

## COVID-19 PANDEMIC AND THE PERFORMANCE OF SMALL AND MEDIUM SCALE ENTERPRISES IN KOGI STATE

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### ABSTRACT

*The study investigated Covid-19 pandemic and the performance of Small and Medium Scale Enterprises in Kogi State. The specific objectives of the study were; to analyze the effect of lockdown on the performance of Small and Medium Scale Enterprises, to evaluate the effect of movement restriction on the performance of Small and Medium Scale Enterprises. The study employed survey research design. The population of the study consists of 938,740 Small and Medium Scale Enterprises in Kogi State. The sample size consists of 400. The study employed primary data. The primary sourced of data was used via questionnaire to obtained information from the respondents. The study employed descriptive and multiple regression analysis to test the hypotheses. Findings from the study revealed that; lockdown reduced economic activities, leading to cash flow disruptions and revenue losses for SMEs, movement restrictions disrupt supply chains, making it difficult for SMEs to access raw materials or finished goods, market closure make SMEs unable to conduct their regular business activities, leading to a direct loss of revenue and profits. The study concluded that, many SMEs faced severe financial challenges due to lockdowns, restrictions, and reduced consumer spending. The study recommended that, small and medium scale enterprises should embrace digital technologies to adapt to the changing business landscape. Establishing an online presence, adopting e-commerce platforms, and leveraging digital marketing that will help them reach a wider audience and mitigate the impact of physical store closures. Small and medium scale enterprises should consider diversifying their product offerings and revenue streams. Relying on a single product or market can make them more vulnerable to disruptions, so exploring new opportunities can enhance resilience.*

**Keywords:** COVID-19 Pandemic, Movement Restriction, Market Closure, Customer patronage, Small and Medium Scale.

### INTRODUCTION

The COVID-19 pandemic has profoundly impacted societies and economies worldwide, presenting unprecedented challenges to businesses of all sizes, among those significantly affected are Small and Medium Scale Enterprises (SMEs), which constitute a vital backbone of many economies globally. The

outbreak of COVID-19 triggered a cascade of disruptions across various sectors, ranging from supply chain interruptions and decreased consumer demand to government-imposed lockdowns and social distancing measures. SMEs, often characterized by limited resources and flexibility, found themselves particularly vulnerable to these disruptions. Unlike larger corporations with more extensive financial reserves and diversified operations, SMEs faced heightened uncertainties and operational challenges amidst the crisis (Turner & Akinremi, 2020).

The pandemic has triggered widespread economic disruptions characterized by fluctuating demand, supply chain interruptions, and market uncertainties. These challenges disproportionately affect SMEs, which often operate with limited resources and face heightened financial vulnerabilities, jeopardizing their ability to navigate and recover from the economic fallout. The implementation of public health measures, such as lockdowns and social distancing, has forced SMEs to adapt their operational models rapidly; navigating remote work arrangements, changes in production processes and compliance with health protocols pose operational challenges that may impact efficiency, productivity and overall business continuity. SMEs, typically operating with constrained financial resources, face acute challenges in managing cash flow, securing credit, and sustaining financial stability (Ali et al., 2020).

The following research questions were addressed in the study:

- i. To what extent does lockdown affect the performance of Small and Medium Scale Enterprises in Kogi State?
- ii. What is the effect of movement restriction on the performance of Small and Medium Scale Enterprises in Kogi State?

The broad objective of the study is to analyze the effects of COVID-19 Pandemic on the performance of Small and Medium Scale Enterprises in Kogi State. The specific objectives are to:

- i. Analyze the effect of lockdown on the performance of Small and Medium Scale Enterprises in Kogi State.
- ii. Evaluate the effect of movement restriction on the performance of Small and Medium Scale Enterprises in Kogi State.

The research aim to test the following hypotheses:

Ho<sub>1</sub>: Lockdown does not have any effect on the performance of Small and Medium Scale Enterprises in Kogi State.

Ho<sub>2</sub>: Movement restriction does not have effect on the performance of Small and Medium Scale Enterprises in Kogi State.

## REVIEW OF RELATED LITERATURE

### The Concept of Covid-19 Pandemic

COVID-19 is an Acute Respiratory Syndrome caused by the Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2). It primarily affects the respiratory system, leading to symptoms such as fever, cough, and shortness of breath. In severe cases, it can cause pneumonia, acute respiratory distress syndrome (ARDS), organ failure, and death. There is no specific antiviral treatment for COVID-

19, and management involves supportive care and vaccination for prevention (Mohammad et al., 2020). It is a pandemic infectious disease that has spread globally, leading to widespread illness and significant loss of life. It has resulted in numerous public health measures, including quarantine, social distancing, and mask mandates, implemented by governments worldwide to curb its transmission. Ongoing research and vaccination campaigns are essential components of the global response to control the pandemic (Montrief et al., 2020).

Coronavirus (COVID-19) is defined as an illness caused by a new coronavirus now called Severe Acute Respiratory Syndrome coronavirus 2 (SARS-CoV-2; formerly called 2019-nCoV), which was first linked amid an outbreak of respiratory illness cases in Wuhan City, Hubei Province, China. In March, the World Health Organisation declared the outbreak an epidemic and trip to, from, and within numerous countries was oppressively confined to control its spread. Utmost people infected with the COVID-19 contagion will witness mild to moderate respiratory illness and recover without taking special treatment. Aged people and those with underpinning medical problems like cardiovascular complaint, diabetes, habitual respiratory complaint, and cancer are more likely to develop serious illness (World Health Organization, 2020).

According to Aifuwa (2020), the symptoms of the complaint on an individual include; sore throat, dry cough, fever, briefness of breath and in the worse stage acute pneumonia and death. In other to dock the spread of this deadly complaint, the following preventative measures must be put in place which include; cleaning of hands frequently, using of cleanser and water or an alcohol-grounded hand rub and maintaining a safe distance from anyone who's coughing or sneezing, wearing of mask when physical distancing isn't possible, avoiding touching your eyes, nose or mouth, covering of nose and mouth with your fraudulent elbow or a towel when you cough or sneeze, staying at home if you feel bad, if you have a fever, cough and difficulty breathing, seek medical attention.

### **Lockdown**

This is a situation where the movement and activities of people are restricted to prevent the spread of a contagious disease, particularly during a public health crisis. It often involves the closure of businesses, schools, and public spaces, with people advised or mandated to stay at home. It is a state or condition in which people are required to stay in their homes or avoid certain areas to prevent the spread of a contagious disease ((National Bureau of Statistics, 2020). This often involves the closure of businesses, schools, and public spaces. Lockdown is a set of restrictions imposed by authorities during a health crisis, such as a pandemic, to limit the movement of people and prevent the spread of disease. This often involves stay-at-home orders, closure of non-essential businesses, and social distancing measures. Lockdowns are often implemented during public health crises, such as pandemics, to curb the spread of contagious diseases. The aim is to reduce person-to-person transmission by limiting movement and social interactions. The effectiveness of lockdowns in controlling the spread of a virus depends on factors like timing, compliance, and the overall public health strategy (Bahador & Ibrahim, 2021).

### **Movement Restrictions**

Movement restrictions in the context of public health refer to measures aimed at limiting the physical mobility of individuals or communities to control the spread of infectious diseases. This can include stay-at-home orders, quarantine protocols, and restrictions on travel to and from certain areas ((Monday et al., 2020). Movement restrictions involve controlling the movement of people within a specific area to enhance security measures (Adiyoh & Dalibi, 2020). This can be implemented during times of heightened threat levels, emergencies, or conflicts, with the goal of preventing unauthorized access or ensuring the safety of a region. Movement restrictions, especially during pandemics, are crucial for controlling the spread of contagious diseases, by limiting the movement of individuals, health authorities aim to reduce the opportunities for the virus to transmit from person to person (Rabiu et al., 2020). Movement restrictions can have significant economic implications, affecting industries that rely on mobility, such as tourism, transportation, and retail. Balancing public health priorities with economic considerations becomes a critical challenge for policymakers (Igwe, 2020).

### **Disruption Faced by SMEs due to the COVID-19 Pandemic**

SMEs often rely on global supply chains, and the pandemic led to disruptions in the production and transportation of goods. Lockdowns, restrictions, and health concerns disrupted the flow of raw materials, components, and finished products, leading to delays and increased costs. Many SMEs operate on thin profit margins, and the sudden economic downturn caused by the pandemic led to reduced consumer spending, this coupled with disruptions in operations, resulted in cash flow issues, making it challenging for SMEs to meet their financial obligations, such as rent, loan payments, and employee salaries. The uncertainty surrounding the pandemic has made it difficult for SMEs to plan and forecast accurately. Consumer behavior changed, and demands for certain products and services plummeted while others surged. Adapting to these shifts has been a significant challenge for many SMEs (Tarigan & Siagian, 2021).

SMEs that were not already digitally equipped faced difficulties in transitioning to remote work and e-commerce. The lack of digital infrastructure, online presence, and e-commerce capabilities hindered their ability to reach customers and maintain business continuity during lockdowns. Remote work posed challenges for SMEs, especially those that were not prepared for this sudden shift. Issues related to employee productivity, communication, and well-being became significant concerns. Moreover, some businesses faced the difficult decision of laying off or furloughing employees to cut costs (Kumar et al., 2020).

### **The Strategies Adopted by SMEs to Mitigate the Impact of COVID-19 Pandemic**

Small and medium-sized enterprises (SMEs) have employed various strategies to mitigate the impact of the COVID-19 pandemic on their operations (Rodrigues et al., 2021). While the challenges have been significant, many SMEs have demonstrated resilience and adaptability through the following strategies:

**Digital Transformation:-** Many SMEs accelerated their digital transformation efforts to adapt to the new business landscape. This included establishing or enhancing online presence, adopting e-commerce solutions, and implementing digital communication tools to enable remote work.

**Diversification of Products and Services:-** SMEs that faced declining demand for their traditional products or services explored diversification. This could involve introducing new offerings, modifying existing products to meet current needs, or tapping into emerging markets that experienced increased demand during the pandemic.

**Cost Reduction and Efficiency Measures:-** To cope with financial strain, SMEs implemented cost-cutting measures such as renegotiating contracts, optimizing operational processes for efficiency, and finding ways to reduce overhead expenses without compromising on quality.

**Remote Work and Flexible Work Arrangements:-** Embracing remote work allowed SMEs to maintain operations while ensuring the safety of their employees. This shift required investments in technology infrastructure and tools to facilitate virtual collaboration, communication, and project management.

**The Role of Government Policies and support in assisting SMEs during the COVID-19 Pandemic**  
Government policies and support have played a crucial role in assisting small and medium-sized enterprises (SMEs) during the COVID-19 pandemic (Pratama, et al., 2021). Recognizing the unique challenges faced by SMEs, governments around the world have implemented a range of measures to provide financial relief, encourage business continuity, and support economic recovery (Tuffour et al., 2021). Here are some key aspects of the role of government policies and support for SMEs during the pandemic:

**Financial Assistance Programs:-** Governments introduced various financial assistance programs, including grants, loans, and subsidies, to help SMEs cover operating costs, pay employees, and navigate financial challenges. These funds were often targeted towards industries that were severely impacted by lockdowns and restrictions.

**Flexibility in Regulatory Compliance:-** Governments offered flexibility in regulatory compliance requirements to ease the burden on SMEs. This included extensions for filing deadlines, relaxed regulatory requirements, and temporary exemptions to certain rules, allowing businesses to focus on survival and recovery.

**Training and Skill Development Programs:-** Some governments implemented programs to support the training and up skilling of employees in industries undergoing significant changes. This helped SMEs adapt to new technologies and business models, fostering long-term resilience.

**Digitalization and Technology Adoption Support:-** Governments encouraged digitalization by offering support for SMEs to adopt and integrate technology. This included subsidies for e-commerce platforms, digital marketing initiatives, and assistance in building online presence.

**Information and Guidance Services:-** Governments provided information and guidance to SMEs on navigating the complex landscape of pandemic-related regulations, safety protocols, and available support programs. This helped businesses make informed decisions and access the assistance they needed.

### **Small and Medium Scale Enterprises**

Small and Medium Scale Enterprises (SMEs) are businesses that fall within a certain size range, often defined by the number of employees, annual revenue, or total assets. The criteria for categorizing SMEs can vary from country to country, but they generally share some common characteristics. SMEs are an integral part of the business ecosystem and play a significant role in economic development worldwide.

For example, the European Union defines SMEs based on employee count and annual turnover, categorizing micro-enterprises (0-9 employees), small enterprises (10-49 employees), and medium-sized enterprises (50-249 employees).

SMEs are often founded and managed by entrepreneurs with innovative ideas and a drive to succeed. They have the flexibility to adapt quickly to market changes and experiment with new business models and technologies (Aderemi et al., 2020). This ability to innovate and take risks fosters competitiveness and helps drive economic growth. In many regions, SMEs are essential for local and rural development. They create employment opportunities in areas where large corporations may not have a presence. Additionally, SMEs contribute to poverty reduction and economic empowerment by involving a broader segment of the population in economic activities; despite their importance, SMEs face numerous challenges that can hinder their growth and sustainability; some common challenges include limited access to finance, difficulty in complying with complex regulations, lack of skilled labor, market competition, and vulnerability to economic fluctuations. Addressing these challenges is crucial to enabling SMEs to thrive and contribute more effectively to the economy. (World Bank Group, 2020).

### **Measurement of the Performance of Small and Medium Scale Enterprises**

The growth of Small and Medium-Sized Enterprises (SMEs) can be measured using various indicators and metrics. Here are several common ways to measure the growth of SMEs:

**Revenue Growth:** One of the most straightforward measures of SME growth is the increase in revenue or sales over a specific period. Comparing the revenue from one year to the next can indicate whether the business is expanding.

**Profit Margin Improvement:** While revenue growth is essential, improving profit margins can be a sign of healthy growth. SMEs should aim for sustainable profitability by optimizing costs and increasing operational efficiency.

**Employment Growth:** The number of employees hired by the SME can be an indicator of business expansion. Hiring more employees suggests increased production capacity and a larger customer base.

**Market Expansion:** SMEs entering new markets, either geographically or by diversifying their product or service offerings, demonstrate growth. Expansion into new regions or demographic segments can signify business development.

**Customer Base Growth:** An expanding customer base, both in terms of the number of customers and customer retention rates, is a positive indicator. It shows that the business is meeting customer needs and attracting new clients.

**Asset Growth:** The acquisition of new assets, such as property, equipment, or intellectual property, can indicate business growth. Asset growth often correlates with increased production capacity or enhanced capabilities.

### **Theoretical Framework**

#### **The Social-Ecological Theory**

The Social-Ecological Theory (Bookchin, 1960) offers an understanding of behavioral reactions from a person, interpersonal, organizational, community, and public policy concerning the formation of behavior within the nearby social environment. The theory assists in the recognition of issues affecting behavior

and also offers direction for developing successful programs through social environments. The social-ecological theory emphasizes the numerous levels of influence (such as individual, interpersonal, organizational, community, and public policy) and the idea that behavior is shaped and shaped by the social environment. The philosophies of Social-ecological theory are connected with Social Cognitive Theory perceptions which propose that providing an enabling environment that result to change is significant in making it easier to implement healthy behavior.

Social-Ecological Theory is considered as a theoretical framework to be adopted to this study because the theory plays a crucial role in understanding and addressing the impacts of the COVID-19 pandemic on both society and businesses, including Small and Medium-sized Enterprises (SMEs). This theory emphasizes the interconnectedness and interdependence between human behavior and the environment in which it occurs. It provides a holistic framework to analyze the complex interactions between individuals, communities, organizations and their respective environments, which is particularly relevant during a global health crisis like COVID-19. Social-Ecological Theory considers multiple levels of influence, from individual behaviors to community dynamics and policy frameworks. In the context of COVID-19, this approach is essential to understand how individual behaviors (such as mask-wearing and social distancing) impact community transmission rates and how governmental policies affect overall public health outcomes.

### **Empirical Review**

Atayah et al. (2022) investigated the diverse impact of the COVID-19 pandemic on the financial performance of publicly listed logistics firms in G-20 countries. The research reveals a nuanced scenario, with 14 out of the 20 logistics firms experiencing a significant increase in financial performance during the pandemic, while companies in six nations (Germany, Korea, Russia, Mexico, Saudi Arabia, and the UK) faced negative financial consequences. This dichotomy underscores the complexity of the pandemic's effects on the global logistics industry. The findings highlight the adaptability and resilience of some logistics firms in the face of unprecedented challenges. Conclusively, it emphasizes the vulnerability of specific nations and companies within the sector, indicating the need for targeted interventions and strategic planning to mitigate future risks and uncertainties. The study recommended that, Logistics firms, especially those in nations prone to financial downturns during crises, should diversify their operations and client base. Relying on a broader spectrum of services and customers can buffer the impact of economic fluctuations in specific regions.

Amoah et al. (2022) conducted a qualitative study on the impact of COVID-19 on small enterprises in Ghana, specifically focusing on small construction companies, highlights the severe challenges faced by these businesses during the pandemic. The research provides valuable insights into the financial difficulties experienced by small construction firms, leading to their inability to secure contracts, manage sites effectively, maintain cash flow, and pay for completed work promptly. Additionally, the decline in employee efficiency resulted in increased project costs and longer completion times, exacerbating the financial strain on these enterprises. The study underscores the profound negative consequences of the pandemic on the survival and sustainability of small construction companies in Ghana. The study recommended that, the Ghanaian government and financial institutions should offer targeted financial

support and accessible credit facilities to small construction companies. Low-interest loans and grants can help these enterprises bridge financial gaps, meet their obligations, and invest in essential resources.

Fairlie and Fossen (2021) focused on the effect of the COVID-19 pandemic on sales in California. The study employed the quantitative research method and used administrative data from the California Department of Revenue and Fee Administration. The study discovered that businesses subjected to mandated lockdowns suffered the greatest sales losses, losing 91% of their revenue, while Internet sales increased by 180%. This study was conducted in California and focused on the impact of the pandemic on sales. The goal of Bularafa and Adamu (2021) was to examine how the coronavirus pandemic affected SMEs in Yobe State, Nigeria. The research design of this study was survey-based. Using SPSS, descriptive and regression analyses were performed on the data. The results show that three variables (lockdown, movement restrictions, and market closures) had a positive effect on SME performance. Social distancing, however, had no significant impact on the performance of SMEs. This study was conducted in Yobe State, Nigeria, and focused on SMEs in general. Thus, the findings may not apply to trading and manufacturing SMEs in Ghana.

Enesi and Ibrahim (2021) studied the effect of COVID-19 pandemic on the performance of SMEs in Abuja, Nigeria and provided recommendations on how SMEs can improve and perform effectively during this falling economy and function more efficiently in the face of the pandemic's severe hurdles. 10 SMEs in Abuja Municipal Area Council with 100 respondents were purposefully chosen to elicit insights on the impact of the COVID-19 epidemic on their enterprises in the study. According to the findings of the analysis, the COVID-19 pandemic has had the following effects: low revenue or income creation, loss of qualified employees due to salary reductions, lack of patronage, and a lack of sincerity on the part of the government to diminish the pandemic's prevalence. SMEs frequently encounter issues such as the inability to pay salaries, repay loans, and pay rent. The majority of respondents proposed that the government should implement well-managed and structured palliative care programs, poverty alleviation initiatives, lower interest rates, loosen loan terms, and defer tax payments.

Mogaji (2020) examined the impact of covid-19 on transportation in Lagos, Nigeria. Using a survey through a questionnaire administered to residents of Lagos via email in data collection and used descriptive analysis in his report. The findings revealed that lockdown and restrictions on movement have a significant positive effect on SME's performance. The findings indicate that economic activities, social activities, and religious activities during COVID-19 were affected by the disrupted transport services due to the pandemic. Additionally, the increased cost of transportation, shortage or lack of transportation mode, and traffic congestion were identified as the effect of COVID-19 on transportation in Lagos State, Nigeria, which also led to the increase in the overall cost of living in the city as well as an increase in the cost of food items.

Amuda (2020) Studied the impact of corona virus on small and medium enterprises (SMES): towards post-covid-19 economic recovery in Nigeria. The primary objective of this paper is to explicitly make a shift by building a comprehensive theoretical basis for the impact of COVID-19 on SMEs in order to chat a forward for post-COVID-19 economy recovery to thrive in the country. This study used secondary data to gather vital information by exploring available materials or literatures in this regard. The findings of this

paper indicated that, recent study provides health implication of COVID-19 which was overwhelmingly explained by World Health Organization (WHO). Hence, this paper argues that appropriate measures should be provided especially by giving loan support to SMEs in expanding and strengthening the existing and new business opportunities as response to the impact of post-COVID-19 economy recovery in the country. It is therefore suggested that collaboration between SMEs leaders and the government have vital roles to play especially through the activities of Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) in providing platform for inclusion of digitization into SMEs or business operation in the country.

### Research Gap

The literature on the impact of the COVID-19 pandemic on small and medium-scale enterprises (SMEs) is extensive, but there appears to be a gap concerning its specific effects on SMEs in Kogi State, Nigeria. Firstly, there is a scarcity of studies that provide a comprehensive analysis of the challenges faced by SMEs in Kogi State due to the COVID-19 pandemic. Such research could explore various aspects such as disruptions in supply chains, changes in consumer behavior, financial constraints and government support measures, among others. Understanding these challenges is crucial for policymakers, business owners and other stakeholders to develop targeted interventions and support mechanisms.

Secondly, there is a lack of empirical research examining the strategies adopted by SMEs in Kogi State to mitigate the adverse effects of the pandemic on their performance. Exploring the resilience and adaptability of SMEs in the face of unprecedented challenges can provide valuable insights into effective coping mechanisms and best practices that can be shared and replicated among similar enterprises.

### METHODOLOGY

The researcher adopted a descriptive research design. This was because descriptive research design aims at exploring opinion of a given population on existing practices and conditions. Primary and secondary source of data was used to elicit information for the study. The data analysis was collected in respect of the bio-data using percentage and the research questions using mean ratings (descriptive statistics).

The study population consists of 938,740 operators of Small and Medium Scale Enterprises in Kogi State. The sample size was determined by means of random sampling which is a procedure of giving every subject in a population an equal chance of appearing in the selection. Since we are not going to study the whole population, the sample size was drawn statistically by applying Taro Yamane formula of (1964) as follows.

Test of hypotheses is done using multiple regression analysis as the major technique with the aid of SPSS version 23.

$$n = \frac{N}{1 + N(e)^2}$$

Where n = Sample size

N = Actual population

e = Level of significance (0.05)

1 = constant

$$n = \frac{938,740}{1 + 938,740(0.0025)}$$

$$n = \frac{938,740}{1 + 2346.85}$$

$$n = \frac{938,740}{2347.85} = 400$$

Therefore, the sample size for this study is 400

This study used both primary and secondary source of data in bringing out COVID-19 Pandemic and the performance of Small and Medium Scale Enterprises in Kogi State. The level of the significance adopted for the analysis was p = 0.05. This level of significance form the basis for or rejecting or not rejecting each of the hypotheses. The hypotheses were tested using regression analysis with the aid of statistical package for social sciences (SPSS v 20).

**DATA ANALYSIS AND DISCUSSION OF FINDINGS**

Nine Hundred and thirty Eighty Thousand, Seven Hundred and Forty (938,740) were observed, Four Hundred (400) copies of questionnaires were distributed to the respondents and Three Hundred and Eighty Nine (389) copies were returned which form the basis of analysis.

**Testing of Hypotheses**

The researcher at this point tests the hypotheses formed earlier in other to accept or reject them and as well as determining the extent of their reliability. In other to achieve this, the researcher used multiple regression analysis method.

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.891 <sup>a</sup>	.794	.793	.38997

a. Predictors: (Constant), Lock Down, Movement Restriction

The model summary as indicated in the table above shows that R square is 0.794 this implies that 79.4% of variation in the dependent variable (SMEs performance) were explained by the constant variables (lockdown, movement) while the remaining 20.6% is due to other variables that are not included in the model. This mean that the regression (model formulated) is useful for making predictions since the value of R<sup>2</sup> is close to 1.

**ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	226.256	2	113.128	743.886	.000 <sup>b</sup>
	Residual	58.702	386	.152		
	Total	284.958	388			

a. Dependent Variable: SMEs Performance

b. Predictors: (Constant), Lockdown, Movement Restriction

The estimated F-value (743.886) as given in the table above with significance value of .000, which is less than P-value 0.05 ( $p < 0.05$ ) means that the explanatory variable element can enhance the changes in the dependent variable (SMEs performance). The implication of this test was that, as multiple variables element, particular explanatory variables element are significant to influence the performance of Small and Medium Scale Enterprise).

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.250	.058		4.324	.000
	Lockdown	.495	.034	.550	14.722	.000
	Movement Restriction	.360	.034	.391	10.473	.000

a. Dependent Variable: SMEs Performance

The dependent variable as shown in the table above is; SMEs performance. This was used as a yardstick to examine the COVID-19 pandemic and the performance of Small and Medium Scale Enterprises in Kogi State. The predictors are; lockdown and movement restriction as depicted in the table. It is obvious that there is a direct relationship between the independent variables and SMEs performance). According to the result in the table above, lockdown and movement restriction t-test coefficient are; 14.722 and 10.473. Since the P-value is 0.000 which is less than 0.05 (i.e.  $P < 0.05$ ). This means that these variables are statistically significance at 5% significance level. Therefore, the null hypotheses are rejected.

**Discussion of Findings**

The multiple regression analysis was used in analyzing the four hypotheses and required decisions made. In summary, our findings are as follows:

The result of the test in research hypothesis one, using regression analysis at 5% level of significance resulted in our rejecting the null hypothesis ( $H_0$ ) the researcher gather that, lockdowns often lead to reduced consumer demand and disruptions in supply chains. This finding also support the view of (Debata et al., 2020) who posit that, many SMEs may experience a decline in sales and revenue during lockdowns, particularly if they operate in sectors directly affected by restrictions (e.g., retail, hospitality, travel), it oppose operational challenges for SMEs, such as restrictions on physical operations, limitations on workforce mobility, and supply chain disruptions. This can result in delays, increased costs and difficulties in maintaining regular business activities.

The researcher has also in research hypothesis two pointed out that; restrictions on movement may result in logistical challenges, such as transportation delays and increased costs for shipping and delivery. This finding is in agreement with the view of (Chafi et al., 2021) who opined that, SMEs that rely on physical presence for operations may face challenges in adopting remote work arrangements; this can impact productivity and operational efficiency, especially in industries that traditionally require a physical presence.

### CONCLUSION AND RECOMMENDATIONS

The COVID-19 pandemic significantly impacted small and medium scale enterprises (SMEs) in Kogi State, leading to varied levels of performance disruption, while some SMEs faced immense challenges others demonstrated resilience through innovation and adaptation. However, the pandemic highlighted the need for proactive government support and strategic business planning to enhance the resilience of SMEs in Kogi State against future crises.

The study recommends the followings;

- i. SMEs should explore diversifying their sales channels, including online platforms, to mitigate the impact of reduced foot traffic during lockdowns. Establishing an online presence can help reach a broader customer base, invest in digital transformation to adapt to changing consumer behaviors, implement e-commerce solutions, enhance online marketing strategies, and leverage technology to maintain business operations during lockdowns, optimize costs and expenses by re-evaluating budgets and identifying areas for potential savings.
- ii. SMEs should actively explore and invest in e-commerce opportunities to maintain sales during movement restrictions; this includes establishing online storefronts, offering delivery services and leveraging digital payment solutions, implement contactless operations where possible; this includes contactless payments, delivery services, and other measures to minimize physical interactions, ensuring the safety of both customers and employees.

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