enterprises MSMES Growth Challenges and Prospects. *International Journal of Small Business and Entrepreneurship Research*, 4(4), 1-15.
- Enesi, O. E., & Ibrahim, U. A. (2021). Effect of COVID-19 Pandemic on the Performance of Small and Medium Business Enterprises in Abuja-FCT, Nigeria. *Open Journal of Business and Management*, 9(5), 2261-2276.
- Engidaw, A.E. Small businesses and their challenges during COVID-19 pandemic in developing countries: in the case of Ethiopia. *J Innov Entrep* 11, 1 (2022). <https://doi.org/10.1186/s13731-021-00191-3>
- Entrepreneur Staff (2023). Microsoft's Salary Guidelines Were Leaked — Here's How Much New Employees Make. <https://www.entrepreneur.com/business-news/leaked-data-shows-microsoft-salary-guidelines-for-job-offers/463892>
- Eslami, S. P., Ghasemaghaei, M., & Hassanein, K. (2021). Understanding consumer engagement in social media: The role of product lifecycle. *Decision Support Systems*, 113707
- European Commission (2016), SME Definition. https://single-market-economy.ec.europa.eu/smes/sme-definition_en
- Evbuomwan G.O., Ikpi A.E., Okoruwa V.O., & V.O., A. (2018). Source of Finance for Micro, Small and Medium Enterprises in Nigeria. (Vol. 1). Warsaw, Poland: Small & Green.
- Fabri, S., Cassar, V., Fabri JP, Fenech G, Spiteri, J; (2020) Agile. Perspectives on Malta's economy post COVID-19, Seed
- Fairlie, R., & Fossen, F. M. (2022). The early impacts of the COVID-19 pandemic on business sales. *Small Business Economics*, 58, 1853–1864. <https://doi.org/10.1007/s11187-021-00479-4>
- Forbes, S., Birkett, H., Evans, L., Chung, H., & Whiteman, J., (2020). MANAGING EMPLOYEES DURING THE COVID-19 PANDEMIC: Flexible Working and The Future of Work. <https://www.birmingham.ac.uk/documents/college-social-sciences/business/research/responsible-business/managerial-experiences-during-covid19-2020-accessible.pdf>
- Francis I., Anagah. (2020). Effect of COVID-19 Lockdown on Farmers in Rivers State, Nigeria: Positive Perspective. *Asian Journal of Agricultural Extension, Economics & Sociology*. 38(5) 56-59; doi:10.9734/ajaees/2020/v38i530347.
- Frick, W. (2019). How to Survive a Recession and Thrive Afterward. *Harvard Business review*. <https://hbr.org/2019/05/how-to-survive-a-recession-and-thrive-afterward>
- Funaab, (2020). COVID-19: Traders, Drivers Bemoan Low Patronage on Campus. Federal University of Agriculture Abeokuta. <https://funaab.edu.ng/covid-19-traders-drivers-bemoan-low-patronage-on-campus/>
- Gama care* (2021). Price rises on raw materials: how it's affecting healthcare and beyond. <https://gamahealthcare.com/latest/price-rises-raw-materials-affecting-healthcare>
- Gbandi E. C., & G., A. (2014). Financial Option for Small and Medium Enterprises (SME) in Nigeria *European Scientific Journal*, 10(01), 327-340.

- Georgieva, K. (2020). Confronting the Crisis: Priorities for the Global Economy. International Monetary Fund. <https://www.imf.org/en/News/Articles/2020/04/07/sp040920-SMs2020-Curtain-Raiser>
- Grace T. O., & O., T. M. (2008). An Empirical Analysis of Factors Associated with the Profitability of Small and Medium - Enterprises in Nigeria. *African Journal of Business Management*, 2, 195-200.
- Guckenbiehl, P. & Corral de Zubielqui, G. (2022). Start-ups' business model changes during the COVID-19 pandemic: Counteracting adversities and pursuing opportunities. *International Small Business Journal: Researching Entrepreneurship*. Volume 40, Issue 2. <https://journals.sagepub.com/doi/full/10.1177/02662426211055447>
- Helgeson, J. F., Fung, J. F., Zhang, Y., Henriquez, A. R. R., Zycherman, A., Nierenberg, C., ... & Ramkissoon, D. H. (2020). Eliciting Lessons from Small-and Medium-Sized Enterprises (SMEs) for Natural Disaster Resilience Planning and Recovery During the COVID-19 Pandemic: SME Complex Event Resilience.
- Heredia, J., Castillo-Vergara, M., Geldes, C., Carbajal Gamarra, F. M., Flores, A., & Heredia, W. (2022). How do digital capabilities affect firm performance? The mediating role of technological capabilities in the "new normal". *Journal of Innovation & Knowledge* Volume 7, Issue 2, April–June 2022, 100171
- Horowitz, R., & Phalla, S. (2021). Global SME Finance Forum 2022 - RECAP DAY 2. <https://smefinanceforum.org/post/global-sme-finance-forum-2022-recap-day-2>
- Hossain, M. R., Akhter, F., & Sultana, M. (2022). SMEs in Covid-19 Crisis and Combating Strategies: A Systematic Literature Review (SLR) and A Case from Emerging Economy, *Operations Research Perspectives*, Volume 9, 2022, <https://doi.org/10.1016/j.orp.2022.100222>.
- Huang, A., & Farboudi Jahromi, M. (2021). Resilience building in service firms during and post COVID-19. *The Service Industries Journal*, 41(1-2), 138-167.
- Hutchinson, E. (2017). *Principles of Microeconomics*. University of Victoria. <https://pressbooks.bccampus.ca/uvicecon103/>
- Igan, D., Mirzaei, A., & Moore, T. (2022). A shot in the arm: stimulus packages and firm performance during Covid-19. Monetary and Economic Department. BIS Working Papers No 1014.
- Ime R. N., Ikoroha I. S., Anietie I. E., Dr. Edidiong I. F., Emmanuel S. U., & E., M. O. (2020). COVID-19: The Aftermath for Businesses in Developing Countries *International Journal of Business Education and Management Studies*, 5(1.), 43 - 49.
- International Monetary Fund. African Department. (2020). Nigeria: Request for Purchase Under the Rapid Financing Instrument-Press Release; Staff Report; and Statement by the Executive Director for Nigeria. International Monetary Fund.
- Indeed, Editorial Team, (2022). What Is a Competitive Environment? (With Types and Examples). <https://ca.indeed.com/career-advice/career-development/competitive-environment#:~:text=Competition%20in%20business%20environments%20is,prices%20to%20attract%20consumers'%20attention.>
- Info Entrepreneurs, (nd). The challenges of growing a business - and how to meet them. <https://www.infoentrepreneurs.org/en/guides/the-challenges-of-growing-a-business--and-how-to-meet-them/>
- International Labour Organization. (2020). The impact of the COVID-19 pandemic on jobs and incomes in G20 economies. ILO-OECD paper prepared at the request of G20 Leaders

- Saudi Arabia's G20 Presidency 2020. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_756331.pdf
- Ionescu, A-M, and Neghina, R-A (2021), " Management of Cash Flows during Covid-19", *Journal of Eastern Europe Research in Business and Economics* Vol. 2021 (2021), Article ID 870762, DOI: 10.5171/2021.870762
- Jamieson, D., Fettiplace, S., York, C., Lambourne, E., Braidford, P., & Stone, I. (2012). *Large Businesses and SMEs: Exploring how SMEs interact with large businesses*. ORC International. <https://assets.publishing.service.gov.uk/media/5a79cdb440f0b670a80258a3/12-1196-exploring-how-smes-interact-with-large-businesses.pdf>
- Joseph, M. (2020). *COVID-19 in African cities: Impacts, Responses and Policies Recommendations*. Nairobi: UN-Habitat
- Kapata, N., Ihekweazu, C., Ntoumi, F., Raji, T., Chanda-Kapata, P., Mwaba, P., . . . Zumla, A. (2020). Is Africa prepared for tackling the COVID-19 (SARS-CoV-2) epidemic. Lessons from past outbreaks, ongoing pan-African public health efforts, and implications for the future. *Int J Infect Dis*, 93, 233-236. doi:10.1016/j.ijid.2020.02.049
- Khan, S. U. (2022). Financing constraints and firm-level responses to the COVID-19 pandemic: International evidence. *Res Int Bus Finance*. 2022 Jan; 59: 101545. doi: 10.1016/j.ribaf.2021.101545
- Klein, V. B., & Todesco, J. L. (2021). COVID-19 crisis and SMEs responses: The role of digital transformation. *Knowledge and Process Management*, 28(2), 117-133
- Korankye, B. (2020). The Impact of Global COVID-19 Pandemic on Small and Medium Enterprises in Ghana. *International Journal of Management, Accounting and Economics*, 7(6), 320-341.
- Korman K and Mujtaba BG (2020) Corporate Responses to COVID-19 Layoffs in North America and the Role of Human Resources Departments. *Rep Glob Health Res* 3: 122. DOI: 10.29011/2690-9480.100122
- KPMG (2020). *Covid-19: A Business Impact Series: Financial, Tax and Regulatory considerations to manage COVID-19 Disruptions*. Available at: [Covd-19-a-business-impact-series.pdf](https://home.kpmg/ng/en/home/insights/2000/04/covid19_a_business_impact_series.html)
https://home.kpmg/ng/en/home/insights/2000/04/covid19_a_business_impact_series.html.
- Krammer, M. S. (2022). Navigating the New Normal: Which firms have adapted better to the COVID-19 disruption? *Technovation*. 2022 Feb; 110: 102368. doi: 10.1016/j.technovation.2021.102368. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8813167/>
- Lum, B. W. (2017). *Business Strategies for Small Business Survival*. Walden Dissertation Doctoral Studies. <https://scholarworks.waldenu.edu/cgi/viewcontent.cgi?article=5635&context=dissertations>
- Lumen (n.d). *Profit Maximization in a Perfectly Competitive Market*. Lumen Learning. <https://courses.lumenlearning.com/wm-microeconomics/chapter/profit-maximization-in-a-perfectly-competitive-market/>
- Ma, Z., Liu, Y., Gao, Y. (2021) Research on the impact of COVID-19 on Chinese small and medium-sized enterprises: Evidence from Beijing. *PLoS ONE* 16(12): e0257036. <https://doi.org/10.1371/journal.pone.0257036>

- Mahmudova, L., and Kovács J. (2018). Definitining The Performance of Small and Medium Enterprises. *Network Intelligence Studies Volume VI, Issue 12 (2/2018)*. https://www.researchgate.net/publication/330657430_DEFINING_THE_PERFORMAN CE_OF_SMALL_AND_MEDIUM_ENTERPRISES
- Margevich, & Synak, M. (2020). Request for Purchase Under the Rapid Financing Instrument— Press Release; Staff Report; And Statement by the Executive Director for Nigeria (20/142). Retrieved from Washington, D.C. 20090:
- Market Business News. (2023). What is downsizing? Reasons why companies downsize. <https://marketbusinessnews.com/financial-glossary/downsizing/>
- Marshal, Iwedi & Kocha, C., & Oriakpono, A. (2020). COVID-19 Pandemic, Global Trade Wars and Impact on the Nigeria Economy. *Academic Journal of Current Research Vol.7, No.5; May-2020; ISSN (2343 – 403X); p –ISSN 3244 - 5621 Impact factor: 6.37*
- Miller, S. (2020). Pandemic Forces Employers to Cut Pay Companies are trimming salaries and wages, revisiting incentive plans. <https://www.shrm.org/resourcesandtools/hr-topics/compensation/pages/pandemic-forces-employers-to-cut-pay.aspx>
- National Bureau of Statistics Report. (2017). NATIONAL SURVEY OF MICRO SMALL & MEDIUM ENTERPRISES (MSMEs) 2017. https://www.nigerianstat.gov.ng/pdfuploads/MSMEs_Report_2017%20fn%20sgof.pdf
- OECD (2020), "The impact of COVID-19 on SME financing: A special edition of the OECD Financing SMEs and Entrepreneurs Scoreboard", OECD SME and Entrepreneurship Papers, No. 22, OECD Publishing, Paris, <https://doi.org/10.1787/ecd81a65-en>.
- Ogunbote, K. (2018). Corporate Downsizing and Its Impact on Human Resources Management in Libraries and Information Centres. *International Journal of Business and Management Review Vol.6, No.5, pp.41-53, June 2018*. <https://www.eajournals.org/wp-content/uploads/Corporate-Downsizing-and-Its-Impact-on-Human-Resources-Management-in-Libraries-and-Information-Centres.pdf>
- Ohia, C., Bakarey, A. S., & Ahmad, T. (2020). COVID-19 and Nigeria: putting the realities in context. *International Journal of Infectious Diseases, 95, 279-281*. doi:10.1016/j.ijid.2020.04.062
- Olaofe-Obasesin, O. M., & Olugbemileke, E. (2020). COVID-19 and Auditing: Pragmatic Evidence from Nigeria. *European Journal of Accounting, Finance and Investment. Vol. 6, No, 5; May-2020; ISSN (3466 - 7037) Impact factor: 5.02*
- Osinusi, F. (2020). Aviation workers face tough times, FAAN places staff on half salary, others may follow. *Nigerian Tribune*, <https://tribuneonline.ng/aviation-workers-face-tough-times-faan-places-staff-on-half-salary-others-may-follow/>
- Osoimehin, K. O., Jegede, C. A., Akinlabi, B. H., & Olajide, O. T. (2012). An Evaluation of the Challenges and Prospects of Micro and Small Scale. *American International Journal of Contemporary Research, 2(4), 174-185*. doi:10.30845/aijcr
- Parker, K., Minkin, R., & Bennet, J. (2020). Economic Fallout From COVID-19 Continues to Hit Lower-Income Americans the Hardest. *Pew Research Center*, <https://www.pewresearch.org/social-trends/2020/09/24/economic-fallout-from-covid-19-continues-to-hit-lower-income-americans-the-hardest/>
- Patil, G. R., Dhore, R., Bharatanatyam, B. K., Pawar, D. S., Sahu, P., & Mulani, A. (2022). Consumer responses towards essential purchases during COVID-19 pan-India lockdown. *Research in Transportation Business & Management. 2022 Jun; 43: 100768*. Published online 2021 Dec 16. doi: 10.1016/j.rtbm.2021.100768
- Pettinger, T. (2021). Factors affecting demand.

- <https://www.economicshelp.org/microessays/equilibrium/demand/>
- Pearce, J. A. & Robinson, R. B. (2002). Business Tactics for Confronting Economic Recession and Planning for Recovery. *The Entrepreneurial Executive*, Volume 7, 2002.
- PWC, (2020). Impact of COVID-19 on the supply chain industry
. <https://www.pwc.com/ng/en/assets/pdf/impact-of-covid19-the-supply-chain-industry.pdf>
- Rabiu M., Kabiru S. M., Ahmad A. I., & A., S. (2020). Analysis of the Impact of Coronavirus Outbreak on the Nigerian Economy. *America Journal of Environment and Resource Economics*, 5(2), 39-43. doi:10.11648/j.ajere.20200502.13
- Rodrigues, M., Franco, M., Sousa, N., & Silva, R. (2021). COVID 19 and the Business Management Crisis: An Empirical Study in SMEs. *Sustainability*, 13(11), 5912
- Saarikko, T., Westergren, U. H., & Blomquist, T. (2020). Digital transformation: Five recommendations for the digitally conscious firm, *Business Horizons*, Volume 63, Issue 6, Pages 825-839, <https://doi.org/10.1016/j.bushor.2020.07.005>.
- Sabău-Popa, C. D., Simut, R., Droj, L., & Bențe, C. C. (2020). Analyzing Financial Health of the SMES Listed in the AERO Market of Bucharest Stock Exchange Using Principal Component Analysis. *Sustainability*, 12(9). doi:10.3390/su12093726
- Saidu, M., & Aifuwa, H. O. (2020). Coronavirus Pandemic in Nigeria How Can Small and Medium Enterprises (SMEs) Cope and Flatten the Curve? *European Journal of Accounting, Finance and Investment*, 6(5), 55-61.
- Shwede, F.; Aburayya, A.; Alfaisal, R.; Adelaja, A.A.; Ogbolu, G.; Aldhuhoori, A.; Salloum, S. (2022) SMEs' Innovativeness and Technology Adoption as Downsizing Strategies during COVID-19: The Moderating Role of Financial Sustainability in the Tourism Industry Using Structural Equation Modelling. *Sustainability* 2022, 14, 16044. <https://doi.org/10.3390/su142316044>
- Screenmobile. (2021). Advantages & Disadvantages of Competition in Business. <https://franchise.screenmobile.com/blog/advantages-disadvantages-of-competition-in-business/>
- Seleman Y. K. (2020). Globalization and the COVID-19 pandemic: How Africa's Economy Impacted? *Policy Center for the New South*, 2 - 8.
- Shalini, B. N., & Maiya, U. (2019). Organizational Downsizing: Conceptual Review. *International Journal of Management Studies*. DOI URL: [http://dx.doi.org/10.18843/ijms/v6i1\(5\)/05](http://dx.doi.org/10.18843/ijms/v6i1(5)/05)
- Shaw, N., Eschenbrenner, B. & Baier, D. (2022). Online shopping continuance after COVID-19: A comparison of Canada, Germany and the United States. *Journal of Retailing and Consumer Services*. 2022 Nov; 69: 103100. doi: 10.1016/j.jretconser.2022.103100, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9379614/>
- Simonetti, I. (2023). In Their 20s, Struggling to Save and Tired of Being Lectured About It. *The New York Times*. <https://www.nytimes.com/2023/01/20/business/saving-money-inflation-economy.html>
- Stemmler, H. (2022). The effects of COVID-19 on businesses: key versus non-key firms. *International Labour Organization, Working Paper*. <https://www.ilo.org/legacy/english/intserv/working-papers/wp077/index.html>
- Sun, T., Zhang, W. W., Dinca, M. S., & Raza, M. (2021). Determining the impact of Covid-19 on the business norms and performance of SMEs in China. *Economic Research-Ekonomika Istraživanja*, 1-20.

- Thukral, E. (2021). COVID-19: Small and medium enterprises challenges and responses with creativity, innovation, and entrepreneurship. *Strategic Change*. 2021 Mar; 30(2): 153–158. ncbi.nlm.nih.gov/pmc/articles/PMC8207047/
- Tomovska Misoska, A., Dimitrova, M., & Mrsik, J. (2016). Drivers of entrepreneurial intentions among business students in Macedonia. *Economic Research – Ekonomska Istrazivanja*, 29(1), 1062–1074. doi:10.1080/1331677X.2016.1211956
- Tunji, S. (2022). How low purchasing power disrupts businesses, drives sachet economy. *Punch*. <https://punchng.com/how-low-purchasing-power-disrupts-businesses-drives-sachet-economy/>
- Turkson, D., Addai, N.B., Chowdhury, F. et al. Government policies and firm performance in the COVID-19 pandemic era: a sectoral analysis. *SN Bus Econ* 1, 168 (2021). <https://doi.org/10.1007/s43546-021-00170-6>
- Tušl, M., Brauchli, R., Kerksieck, P. et al. Impact of the COVID-19 crisis on work and private life, mental well-being and self-rated health in German and Swiss employees: a cross-sectional online survey. *BMC Public Health* 21, 741 (2021). <https://doi.org/10.1186/s12889-021-10788-8>
- Vandenberg, P. (2020). How SMEs Can Bounce Back from the COVID-19 Crisis. *Development Asia Policy Brief*. Asian Development Bank. Manila.
- Whatman, P. (2018). *Small Business Strategy: 23 Startups on The Best Changes They've Made*. <https://www.spendsk.com/en-eu/blog/small-business-strategy-startups/>
- WHO Africa, (2020). COVID-19 could deepen food insecurity, malnutrition in Africa. *World Health Organization*. <https://www.afro.who.int/news/covid-19-could-deepen-food-insecurity-malnutrition-africa>
- World Bank. (2020). *The Global Economic Outlook During the COVID-19 Pandemic: A Changed World*. The World Bank, <https://www.worldbank.org/en/news/feature/2020/06/08/the-global-economic-outlook-during-the-covid-19-pandemic-a-changed-world#:~:text=Businesses%20might%20find%20it%20hard,by%20almost%208%25%20in%202020.>
- Young, S. (2012). *An Introduction to Workplace Well-Being*. Business Balls. <https://www.businessballs.com/self-management/workplace-well-being/>
- Zhu, F., & Zhang, X. (2010). Impact of Online Consumer Reviews on Sales: The Moderating Role of Product and Consumer Characteristics. *Journal of Marketing*, Volume 74, Issue 2 <https://doi.org/10.1509/jm.74.2.133>