

# The Impact of Covid-19 Pandemic on Small and Medium Scale Enterprises' (SMEs) Performance in Yobe State

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## ABSTRACT

The objective of this study is threefold: to investigate the performance of SMEs prior the cases of COVID-19 in Yobe State; to examine the performance of SMEs during COVID-19 in Yobe State; and to suggest measures for the resilience of the SMEs' performance after the COVID-19 in Yobe State. The study adopted a survey research design and the sample size was 301 respondents which were selected through multi-stage cluster sampling (in which the State will be divided into three clusters, based on senatorial districts: Zone A, Zone B, and Zone C). Simple random sampling technique was adopted to select the sample. The instruments of data collection were questionnaire and one focus group discussion (FGD), thus mixed method (quantitative and qualitative) was employed to analyse the data for the questionnaire and the FGD, respectively. The study found out that COVID-19 has negatively affected the performance of SMEs in Yobe State. For example, many businesses have demised in Yobe State due to the closure of workplaces; many SMEs have stopped operating for many months. The study concluded that SMEs have been performing greatly and they were important to the Yobe State economy before COVID-19 in State Yobe, but the incidence of the COVID-19 has brought setback to the commercial activities in the State. COVID-19 affected the performance of SMEs through: closure of all firms, including SMEs due to total lockdown; SMEs owners also experienced distraction and widespread panic due to the epidemic; lack of raw materials because of less movement of goods and services during the pandemic. There was also the death of some owners of the SMEs especially the old ones, and expiration of some products due to lock down, and downfall of some merchants that operate SMEs in Yobe State. The study therefore recommended that: government and development partners should provide soft loans and free grants for affected indigenous SMEs to get resuscitated; deliberate effort at making the SMEs very strong to resist the ripple effect of the COVID-19; and save the SMEs from collapsing by operating during all forms of pandemics through online marketing.

**KEYWORD:** COVID-19; Performance; Small and Medium Enterprises (SMEs); Yobe State, Nigeria

## 1. INTRODUCTION

Although there are controversies surrounding the origin of COVID-19, its first case was in the business hub of China, Wuhan. The virus has soon become an alarming disease world over to the extent that the World Health Organisation (WHO) referred to it as a global pandemic in the turn of 2020. Nigeria officially recorded her first case of the dreaded coronavirus (COVID-19) disease on 27<sup>th</sup> February 2020. An Italian citizen who travelled into the country was the first reported case of the dreaded COVID-19. As of 30<sup>th</sup> July, Nigeria has tested 286,091 samples of which 43,841 cases were confirmed, 22,645 active cases, 20,308 discharged cases and unfortunately 888 deaths. This reality woke the federal and state government up to protect its citizens. Having acknowledged the fast rate of morbidity and mortality of the virus in other countries across the globe, their aim was to prevent an outbreak of the disease in the country.

The body responsible for disease control in the country – the Nigeria Centre for Disease Control (NCDC), partnered with states governments to trace and track victims and their contact. To further prevent the spread of the virus, the Federal government of Nigeria on March 30, 2020 took a drastic decision to close all national borders and airspace, schools, worship centres and other public centres and placed the Federal Capital Territory (FCT), Lagos and Ogun State on total lockdown for fourteen (14) day (Olapegbaet *al.* 2020). The lockdown was later extended to May 3, 2020. COVID-19 testing laboratories was set up in Lagos, Irrua in Edo State and the FCT.

There are currently sixty-one (61) laboratories nationwide. According to Aifuwa, Musa & Aifuwa (2020), some state governments opened isolation centres and imposed a dawn to dusk curfew in their territories. These drastic decisions or

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measures taken by the federal government had negative effects on her citizens and also on the economy. They coerced people to stay at home; businesses and offices were closed, excluding the health care sector and essential goods providers (like food and water). This led to loss of job across the country accompanied with high crime rates in states on total lockdown. Civil societies and government agencies embarked on enlightenment campaigns for good hygiene and social distancing in public places (Olapegbaet *al.* 2020).

On the bright side, the decision and measure have yielded a high compliance rate from citizens, as they frequently engage in hand washing, practice social distancing and self-isolation, avoided going to work, schools, or crowded area (Olapegbaet *al.* 2020). Also, most religious leaders in the country have stopped large gathering, forbade hand shaking, and directed its member to pray at home and use of hand sanitizers (Makinde, Nwogu, Ajaja & Alagbe, 2020; Olatunji, 2020). These drastic measures taken by the government in curtailing or flattening the COVID-19 curve must have its own negative consequence especially on the Nigerian economy in general and growth and sustenance of small and medium scale industry in particular.

This strange pandemic has virtually overwhelmed the globe in both human and economic perspective. As at 2<sup>nd</sup> August 2020, the global number of confirmed cases is has risen to 17,660 523 (Seventeen Million, six hundred and sixty thousand five hundred and twenty-three) out of which sixteen million nine hundred and seventy-nine thousand and six hundred and twenty-nine (16,979,629) people have recovered, and sadly six hundred and eighty thousand and eight hundred and ninety-four (680,894) people have lost their lives from complications with the virus (W.H.O, 2020). These effects are not limited to the destruction of lives, but also involves setback in the performance of Small and Medium Enterprises (SMEs). For example, many businesses have demised in Yobe State, Nigeria due to the closure of workplaces, through lockdown, many SMEs have stopped operating for many months.

To overcome these negative impacts on the SMEs, the Government had introduced palliatives through the CBN, but still many businesses have been resuscitated. In view of the above, the present study is designed to assess such impacts in pre- and during COVID-19 period with a view to provide measures for reviving these SMEs in Yobe State. This research work is aimed at studying the impact of Covid19 on the performance of Small and Medium Scale Enterprises (SMEs) in Yobe state.

## 2. Literature Review

This section deals with the review of related literature on the concept of COVID-19 and SMEs; as well as the cases of COVID-19 from global through national to the Yobe State levels. The sections also reviewed the impact of the COVID-19 on the performance of the SMEs from the body of literature. Studies on COVID-19 are many, but studies on the impact of COVID-19 on SMEs are very few, particularly in Nigeria. One available literature on the topic is Aifuwa, Saidu & Aifuwa's (2020) *Corona Virus Pandemic Outbreak and Firms Performance in Nigeria*. Others include Ganaie, Zafar & Seth's (2020) *Impact of COVID-19 (Coronavirus) on small and medium enterprises in Pakistan* and Makinde, Nwogu, Ajaja & Alagbe's (2020). "COVID-19 case update, among others.

### 2.1. Conceptual Clarifications

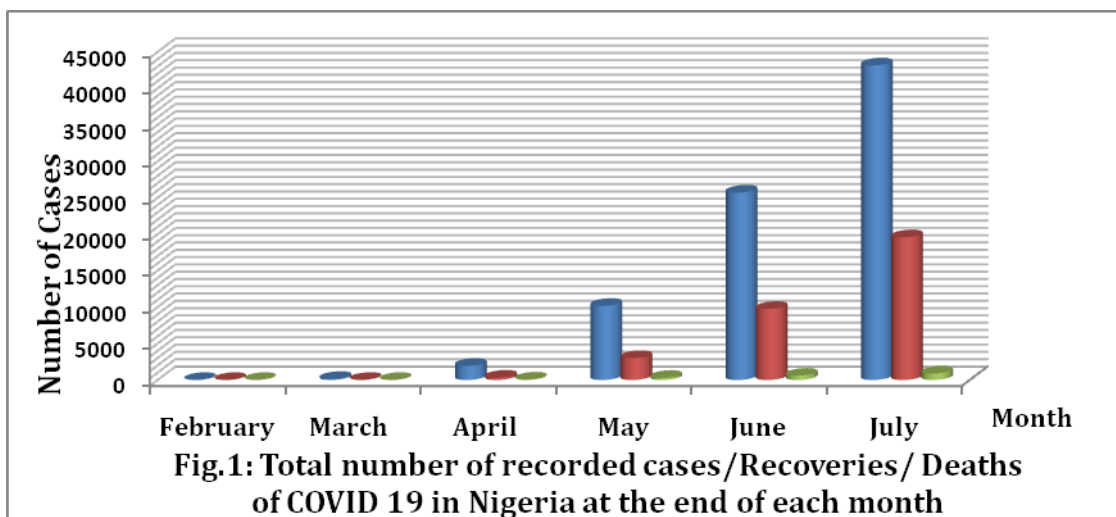
**COVID-19:** COVID-19 stands for corona virus disease 2019. This implies that the first case of this viral disease was found in the 2019. It is a viral disease that is difficult to cure but it can be suppressed or be prevented through antibodies and other social distancing measures. It is regarded as a global pandemic given its effect and generation of widespread panic world over. According to Unhale, Ansar, Sanap, Thakhre, Wadatkar, Bairagi, Sagrula.. (2020), Corona Viruses make up a large family of viruses that can infect birds and mammals, including humans, according to world health organisation (WHO).

**SMEs:** SMEs stands for Small and Medium Scale Enterprises. They refer to those businesses that largely below large scale industries, having few workers, less than fifteen including the business owner. According to Abbasi, Wang & Abbasi (2017:40), SMEs "are non-subsidary, independent firms which employ limited specified number of employees. This number differs crosswise over nations". Abbasi *et al.* (2017) added that the ownership/legal form of small business/private sector is categorized into three main forms; sole proprietorships, ordinary partnerships and companies; but the most common legal form under SMEs is sole proprietorship.

### 2.2. Cases of COVID-19

After acknowledging that COVID-19's first case was identified in Wuhan late 2019, Aifuwa *et al.* (2020) agreed the disease has spread rapidly to almost every region of the world. The mode of spread is still vague, however health researcher opined that the virus is transmitted via a fluid or droplets contact with an infected person (Kim, 2020, Addiet *al.* 2020, Bai, Yao, Wei, Tian, Jin, Chen & Wang, 2020, NCDC, 2020). Being a novel virus, COVID-19 poses a public health risk because there is no drug or vaccine to eradicate the spread (Addi, Benksim, Amine, & Cherkaoui, 2020), however, government of nations are using different measures and strategies to contain it. Containment measures and strategies, such as individual measure of protection (frequently washing of hands, keeping good hygiene, social distancing, use of a face mask in public place and hand sanitizers), the authorization of the use placebos like the hydroxychloroquine and other drugs to fight the virus (Aifuwa *et al.* 2020). COVID 19 affects different people in different ways.

Most of the businesses (53.7%) reported turning to their cash reserves to survive this period while 13.8% reported looking to access loans and 9.7% were looking to family and friends for support. Result from Jobs/Employment shows that 80.4% of the businesses reported that they were likely to lay off staff citing prolonged period of the pandemic (24.4%), inability to pay staff (22.6%), poor sales (18.2%) and restricted movement (17.1%) as top reasons influencing their decision to lay off staff. 82.8% of the businesses indicated that they will likely lay off 1 – 5 employees. On the area of need for support, most businesses reported needing support with Cash flow (72.1%) and Sales (67.7%) and will like the Government to provide support in the area of funding (89.4%) and access to markets (33.8%). Similarly, 74% of the businesses will like the private sector/enterprise support organizations to provide funding and business support (62.9%).



**Fig.1: Total number of recorded cases/Recoveries/Deaths of COVID 19 in Nigeria at the end of each month**

The first case of corona virus in Yobe State was discovered on 30<sup>th</sup> April 2020; a supposedly educated banker. As at the end of July, there were 22 total recorded COVID-19 cases in Yobe State (NCDC). Yobe state having been grappling with the issue of insecurity is now faced with another menace of the Corona virus. The decisions of both the Federal government and the State government to restrict movement has further compounded the economic situation in Yobe state in general and hence affecting the stability of SMEs in particular.

### 2.3. Impact of COVID-19 on SMEs

Most infected people will develop mild and moderate illness and recover without hospitalization. Most common symptoms include; fever, dry cough and tiredness, while less common symptoms include: aches and pains, sore throat, diarrhea, conjunctivitis, headache, loss of test or smell, rash on skin or discoloration of fingers or toes (Worldometers, 2020). This dreaded virus has caused a negative impact on the global economy, which has led to the crisis in businesses across the globe. Aifuwaet *al.* (2020) submits that Corona Virus disease has negatively affected both the financial and non-finance performance of business in Nigeria. FATE Foundation in partnership with Budget Nigeria studied the impact of the COVID-19 pandemic on Nigerian Micro, Small and Medium Enterprises (MSMEs) businesses in Nigeria with the goal of engaging relevant stakeholders within the entrepreneurship ecosystem around designing solutions and interventions to support Nigerian MSMEs during and post COVID-19 across the 36 states in Nigeria including the FCT. They concluded that 94.3% being negatively impacted by the pandemic particularly in the areas of cash flow (72.1%), Sales (67.7%) and Revenue (59.2%). Despite the negative impacts of the pandemic, 47.1% of respondents were positive that their businesses will survive the pandemic with 22.8% being unsure while 30% indicated that their businesses will not survive the pandemic. In terms of financial impact/cash flow, the survey revealed that a lot of the businesses had their cash flow impacted. Only 13.2% of businesses reported having enough cash flow to run their businesses for 1 – 3 months. 33.3% had enough cash flow to stay operational for 1 – 4 weeks and 27.6% for just 1 – 7 days.

Small and medium scale industries in Yobe have been negatively impacted by the scourge of insurgency in Yobe State over the last ten years. Stability of most of these SME's

depends on the smooth running of both Yobe State and some other neighbouring States such as Borno, Jigawa and Kano States and some parts of the neighbouring Chad Republic. Insurgency coupled with the Government's restriction of intra and inter-state movements of humans and goods has devastating effect on the smooth operations of SME's in Nigeria as a whole and Yobe in particular; because most of the goods and services upon which these SME's depends on are ferried into the state from its neighbouring states like Kano which is the biggest centre of business in northern Nigeria. This research work is aimed at investigating the extent to which government policies and other factors have impacted on the smooth operations of SME's in Yobe State.

### 3. Methodology

The study is a survey research design. The population of the study includes male and female business owners in Yobe State and the sample size is 301 respondents which was selected through multi-stage cluster sampling (in which the State will be divided into three clusters, based on senatorial districts: Zone A, Zone B, and Zone C). Simple random sampling technique was also adopted. The instruments of data collection were questionnaire guides and one focus group discussion (FGD) with the business owners to gather their views and experiences about the impact of the COVID-19 on their enterprises. Finally, mixed method (quantitative and qualitative) was employed to analyse the data for the questionnaire and the FGD, respectively.

It should however be noted that out of the 301 questionnaires distributed, only 282 were retrieved. Thus, as would be seen in the total sample in the data presentation, the analysis would be based on the retrieved questionnaires.

### 4. Results and Discussions

This section deals with the presentation of the results and discussion. As stated earlier, the data is based on the retrieved questionnaires and there are complementarities between the quantitative and qualitative data, i.e. questionnaires and FGD.

#### Section A: Socio-Economic and Demographic Information of the Respondents

This (sub) section deals with the socio-economic and demographic information of the respondents. They include: gender, age, marital status, educational qualification, occupation and income of the respondents.



**Table 1.1: Gender Distribution of the Respondents (N=282)**

S/N	Gender	Frequency	Percentage (%)
A	Male	225	79.8
B	Female	57	20.2
C	No Response	0	0
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.1 is the gender distribution of the respondents. Out of the total sample, 79.8 percent constitutes males and 20.2 percent represents female respondents. This indicates that females are under-represented in commercial activities in Yobe State.

**Table 1.2: Age Distribution of the Respondents (N=282)**

S/N	Age of the Respondents	Frequency	Percentage (%)
A	18-27	37	13.1
B	28-37	86	30.4
C	38-47	112	39.8
D	48-57	35	12.4
E	58-above	12	4.3
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.2 is the age distribution of the respondents, which shows that 13.1 percent of the total sample is between 18 and 27 years; 30.4 percent is between 28 and 37 years; 39.8 percent between 38 and 47 years; 12.4 percent is from 48 to 57 years; and 4.3 percent involves those from 58 years of age and above.

**Table 1.3: Marital Status of the Respondents (N=282)**

S/N	Marital Status	Frequency	Percentage (%)
A	Single	47	16.6
B	Married	224	79.4
C	Divorced	6	2.1
D	Widowed	3	1.1
E	No answer	2	0.7
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.3 is the marital status of the respondents, where singles constitute 16.6 percent; married 79.4 percent, divorced for 2.1 percent, widowed account for 1.1 percent and 0.7 percent did not answer. Therefore, majority of the sampled respondents are married.

**Table 1.4: Educational Attainment of the Respondents (N=282)**

S/N	Educational Attainment	Frequency	Percentage (%)
A	Primary	11	3.9
B	Secondary	89	31.6
C	Tertiary	129	45.7
D	Others	53	18.8
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.4 presents the distribution of the educational attainment of the respondents. Respondents with primary school education constitute 3.9 percent; those with secondary school qualification accounted for 31.6 percent; respondents with tertiary education constitute 45.7 percent;

and those with other educational attainment, such as non-formal education and vocational training represent 18.8 percent.

**Table 1.5: Occupation of the Respondents (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Farming	38	13.5
B	Civil servant	00	0.0
C	Business man/woman	238	84.4
D	Student	00	0.0
E	Others	06	2.1
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.5 shows the occupational distribution of the respondents, where farmers constitute 13.5 percent; civil servants account for 0.0 percent, business people represent the majority (84.4%); students constitute 0.0 percent; and others (such as artisans and bankers) constitute 2.1 percent.

**Table 1.6: Monthly Income of the Respondents (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Less than N10,000	00	0.0
B	N10,000-N19,999	03	1.1
C	N20,000-N29,999	35	12.4
D	N30,000-N39,999	54	19.1
E	N40,000-above	190	67.4
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.6 is the distribution of the respondents' monthly income. Respondents earning less than N10,000 constitute 0.0 percent; those earning between N10,000 and N19,999 represent 1.1%; those earning from N20,000 to N29,999 represent 12.4 percent; those earning from N30,000 to N39,999 constitute 19.1 percent; and those earning N40,000 and above per month are the majority (67.4%). This finding is in contrast with the finding of Agbaje (2014) who reported that north-eastern Nigeria, where Yobe State is located, is having high rate of poverty and unemployment among other economic problems.

**Section B: Performance of SMEs Prior the COVID-19 Incidence in Yobe State**

This (sub)section tries to address the first objective of the study, which is to investigate the performance of SMEs prior the cases of COVID-19 in Yobe State.

**Table 1.7: Whether SMEs Performed Well Before COVID-19 in Yobe State (N=282) (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Yes	279	98.9
B	No	02	0.7
C	No Response	01	0.4
D	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.7 presents respondents' views on whether SMEs performed well before COVID-19 in Yobe State. Majority of the respondents (98.9%) reported that SMEs performed well before COVID-19 in Yobe State and minority (0.7%) reported that SMEs did not performed well before COVID-19 in Yobe State, while 0.4 percent did not respond.

**Table 1.8: How Important Were SMEs to the Yobe State Economy before COVID-19 in State Yobe (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Very important	193	68.4
B	Important	77	27.3
C	Less important	09	3.2
D	Undecided	03	1.1
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.8 shows respondents' views on how important were SMEs to the Yobe State economy before COVID-19 in State Yobe. Majority of the respondents (68.4%) reported that SMEs were very important in Yobe State before COVID-19; 27.3 percent reported that SMEs were just important during that period; 3.2 percent reported that they were less important; and 1.1 percent of the total sample did not respond because they did not decide the answer. An FGD respondent stated:

The Yobe State was dominated by civil service activities before, but commercial activities later became the backbone of the economic development of the State, especially in places having high commercial activities like Nguru LGA, Gashua LGA and Potiskum LGA. In fact, SMEs are important in Yobe State (FGD with male respondent, 2020).

**Table 1.9: Views on SMEs Employed more People in Yobe State than Civil Service Sector Prior the COVID-19 Incidence (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Strongly agree	129	45.7
B	Agree	121	42.9
C	Undecided	01	0.4
D	Disagree	22	7.8
E	Very low	09	3.2
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.9 is the respondents' views on whether SMEs employed more people in Yobe State than civil service sector prior the COVID-19 incidence. Out of the total sample, 45.7 percent strongly agreed that SMEs employed more people in Yobe State than civil service sector prior the COVID-19 incidence; 42 percent agreed that SMEs employed more people in Yobe State than civil service sector prior the COVID-19 incidence; 0.4 percent did not decide the answer; 7.8 percent disagree that SMEs employed more people in Yobe State than civil service sector prior the COVID-19 incidence; and 3.2 percent strongly disagreed that SMEs employed more people in Yobe State than civil service sector prior the COVID-19 incidence.

An FGD respondent remarked that;

The SMEs have been promoting the economy of Yobe State because they offer more employment opportunities to the youths than the civil service in the State. Therefore, the performance of SMEs prior COVID-19 was wonderful. (FGD with female respondent, 2020).

**Section C: The Performance of SMEs During COVID-19 in Yobe State**

This (sub) section tries to address the second objective of the study, which is to examine the performance of SMEs during COVID-19 in Yobe State.

**Table 1.10: Views on Whether COVID-19 has Affected the Performance of SMEs in Yobe State (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Yes	273	96.8
B	No	08	2.8
C	No Response	01	0.4
D	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.10 shows respondents' views on whether COVID-19 has affected the performance of SMEs in Yobe State. Majority of the respondents (96.9%) reported that COVID-19 has affected the performance of SMEs in Yobe State and minority (2.8%) reported that COVID-19 did not affect the performance of SMEs in Yobe State, while 0.4 percent did not respond.

**Table 1.11: How COVID-19 Affects the Performance of SMEs in Yobe State (N=282)**

S/N	Response	Yes	No	Total
A	Closure of all firms, including SMEs due to total lockdown	253 (89.7%)	29 (10.3%)	282
B	Distraction and widespread panic due to the epidemic	241 (85.5%)	41 (14.5%)	282
C	Lack of raw materials because of less movement of goods and services	195 (69.1%)	87 (30.1%)	282
D	Other effects, specify	282 (100.0%)	00 (0.0%)	282

Source: Survey, 2020

Table 1.11 presents data on how COVID-19 affected the performance of SMEs in Yobe State. Majority of the respondents (89.7%) reported that COVID-19 affected the performance of SMEs through closure of all firms, including SMEs due to total lockdown in Yobe State, while minority (10.3%) are of the view that COVID-19 did not affect the performance of SMEs through closure of all SMEs due to total lockdown in the State. Out of the total sample, majority (85.5%) are of the view that COVID-19 affected the performance of SMEs due to distraction and widespread panic due to the epidemic, while minority (14.5%) did not think so. Also, majority (69.1%) reported that COVID-19 did not affect the performance of SMEs through lack of raw materials because of less movement of goods and services during the pandemic, while 30.1 percent did not suggest that COVID-19 has caused less movement of goods and services during the pandemic, therefore did not affect SMEs in this direction. The respondents have also suggested other areas through which COVID-19 affected the performance of SMEs in Yobe State, such as death of some owners of the SMEs especially the old ones, expiration of some products due to lock down, and downfall of some merchants that operate SMEs in Yobe State. During the focus group discussion (FGD), a respondent stated the following:

We have witnessed an unprecedented loss of lives and loss in business and set back of profit, even though the peak of COVID-19 pandemic has coupled with skyrocketed inflation of goods and services not only in Yobe but also in Nigeria and the world at large. Therefore, whoever told you that COVID-19 had not devastated the commercial activities of

this State is either unaware or he is mischievous... (FGD with male respondent, 2020).

Another FGD respondent made a statement that counters the previous respondent's view, thus:

The COVID-19 came along with various evils and unwanted happenings; however, it has also brought many developments to the business people. Many of the Nigerian youths including owners of SMEs have gotten huge amount of money that they never imagine they could get as loan or as free at various levels. SO some people had their businesses crippled and others revived and even developed. (FGD with male respondent, 2020).

The finding is in agreement with the findings of Aifuwaet *al.* (2020) who observed that COVID-19 has negatively affected both the financial performance of businesses in Nigeria.

**Table 1.12: Rate of the Performance of SMEs in the Post- COVID-19 Period (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Very high	105	37.2
B	High	113	40.1
C	Undecided	00	0.0
D	Low	53	18.8
E	Very low	11	3.9
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.12 shows the rate of the performance of SMEs in the post- COVID-19 period. Those respondents who reported that the rate of the performance of SMEs in the post- COVID-19 period was very high constitute 37.2 percent; those who reported that the rate of the performance of SMEs in the post- COVID-19 period was high constitute the majority (40.1%); those who reported that the rate of the performance of SMEs in the post- COVID-19 period was low constitute 18.8 percent; while those who reported that the rate of the performance of SMEs in the post- COVID-19 period was very low constitute the minority (3.9%).

**Section D: Measures for Reviving SMEs after the COVID-19 in Yobe State**

This (sub) section tries to address the third objective of the study, which is to suggest measures for the resilience of the SMEs' performance after the COVID-19 in Yobe State.

**Table 1.13: Whether the Government has Introduced Mechanisms for Reviving SMEs in the Post- COVID-19 Period (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Yes	230	81.6
B	No	52	18.4
C	No Response	00	0.0
D	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.13 presents respondents' opinions on whether the government has introduced mechanisms for reviving SMEs in the post- COVID-19 period. Those who reported that the government has introduced mechanisms for reviving SMEs in the post- COVID-19 period constitute the majority (81.6%). Those who reported that the government did not introduce mechanisms for reviving SMEs in the post- COVID-19 period constitute the minority (18.4%).

**Table 1.14: Programme Brought by the Government to Revive the SMEs (N=282)**

S/N	Programme	Yes	No	Total
A	Loan (COVID-19 Survival Fund, CBN palliatives)	228 (80.9%)	54 (19.1%)	<b>282</b>
B	Trainings for categories of SMEs (Agri-business, ICT, vocational skills, etc)	53 (18.8)	229 (81.2%)	<b>282</b>
C	Free goods and services	45 (16.0%)	237 (84.0%)	<b>282</b>
D	Others, specify	282 (100.0%)	00 (0.0%)	<b>282</b>

Source: Survey, 2020

Table 1.14 is a data showing the programme brought by the government to revive the SMEs in Yobe state. Majority of the sampled respondents (80.9%) reported that the government brought loans (COVID-19 Survival Fund, CBN palliatives) to revive the SMEs in Yobe state, while minority (19.1%) did not suggest that the government brought loans (COVID-19 Survival Fund, CBN palliatives) to revive the SMEs in Yobe state. Minority (18.8%) suggested that the government introduced trainings for categories of SMEs (Agri-business, ICT, vocational skills, etc) to revive the SMEs in Yobe state, while majority (81.2%) did not believe that the government introduced trainings for categories of SMEs to revive the SMEs in Yobe state. Minority (16.0%) suggested that the government brought free goods and services to revive the SMEs in Yobe state, while majority (84.0%) did not believe that the government brought free goods and services to revive the SMEs in Yobe state. Other programmes brought by the government to revive the SMEs in Yobe state include loosening some importation of goods' bottlenecks and grants for the SMEs managers. One of the female FGD respondents admitted that:

The Government has tried by giving us soft loans and some of us secured resources for promoting our businesses while new investors got these resource open new businesses in different LGAs in this State (Yobe)... (FGD with a female respondent, 2020).

**Table 1.15: Views on Whether the Programmes are Helpful in Reviving the SMEs in Yobe State (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Yes	201	71.3
B	No	79	28.0
C	No Response	02	0.7
D	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.15 presents respondents' views on whether the programmes brought by the government to revive the SMEs in Yobe state are helpful. Majority of the respondents (71.3%) reported that the programmes are helpful in reviving the SMEs. Minority of the respondents (28.0%) reported that the programmes are not helpful in reviving the SMEs; while 0.7 percent did not respond.



**Table 1.16: The Militating Factors for the Success of the Programmes (N=282)**

S/N	Programme	Yes	No	Total
A	Corruption	272 (96.5%)	10 (3.5%)	<b>282</b>
B	Lack of information	281 (99.6%)	01 (0.4%)	<b>282</b>
C	Lack of SMEs' qualification and registration with CAC	275 (97.5%)	07 (2.5%)	<b>282</b>
D	Others, specify	282 (100.0%)	00 (0.0%)	<b>282</b>

Source: Survey, 2020

Table 1.16 presents data on the militating factors for the success of the programmes. Out of the total sample, majority (96.5%) has opined corruption to be one of the major factors for the success of the programme; while minority (3.5%) did not believe corruption is a militating factor for the success of the programmes. Also, majority (99.6%) has reported lack of information to be one of the major factors for the success of the programme; while minority (0.4%) did not believe lack of information is a militating factor for the success of the programmes. Those who suggested lack of SMEs' qualification and registration with CAC to be a militating factor for the success of the programmes constitute 97.5 percent, while 2.5 percent did not believe lack of SMEs' qualification and registration with CAC is a militating factor for the success of the programmes. Other militating factors suggested by the respondents include; gender discrimination and inequality, lack of will from the side of the business owners, environmental issues and the nature of the overall national economy.

Another female FGD respondent stated that: The Government has offered loans to many business people, but women are underrepresented in these programmes because they are not aware of the programmes, therefore mostly men are the prime beneficiaries of the programme. Similarly, most of the beneficiaries of the COVID-19 relief fund did not use the money judiciously. (FGD with a female respondent, 2020).

**Table 1.17: The Roles of Non-State Actors in Reviving the SMEs in Yobe State (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Very high	145	51.4
B	High	107	37.9
C	Undecided	02	0.7
D	Low	21	7.4
E	Very low	7	2.5
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.17 is a data on the roles of non-state actors in reviving the SMEs in Yobe State. Majority of the respondents (51.4%) suggested that the role played by the non-state actors is very high. Significant percent (37.9%) reported that the role of the non-state actors is high; 0.7 percent did not respond; 7.4 percent reported that the role of the non-state actors is low; while 2.5 percent reported that the role of the non-state actors in reviving the SMEs in Yobe State is very low. An FGD respondent stated:

There are non-state actors that are playing a significant role in reviving SMEs in Yobe State and Nigeria at large. For

example, there are NGOs (Non-Governmental Organisations) that render social and economic development intervention which include giving grants to the already existing SMEs and newly proposed SMEs which have been distributed by some donor agencies and others are underway as many potential beneficiaries are waiting for the money to revive or kick-off their businesses. (FGD with a male respondent, 2020).

Another FGD respondent said:

Even day before yesterday, there is an NGO announcing for the impending social development package, which involves free grant (not loan) to business owners. The package will be received by the beneficiaries in order to promote their business enterprises after being hit by the COVID-19. I heard this announcement in ARTV satellite channel (Kano). The applicants for this SMEs' reviving programme are not limited to Kano State. People across the country (thus Yobe inclusive) are eligible for applying. (FGD with a female respondent, 2020).

**Table 1.18: Respondents' Views on What to do to effectively Revive the SMEs in Yobe State (N=282)**

S/N	Response	Frequency	Percentage (%)
A	Avoid discrimination while reviving the SMEs	32	11.3
B	Understand the needs of the CEOs of the SMEs	46	16.3
C	Give money not goods or resources	31	11.0
D	Interest free loans	131	46.5
E	No answer	42	14.9
	<b>Total</b>	<b>282</b>	<b>100</b>

Source: Survey, 2020

Table 1.18 presents respondents' views on what to do to effectively revive the SMEs in Yobe State. Out of the total sample, 11.3 percent suggested avoidance of discrimination on the gender, tribalism and ethnicity, religious or political affiliations while reviving the SMEs; 16.3 percent suggested that the funders should understand the needs of the CEOs of the SMEs; 11.0 percent suggested that the beneficiaries should be given money not goods or resources; majority (46.9%) suggested that the funding agencies should offer interest free loans; and 14.9 percent of the respondents did not respond.

An FGD respondent stated that:

There should be deliberate effort at creating an atmosphere in which the SMEs can continue to operate in the time of pandemic like COVID-19 to save them from collapsing. This can be done through introduction of online marketing to advertise the products of the SMEs through internet; receive orders online and then deliver to the customers without violating social distancing protocols. (FGD with a male respondent, 2020).

This finding is in agreement with the findings of Abbasi et al. (2017) who provided an overview of alternative financing solutions available to SMEs to have better understanding and role of public policies. Abbasi *et al.* (2017) motivated SMEs to widen their knowledge on available potential financing sources other than traditional bank financing and improve the understanding about opportunities and challenges of financing instruments alternative to traditional debt.

## 5. Conclusion

The study assessed the impact of COVID-19 on the performance of SMEs in Yobe State. In conclusion, COVID-19 has negatively affected the health, social and economic development of the globe at large and Yobe State in particular. SMEs have been performing greatly and they were important to the Yobe State economy before COVID-19 in State Yobe. However, the incidence of the COVID-19 has brought setback to the commercial activities in the State. COVID-19 affected the performance of SMEs through closure of all firms, including SMEs due to total lockdown. The SMEs owners also experienced distraction and widespread panic due to the epidemic; and lack of raw materials because of less movement of goods and services during the pandemic. Other areas through which COVID-19 affected the performance of SMEs in Yobe State, include: death of some owners of the SMEs especially the old ones, expiration of some products due to lock down, and downfall of some merchants that operate SMEs in Yobe State.

However, the study found out that the SMEs received some supports from Government and non-state actors, such as NGOs with a view to revive them. These supports include loans brought by the government (like COVID-19 Survival Fund, and CBN palliatives) and offering of free goods and services to revive the SMEs in Yobe state. Other programmes brought by the government to revive the SMEs in Yobe state include loosening some importation of goods' bottlenecks and grants for the SMEs managers.

## 6. Recommendations

Based on the findings of the study, the following recommendations are proffered in order to revive the SMEs in Yobe State.

1. The government and development partners should provide soft loans and free grants for indigenous SMEs that are affected by COVID-19 for them get resuscitated and develop more resilience.
2. There is the need for deliberate effort at making the SMEs very strong to resist the ripple effect of the COVID-19.
3. As part of the resistance of SMEs to the pandemic, the SMEs should be saved from collapsing by operating during all forms of pandemics. They can do that through online marketing to advertise the products of the SMEs through internet, receive orders online.
4. In order to promote the economic activities of Yobe state in terms of output of goods and services of the SMEs and create more jobs at relatively low capital cost, especially the fast growing service sector, the government and development partners should develop a pool of skilled or semi-skilled workers as a basis for the future industrial expansion.
5. The government should create more small scale industries in the State to promote youth employment prevent the downfall of many SMEs in Yobe State.

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**Appendix I**  
**DEPARTMENT OF GENERAL STUDIES**  
**MAI IDRIS ALOOMA POLYTECHNIC GEIDAM, YOBE STATE**  
**QUESTIONNAIRE GUIDE FOR THE PUBLIC**

**Respondent's Consent**

Dear Sir/Ma,

I am an academic staff in the above named Department and institution. I am conducting research on the topic: **The impact of Covid-19 pandemic on the performance of small and medium scale enterprises (SMES) in Yobe State**. To gather the opinion of the general public on the subject matter within Yobe State, I am soliciting for your cooperation to kindly fill this questionnaire. Your participation to answer the set of questions is voluntary. I assure you that the information given will strictly be used for academic purpose, adhering to all the principle guiding research ethics.

Thank you for your cooperation.

**JamaluddeenAbubakar Usman**

**Instruction:** Tick (√) the option as appropriate.

**Section A: Socio-Economic and Demographic Information of the Respondents**

1. Gender  
A. Male ( ) B. Female ( )
2. Age  
A. 18-27 ( ) B. 28-37 ( ) C. 38-47 ( ) D. 48-57 E. 58 and above ( )
3. Marital status  
A. Single ( ) B. Married ( ) C. Divorced D. Widowed ( )
4. Educational attainment  
A. Primary ( ) B. Secondary ( ) C. Tertiary ( ) D. Others.....
5. Occupation  
D. Farming ( ) B. Civil servant C. ( ) Business man/woman D. Student ( ) E. Others.....
6. Monthly Income  
A. Less than N10,000 ( ) B. N10,000-N19,999 ( ) C. N20,000-N29,999 ( ) D. N30,000-N39, 999 E. N40,000-above ( )

**Section B: Performance of SMEs Prior the COVID-19 Incidence in Yobe State**

7. Do you think that SMEs were performing well prior the incidence of COVID-19 in Yobe State?  
A. Yes ( ) B. No ( ) C. No response ( )
8. How important were SMEs to the economy of Yobe State before the cases of COVID-19 in the State?  
a. Very important ( )  
b. Important ( )  
c. Less important ( )  
d. Undecided ( )
9. Compared with the civil service sector, SMEs employed more people in Yobe State prior the COVID-19 incidence.  
a. Strongly agree ( )  
b. Agree ( )  
c. Undecided ( )  
d. Disagree ( )  
e. Strongly disagree ( )

**Section C: The Performance of SMEs During COVID-19 in Yobe State**

10. Do you think that COVID-19 has affected the performance of SMEs in Yobe State?  
a. Yes ( )  
b. No ( )  
c. No response ( )
11. If Q10 is yes, how did COVID-19 affect the performance of SMEs in Yobe State?  
a. Closure of all firms, including SMEs due to total lockdown ( )  
b. Distraction and widespread panic due to the epidemic ( )  
c. Lack of raw materials because of less movement of goods and services ( )  
d. Other effects, specify.....
12. How can you rate the performance of SMEs in the post- COVID-19 period?  
a. Very high ( )  
b. High ( )  
c. Undecided ( )  
d. Low ( )  
e. Very low ( )

**Section D: Measures for Reviving SMEs After the COVID-19 in Yobe State**

13. Do you know that the Government has introduced mechanisms for reviving SMEs in the post- COVID-19 period?  
 a. Yes ( )  
 b. No ( )  
 c. No response ( )

14. If Q13 is yes, what programme has the Government brought to revive the SMEs?

S/N	Programme	Yes	No
A	Loan (COVID-19 Survival Fund, CBN palliatives)		
B	Trainings for categories of SMEs (Agri-business, ICT, vocational skills, etc)		
C	Free goods and services		
D	Others, specify		

15. Are these programmes helpful in reviving the SMEs in Yobe State?  
 a. Yes ( )  
 b. No ( )  
 c. No response ( )

16. If Q15 is no, what militated the success of the programmes?

S/N	Programme	Yes	No
A	Corruption		
B	Lack of information		
C	Lack of SMEs' qualification and registration with CAC		
D	Others, specify		

17. What were the roles of non-state actors in reviving the SMEs in Yobe State?  
 .....

18. What do you think can be done to effectively revive the SMEs in Yobe State?  
 .....

