
Impact of Covid - 19 Pandemic on Micro, Small and Medium Businesses in Nigeria: What are the Ways of Minimizing the Impact?

Ukata, Philip Festus (FIPMD, MABSEN, MISMN, MABEN, MTRCN, MECRTD)

Department of Office Technology and Management,
School of Business and Administrative Studies,
Captain Elechi Amadi Polytechnic,
Rumuola, Port - Harcourt.

E-mail: ukata4mephilip@yahoo.com

Tel: NO: +2348038877937

Peace Iyingi Kalagbor

Department of Office Technology and Management,
School of Business and Administrative Studies,
Captain Elechi Amadi Polytechnic,
Rumuola, Port - Harcourt.

Abstract

This study adopted a descriptive research design in describing the variables under investigation of how COVID - 19 pandemic impacted on micro, small and medium businesses in Nigeria as well ways of minimizing the impact. The researchers combined both qualitative and quantitative data from secondary sources to systematically describe the variables under the study to obtain valid and reliable results. It was found out that COVID-19 pandemic without cure has seriously impacted negatively on MSMEs but governments of nations are using different measures and strategies to contain COVID-19 spread with containment measures and strategies such as frequent washing of hands, keeping good hygiene, social distancing, and use of face mask in public places and hand sanitizers. Micro, small and medium scale enterprises (MSMEs) in Nigeria have contributed about 48% of the national GDP in the last five years, and accounted for about 50% of industrial jobs and nearly 90% of the manufacturing sector but COVID-19 pandemic also had multiple negative impact on MSMEs more than ever before which include labour market, supply chain, productivity and value chain, finance and liquidity, operations and business sentiment. Among other things, this study recommends that governments and other concerned agencies should find cure for coronavirus pandemic to reduce its various impacts on human and the economic activities. Nigerian Emergency Economic Stimulus Bill 2020 should be properly implemented, including key insights, consideration and strategies for COVID-19 response in Nigeria as ways of minimizing the impact on MSMEs in Nigeria.

Keywords: Impact, COVID - 19 Pandemic, Micro, Small and Medium Enterprises, Businesses, MSMEs, Ways of minimising the impact and Nigeria.

Introduction

The novel coronavirus (COVID-19) disease was first identified in Wuhan, a city in China late 2019 and had spread rapidly to almost every region of the world (Aifuwa, Saidu & Aifuwa, 2020). On February 27, 2020, Nigeria recorded her first case of the dreaded coronavirus (COVID-19) through an Italian citizen who travelled into the country, the reality that woke the federal and state governments to protect its citizens (Saidu, & Aifuwa, 2020).



Figure 1: COVID-19 a business impact series (KPMG Professional Services, 2020)

Governments of nations are using different measures and strategies to contain its spread. Containment measures and strategies, such as (frequent washing of hands, keeping good hygiene, social distancing, use of a face mask in public places and hand sanitizers), the authorization of the use of hydroxychloroquine and other drugs to fight the virus (Aifuwa et al., 2020). The symptoms of the virus on infected individuals include, fever, cough, shortness of breath or difficulty breathing, chill, repeated shaking with chill, muscle pain, headache, sore throat, and recently, loss of taste or smell (Worldometers, 2020). This dreaded virus has caused a negative impact on the global economy, and has led to a crisis in different businesses or enterprises across the globe. Aifuwa, et al. (2020) submitted that coronavirus has negatively affected both the financial and non-financial performance of businesses in Nigeria, moreover Micro, Small and Medium Enterprises (Ganaie, Zafar, & Seth, 2020).

Nigerian government had been grappling with weak recovery from the 2014 oil price shock, with GDP growth tapering around 2.3 percent in 2019. In February, IMF revised the 2020 GDP growth rate from 2.5 percent to 2 percent, as a result of relatively low oil prices and limited fiscal space.

In a related manner, the country's debt profile has been a source of concern for policymakers and development practitioners as the most recent estimate puts the debt service-to-revenue ratio at 60 percent, which is likely to worsen amid the steep decline in revenue associated with falling oil prices (Chukwuka & Mma, 2020).

MSMEs in Nigeria prior to the COVID-19 era were faced with the challenge of infrastructure, poor financial support and credit environment, top levels of unskilled workforce and low investment opportunities (Oyelaran-Oyeyinka, 2020). In this COVID-19 era, they are the most vulnerable sector in the Nigerian economy, with little or no help from the federal government.



Figure 2: Impact of the Twin Shock on Family Business (KPMG Advisory Services, 2020)

Micro Enterprises or Businesses are those enterprises whose total assets (excluding land and buildings) are less than Five Million Naira with a workforce not exceeding ten employees. Small Enterprises are those enterprises whose total assets (excluding land and building) are above Five Million Naira but not exceeding Fifty Million Naira with a total workforce of above ten, but not exceeding forty- nine employees. Medium Enterprises are those enterprises with total assets excluding land and building) are above Fifty Million Naira, but not exceeding Five Hundred Million Naira with a total workforce of between 50 and 199 employees (Smedan.gov.ng, 2013).

S/N	Size /Category of Enterprise	Employment	Assets (=N= Million) (excl. land and buildings)
1	Micro enterprises	Less than 10	Less than 5
2	Small enterprises	10 to 49	5 to less than 50
3	Medium enterprises	50 to 199	50 to less than 500

Figure 3: Definition of Micro, Small and Medium Enterprise (Smedan.gov.ng, 2013).

Some Sectors Greatly Affected By COVID-19 Pandemic

Some of the Micro, Small and Medium Enterprise sectors greatly affected by coronavirus include: Manufacturing, Wholesale and Retail trade; Repairs of Motor Vehicles and MotorCycles. The sectors also include Accommodation and Food serviceActivities, Mining and Quarrying, Construction, Water Supply; Sewerage, Waste Management andRemediation, Agriculture, Forestry, Fishing andHunting. Others are: Transport andStorage, Information and Communication, Administrative and Support ServicesActivities, Education, Art Entertainment, Recreation and Other ServicesActivities (Smedan.gov.ng, 2013).

Pwc.com (2020) posited that MSMEs sector is the backbone of major developed and developing economies, as well as important contributors to employment, economic and export growth. In South Africa, MSMEs account for 91% of businesses, 60% of employment

and contribute 52% of total GDP. In Nigeria, MSMEs contribute 48% of national GDP, account for 96% of businesses and 84% of employment. Despite the significant contribution of MSMEs to the Nigerian economy, challenges still persist that hinder the growth and development of the sector, now worst affected by coronavirus pandemic. According to the Nigeria Bureau of Statistics, micro, small and medium scale enterprises (MSMEs) in Nigeria have contributed about 48% of the national GDP in the last five years. They account for about 50% of industrial jobs and nearly 90% of the manufacturing sector, in terms of number of enterprises. Therefore, the justification for this empirical review on “Impact of Covid - 19 Pandemic on Micro, Small and Medium Businesses in Nigeria and The Ways of Minimizing the Impact”

Statement of the Problem

Economic activities have been grinded globally with so much negative effect on all the sectors. Micro, Small and Medium Enterprises as the bedrock of Nigerian economy cannot be exceptional. Although MSMEs in Nigeria seems to have faced some challenges previously, the presence of COVID-19 pandemic and the measures to contain its spread must have added much more negative impact on the micro, small and medium businesses in Nigeria. Despite the continuous spread and no cure for COVID-19 pandemic, there is need for the ways of minimising the impact of coronavirus pandemic on micro, small and medium businesses in Nigeria.

Purpose Of The study

The purpose of this study is to investigate the impact of COVID - 19 pandemic on micro, small and medium businesses in Nigeria and the ways of minimizing the impact. The specific purpose of the study is to:

1. Find out the impact of COVID - 19 pandemic on micro, small and medium businesses in Nigeria
2. Find out ways of minimizing the impact of COVID - 19 pandemic on micro, small and medium businesses in Nigeria

Research Questions

The under stated research questions were stated to guide this study:

1. Does COVID - 19 pandemic have impact on micro, small and medium businesses in Nigeria?
2. Are there ways of minimizing the impact of COVID - 19 pandemic on micro, small and medium businesses in Nigeria?

Hypotheses

Two directional hypotheses were formulated to guide this study:

1. COVID - 19 pandemic has significant impact on micro, small and medium businesses in Nigeria
2. There are significant ways of minimizing the impact of COVID - 19 pandemic on micro, small and medium businesses in Nigeria

Method

This study adopts a descriptive research design in describing the variables under investigation on how COVID - 19 pandemic impacted on micro, small and medium businesses in Nigeria as well as ways of minimizing the impact. The researchers will combine both qualitative and quantitative data from secondary sources to systematically describe the variables under the study so as to obtain valid and reliable result. The researchers will as well methodically

explain the purpose of the study, answer the research questions as well as tested the hypotheses based on the obtainable and reviewed data from secondary sources from various scholars, including the views of the researchers.

Review of Related Literatures

Insight about Coronavirus COVID-19

Coronavirus (COVID-19) is an infectious disease caused by a newly discovered coronavirus. World Health Organisation has declared coronavirus as a global pandemic without cure or vaccine. Most people infected with the COVID-19 virus will experience mild to moderate respiratory illness and recover sometimes without requiring special treatment. Older people and those with underlying medical problems like cardiovascular disease, diabetes, chronic respiratory disease, and cancer are more likely to develop serious illness (Ukata&Onuekwa, 2020).

The best way to prevent and slow down transmission is to be well informed about the COVID-19 virus, it causes and how it spreads. The COVID-19 virus spreads primarily through droplets of saliva or discharge from the nose when an infected person coughs or sneezes, so it is important that you also practice respiratory etiquette (for example, by coughing into a flexed elbow or handkerchief) (World Health Organisation, n.d). Most infected people will develop mild to moderate illness and recover without hospitalization. Most common symptoms are: fever, dry cough, and tiredness. Others are aches and pains, sore throat, diarrhoea, conjunctivitis, headache, loss of taste or smell and a rash on skin, or discolouration of fingers or toes. This pandemic has halted all global human economic activities and threatened with trembled the existence of man engrossed with fear because of the inexplicable high rate of transmissions and deaths recorded across the globe, Nigeria with her poor health system included. Across the nations, educators are responding valiantly to the unprecedented health crisis and its ramifications for students, educators, and communities. Leaders and staff are charting new course for this unique time. Educators' efforts to navigate through this challenging situation and commitment to their students as an inspiration for success of their dreams, Nigeria cannot be exceptional(Ukata&Onuekwa, 2020).

The COVID-19 virus spreads primarily through droplets of saliva or discharge from the nose when an infected person coughs or sneezes, so it is absolutely impossible to carry on with the traditional classrooms management of teaching and learning of face-to-face interactions between teachers (lecturers and students, students and students), as well as the non-academic staff and management. As such, the urgent need for the application of ICT towards minimizing traditional classrooms challenges of teaching and learning during covid-19 pandemic in Rivers state tertiary institutions. The three approaches of ICT in education are the (1): form of lesson units or workshops for students and teachers, (2): ICT as a means of information storage and retrieval and a method of doing research, and (3) ICT as the channel for delivering and receiving instruction (Baydas&Goktas, 2016).

COVID-19 Update In Nigeria

Confirmed Cases: 42,208

Active Cases: 22,331

Discharged Cases: 19,004

Death: 873

Figure 4:COVID-19 update in Nigeria (Ncdc.gov.ng, 2020)

Concept of Micro, Small and Medium Enterprises (Businesses)

As in developing economy, Nigeria with the introduction of the National Policy on MSMEs has addressed the issue of definition as to what constitutes micro, small and medium enterprises. The definition of MSMEs in terms of number of employees, total assets and annual turnover vary from country to country and from one organisation to another. Below are a couple of definitions from foremost SME-facing organisations in Nigeria. In this report, the Bank Of Industries definition/categorisation of MSMEs has been adopted (Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) and the National Bureau of Statistics (NBS) conducted this national survey, 2013).

Table 1: Bank of Industry's (BOI) Definition for Micro, Small, and Medium-size Enterprises

Enterprise category / Indicator	Micro Enterprise	Small Enterprise	Medium-size enterprise
Number of Employees	≤ 10	>11 ≤ 50	> 51 ≤ 200
Total Assets (₦)	≤ 5 million	> 5 ≤ 100 million	> 100 ≤ 500 million
Annual Turnover (₦)	≤ 20 million	≤ 100 million	≤ 500 million

Pwc.com. (2020)

Table 2: SMEDAN National Policy on MSMEs Definitions

Indicator / Size of the Enterprise	Micro Enterprise	Small Enterprise	Medium-size enterprise
Number of Employees	< 10	10 to 49	50 to 199
Total Assets (₦)	< 5 million	≥ 5 < 50 million	≥ 50 < 500 million

Pwc.com. (2020)

According to Pwc.com(2020) survey on Micro and Small Medium Enterprise, there 41, 643, 028 Micro and Small Medium Enterprises, 73, 082 Small and Medium Enterprises, 7.67% of exports is contributed by Micro and Small Medium Enterprises, 49.78% of Gross Domestic Product (GDP) is contributed by Micro and Small Medium Enterprises, employed 69, 647, 964 of 76.55 workforce with Micro and Small Medium Enterprises a finance gap of 32.1%, while Micro businesses had a total of 41,469.947.

In Nigeria, over 41.5 million MSME businesses operate in the country, according to a survey conducted by the National Bureau of Statistics and the SME Development Agency of Nigeria (SMEDAN) in 2018. The breakdown of the size of businesses in the sector, as well as other important stats is highlighted in the chart below.

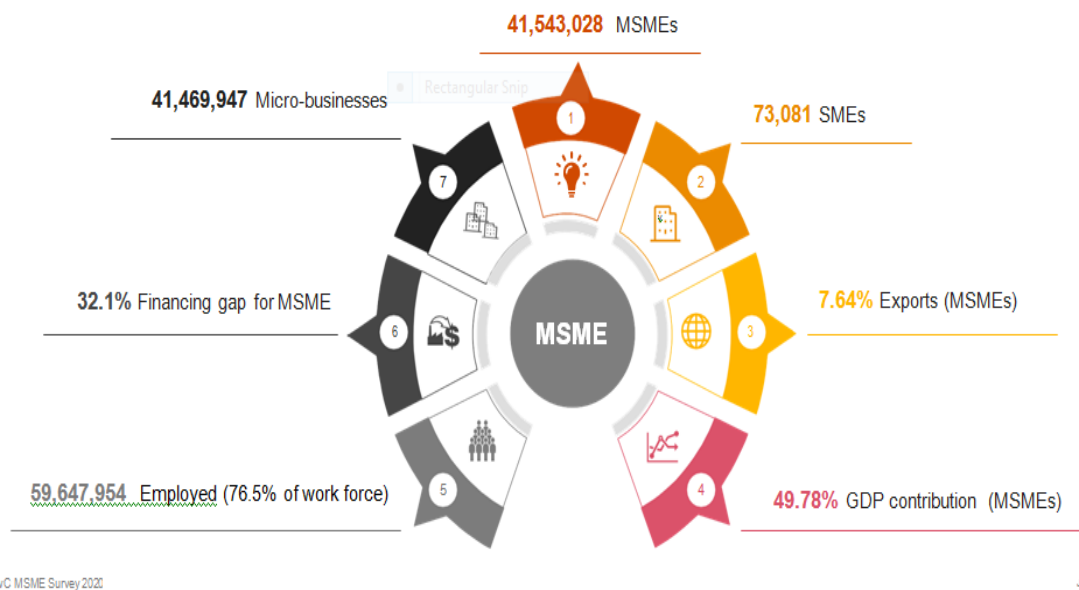


Figure 3: Details about MSME in Nigeria (Pwc.com. 2020)

Ownership Structure of MSMEs

Types and Forms of Business

A business entity is an organization that uses economic resources to provide goods or services to customers in exchange for money or other goods and services. Business organizations come in different types and in different forms of ownership (Accountingverse.com, 2020).

3 Types of Business

There are three major types of businesses:

1. Service Business

A service business provides intangible products (products with no physical form). Service firms offer professional skills, expertise, advice, and other similar products. Examples of service businesses are: salons, repair shops, schools, banks, accounting firms, and law firms.

2. Merchandising Business

This type of business buys products at wholesale price and sells the same at retail price. They are known as "buy and sell" businesses. They make profit by selling the products at prices higher than their purchase costs. A merchandising business sells a product without changing its form. Examples are: grocery stores, convenience stores, distributors, and other resellers.

3. Manufacturing Business

Unlike a merchandising business, a manufacturing business buys products with the intention of using them as materials in making a new product. Thus, there is a transformation of the products purchased. A manufacturing business combines raw materials, labour, and overhead costs in its production process. The manufactured goods will then be sold to customers.

Hybrid Business

Hybrid businesses are companies that may be classified in more than one type of business. A restaurant, for example, combines ingredients in making a fine meal (manufacturing), sells a cold bottle of wine (merchandising), and fills customer orders (service).

Forms of Business Organization

These are the basic forms of business ownership:

1. Sole Proprietorship

A sole proprietorship is a business owned by only one person. It is easy to set-up and is the least costly among all forms of ownership. The owner faces unlimited liability; meaning, the creditors of the business may go after the personal assets of the owner if the business cannot pay them. The sole proprietorship is usually adopted by small business entities.

2. Partnership

A partnership is a business owned by two or more persons who contribute resources into the entity. The partners divide the profits of the business among themselves. In general partnerships, all partners have unlimited liability. In limited partnerships, creditors cannot go after the personal assets of the limited partners.

3. Corporation

A corporation is a business organization that has a separate legal personality from its owners. Ownership in a stock corporation is represented by shares of stock. The owners (stockholders) enjoy limited liability but have limited involvement in the company's operations. The board of directors, an elected group from the stockholders, controls the activities of the corporation. In addition to those basic forms of business ownership, these are some other types of organizations that are common today.

Limited Liability Company

Limited liability companies (LLCs) in the USA, are hybrid forms of business that have characteristics of both a corporation and a partnership. An LLC is not incorporated; hence, it is not considered a corporation. But, the owners enjoy limited liability like in a corporation. An LLC may elect to be taxed as a sole proprietorship, a partnership, or a corporation.

Cooperative

A cooperative is a business organization owned by a group of individuals and is operated for their mutual benefit. The persons making up the group are called members.

Cooperatives may be incorporated or unincorporated. Some examples of cooperatives are: consumers' cooperative, water and electricity (utility) cooperatives, cooperative banking, credit unions, and housing cooperatives.

Non – Profit Making Organisations

These are registered organisations while some may not be registered whose aims are not to make profit but to provide some essential services to their members and society. Example religious organisations, charity homes, less privilege homes, social clubs etc. However, some of these non-profit making organizations are even richer than some of profit making organisations.

Contribution Of Micro, Small And Medium Enterprises (Businesses) To GDP

It is an established fact globally that the Micro, Small, and Medium Enterprises sector is a key engine to economic growth and development. This sector is responsible for most of the advances in new products and process, provides most of the employment opportunities but is also a key indicator of the overall performance of an economy. The dynamic nature of this sector also makes it vulnerable to a high mortality rate occasioned by sudden shifts in economic policy, global trends, global shocks in international markets and many unforeseen situations. The lean nature and size of this sector, which underscores its vulnerability, is also its key asset. It is flexible and can easily rise up to and adapt to sudden change in situations

locally and globally. Below is the table of Micro, Small, and Medium Enterprises contributions to National Gross Domestic Product (Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) and the National Bureau of Statistics (NBS) conducted this national survey, (2013)

Table 1: MSMEs Contribution to National GDP in 2013

ACTIVITY SECTOR		MICRO	SMALL	MEDIUM	TOTAL
1	Agriculture	86.53	6.53	3.95	97.01
2	Mining and Quarrying	0.28	0.39	3.60	4.27
3	Manufacturing	14.28	21.27	19.98	55.53
4	Water supply, sewage, Waste management and Remediation	25.44	6.63	2.51	34.57
5	Construction	0.52	2.02	7.68	10.22
6	Trade	36.34	14.39	8.68	59.41
7	Accommodation and Food Services	4.23	27.98	13.68	45.90
8	Transportation and Storage	50.73	5.60	12.03	68.36
9	Information and Communication	0.00	2.38	9.57	11.95
10	Arts, Entertainment and Recreation	47.35	28.20	22.26	97.82
11	Finance and Insurance	1.05	1.39	3.69	6.13
12	Real Estate	31.00	13.25	11.29	55.55
13	Profession, Scientific and Technical Services	13.25	2.08	5.28	20.61
14	Administrative & Support Services	8.55	15.20	65.76	89.51
15	Education	2.09	14.69	24.48	41.26
16	Human health and social Services	18.24	20.06	20.96	59.25
17	Other Services	80.76	17.01	2.23	100.00

Impact of COVID-19 on MSMEs in Nigeria

The coronavirus pandemic has affected the economy greatly. The twin shocks will have high velocity impact on businesses in Nigeria (KPMG Advisory Services, 2020). Ogbonna, (2020) posited despite the huge monetary donations from local and foreign donors towards fighting the pandemic, the situation has not improved in Nigeria. The government claimed to have the capacity to manage the economy under lockdown and contain the virus without vaccine, why the unjustifiable increase in the prices of domestic commodities and goods in Nigeria; why is corruption taking a different dimension and the daily index figures accelerating in a geometric progression.

The Twin Shocks will have high-velocity impacts on businesses

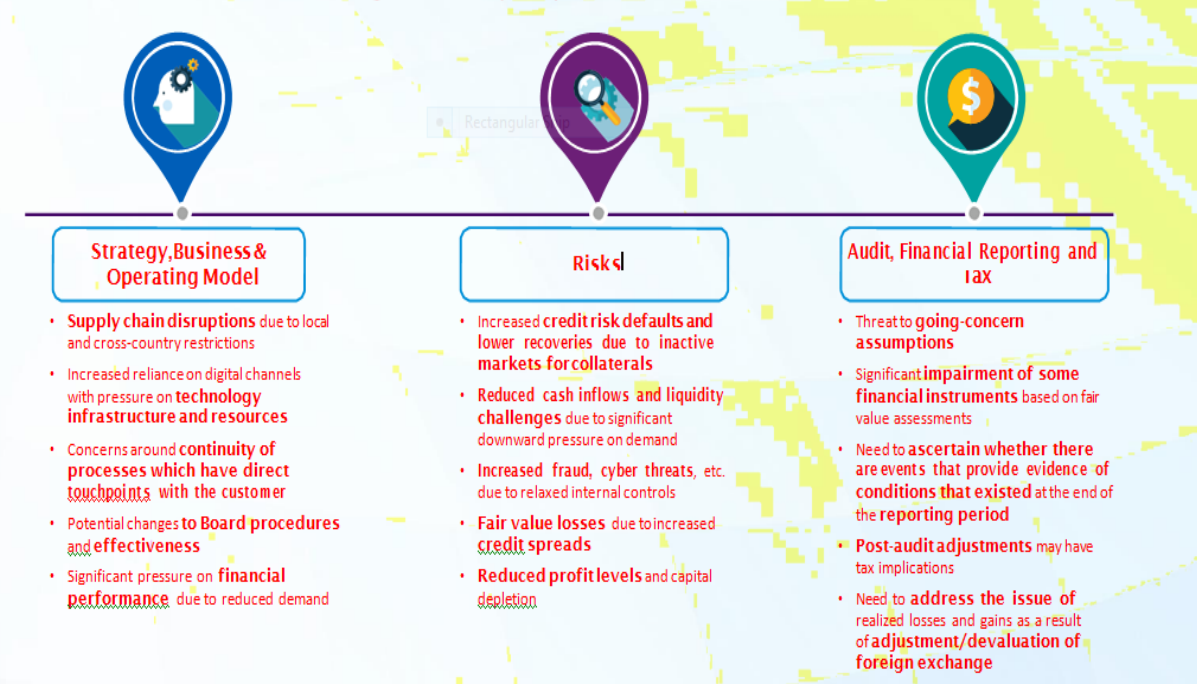


Figure 2: The Twin Shocks Will Have High Velocity Impact On Business (KPMG Advisory Services, 2020)

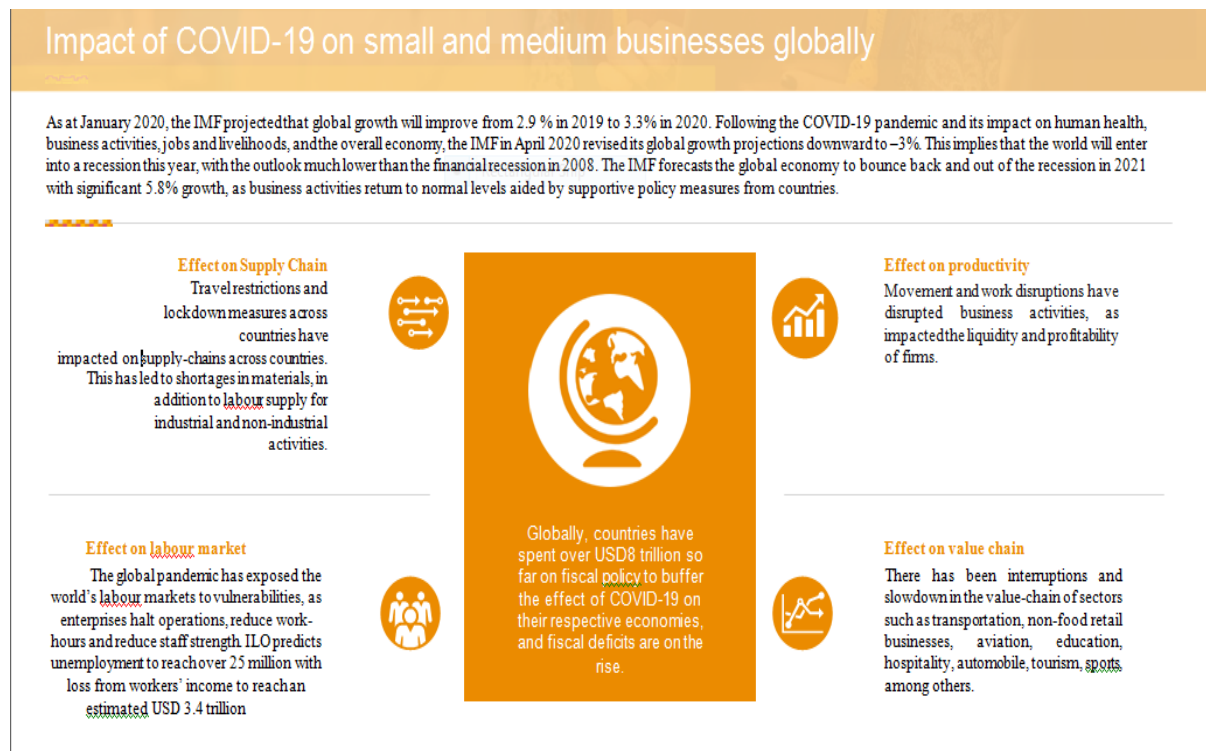


Figure 4: Impact of COVID-19 on small and medium business globally (KPMG Advisory Services, 2020)

Impact of COVID-19 on MSMEs in Nigeria

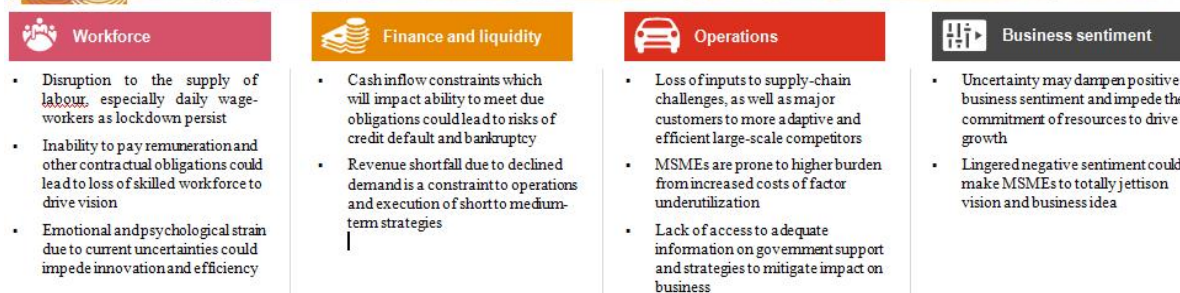


Figure 5: Impact of COVID-19 on micro, small and medium enterprises in Nigeria (KPMG Advisory Services, 2020)

Nigerian Emergency Economic Stimulus Bill: All You Need To Know

Below are some of the Nigerian Emergency Economic Stimulus Bill which will affect MSMEs (Icgl.com, 2020)

1. What is the Objective of the Bill and the Implication on MSMEs. The Bill aims to: Provide temporary relief to companies and individuals to alleviate the adverse financial consequences of a slowdown in economic and business activities caused by COVID-19.
2. Protect the employment status of Nigerians who might otherwise become unemployed as a consequence of management decision to retrench personnel in response to the prevailing economic realities.
3. Provide a moratorium on mortgage obligations for individuals at a time of widespread economic uncertainty
4. Eliminate additional fiscal bottleneck on the importation of medical equipment, medication, personal protection equipment and other such medical necessities as may be required treatment and management of the COVID-19 pandemic in Nigeria, to ease the burden of importation and financial burden thereby fostering easier access and reduction in the price; and
5. Cater for the general financial wellbeing of Nigerians pending the eradication of the pandemic and a return to economic stability.

How does The Bill Aim To Achieve Its Objectives?

The Bill aims to achieve its objectives by (i) providing a tax rebate for employers and business owners; (ii) deferring the payment of mortgages under the National Housing Fund; and (iii) waiving the import duties on medicines and medical goods. These measures are explained below (Icgl.com, 2020)

Rate Of Tax And Special Rebate

The Bill provides for a 50% income tax rebate on the actual amount due or paid as Pay As You Earn Tax under the Personal Income Tax Act by employers. However, for an employer to enjoy the tax rebate, the employer must (i) be registered under the Companies and Allied

Matters Act (CAMA); and (ii) ensure that it maintains the same employee workforce status without retrenching any staff member employed as at 1st March, 2020 which is (the proposed date of commencement of the law) until the rest of the year ending 31 December 2020.

Deferral Of Payment Of Mortgages Under The National Housing Fund

The Bill proposes that all payment of mortgage obligations on residential mortgages obtained by individual contributors to the National Housing Fund be deferred for a period of One hundred and eighty (180) days subject to a majority vote by members of the National Assembly.

Import Duty Waiver On Medicines And Medical Goods

The Bill also proposes a waiver of import duties on medical equipment, medicines, personal protection equipment and other such medical necessities as may be required for the treatment and management of the COVID-19 disease in Nigeria.

Other Provisions

The Minister of Health is empowered to specify such goods that qualify for the waiver and where the pandemic extends beyond 31 December 2020, the president is empowered to extend the rebate period, the period for the deferral of payment of mortgage under the National Housing Fund and the period for the waiver of import duties on medicines and medical goods subject however to ratification by a majority of the members of the National Assembly(Iclg.com, 2020)

Key Insights, Consideration And Strategies For COVID-19 Response In Nigeria

The recent oil prices shocks and pandemic have anchored the plunge of global economic performance, particularly in externally-dependent economies. As an economy dependent on oil-earnings and forex supply, Nigeria assumes a vulnerable position to the dwindling effect of these major externalities. Some fiscal policies have been put in place to ease the effect of the pressures, however, here are some key strategies which MSMEs can adopt to reposition themselves for resilience (Pwc.com. 2020):

- Take actionable steps to ensure health, safety and well-being of workforce to sustain productivity and ensure innovative feedback.
- Strengthen cyber security platforms to minimize fraud and enhance information security and privacy of documents and internal resources.
- Ensure high-level prudence of corporate spending and reduce unnecessary recurrent costs.
- Adopt local quality materials as substitutes for imports in the short-term
- Organize virtual training on technology tools and usage to up skill and improve staff skills
- Strategize to meet current customer needs and enhance customer satisfaction via alternative and efficient communication channels
- Stay informed and abreast of industry insights and related information that could enhance and improve strategies to mitigate risks and access new opportunities
- Take up low-risk investments if necessary
- Review workforce locations and travel; know exactly where staff are and how many workers are in affected areas
- Build resilience through investment in technology to propel business activities and serve clients better
- Intentionally enhance systems and processes for resilience, and to weather any further unprecedented occurrences.

- Make clear policies to address absence due to sickness or caring for relatives, and protocol for visitors to company sites
- Revisit the business's crisis and continuity plans. Generic plans may be tailored to cope with specific challenges from the pandemic.
- Make adequate plans for resources and communications with employees
- Use scenario analysis; identify weaknesses, best- and worst-case scenarios, and proper coping mechanisms.
- Evaluate supply chain and create alternative supply sources

Recommendations for Business/Operations

Recommendations for Business/Operations (Pwc.com. 2020)

Sector	Supply Side	Demand Side
Transport	<ul style="list-style-type: none"> ▪ Define specific guidelines on intra/ interstate travels to minimize threat of delays crossing through borders. ▪ Implement security measures for goods-in-transit (GIT) to safeguard against delays, theft etc. ▪ Introduce and enforce GIT insurance including technology enabled tracking devices for goods. ▪ Ensure fair pricing of services ▪ Define policy for social distancing and hygienic interaction e.g., use of facial masks and hand-gloves 	<ul style="list-style-type: none"> ▪ Adopt digital base to reduce physical interactions and promote seamless operations. ▪ Extend credit facilities to support customers with cash flow challenges. ▪ Sensitize customers on possible price fluctuations and disruption in services ▪ Implement policies for social distancing and hygienic interactions e.g., use of facial masks and hand-gloves
Oil & Gas	<ul style="list-style-type: none"> ▪ Consider hedging against price fluctuations of output ▪ Deploy effective hedging mechanisms for foreign currencies to avoid disruption in products procurement ▪ Introduce cost optimization measures to cushion the effect of oil-price reduction on cash flow. ▪ Engage with trade unions to proactively manage employee expectations 	<ul style="list-style-type: none"> ▪ Sensitize customers on possible price fluctuations driven by market forces. ▪ Optimize delivery channels to enhance patronage. ▪ Extend credit facilities to support customers with cash flow challenges. ▪ Implement policies for social distancing and hygienic interaction

	<p>ns.</p> <ul style="list-style-type: none"> ▪ Defer non-critical CAPEX investments to ensure effective management of cashflow/liquidity. ▪ Define and roll-out policy for social distancing and hygienic interactions e.g., use of safety and protective equipment. 	<p>eractions e.g., use of safety and protective equipment</p>
<p>Power</p>	<ul style="list-style-type: none"> ▪ Prioritize power supply to areas housing critical facilities e.g., Hospitals, isolation-centers as well as to sectors with growth potentials such as ICT, Foods, Health, etc. ▪ Postponement of non-essential maintenance. ▪ Implement measures to manage demand volatility and large scale power outages. ▪ Campaigns for revenue collection through digital means (where collection is possible). ▪ Define pre-paid meter installation protocol to include minimal interaction with households during installation. Sensitize the public on the advantages of being metered, to significantly increase meter installation and thereby minimize collection losses. ▪ Define policy for social distancing and hygienic interaction e.g., use of safety and protective equipment. ▪ Source for funding/grants from multilateral agencies at concessionary rates to fund critical projects aimed at 	<ul style="list-style-type: none"> ▪ Adopt digital base to reduce physical interactions and promote seamless operations. ▪ Sensitize customers on effective usage of power ▪ Provisions of rapid response team for maintenance of facilities to minimize service disruption ▪ Create more awareness on planned service disruption to avoid unnecessary panic. Implement policies for social distancing and hygienic interaction e.g., use of safety and protective equipment

<p>Construction & Real Estate</p>	<p>improving powersupply</p> <ul style="list-style-type: none"> ▪ Source construction and building materials locally. ▪ Loan/funding agreement restructuring. ▪ Utilization of Government's funding to the sector to aid completion of ongoing projects. ▪ Deploy enterprise services to improve operations, processes and asset optimization e.g. video recordings of the properties and its environment to replace actual property visitation 	<ul style="list-style-type: none"> ▪ Renegotiate contract timelines and customers' payment terms. ▪ Develop a flexible payment plan for customers with cash flow constraints. ▪ Offer temporary rental rebates and discounts to encourage early payments ▪ Review contract provisions to identify areas related to unforeseen events, delays and force majeure that deserves special attention. ▪ Review of current insurance policies to ascertain if appropriate coverage for losses are available.
<p>Telecommunications & Media</p>	<ul style="list-style-type: none"> ▪ Review and restructure service supply contract with internet, bandwidth and mobile devices providers to meet demand ▪ Investment in technology will help balance the need for the labour force such as automated call centres/self help desks ▪ Use analytics to identify customers most likely to be affected and develop proactive communication plans to keep them informed of policy changes and service disruptions. ▪ Consider provision of remote working arrangement as opposed to the cost of running a full office ▪ Running shift systems for employees while 	<ul style="list-style-type: none"> ▪ Competitive pricing will also help sway/retain customers ▪ Assess fee schedules in light of service disruptions resulting from increased customer demand. ▪ Develop remote processes for providing services to client. ▪ Develop a value proposition and flexible service plan for customers with suspended service and intending customers.

	<p>working with the government on measures to ensure employeesafety</p> <ul style="list-style-type: none"> ▪ Re-assess supply chain to uncover weak links, especially in affected areas 	
Trade	<ul style="list-style-type: none"> ▪ Regularlyrealignsupplywithdemand,andprioritizeproductsin demand. ▪ Review existing incentives from suppliers and negotiate more attractive prices, in line with prevailing economicrealities. ▪ Search for viable local substitutes for importedgoods. ▪ Review credit sales strategy and ensure effective management of liquidityrisk. ▪ Protectfront-lineworkersfromexposuretoCOVID-19andensuresafehandlingof inputs. ▪ Renegotiate contracts with keyvendors ▪ Access government support schemes for small and medium scale enterprisesthrough low/zero interest loans, tax incentives as well as emergency funds to boost cashflow ▪ Adoptabulkpurchaseapproachtoreducethepricingofmaterials 	<ul style="list-style-type: none"> ▪ Developgoodpricingsystemthatreflectstheprevailing market dynamics. ▪ Review sales and marketing strategy to ensure that it alignswithcurrentrealities,leverage technologyand social media, reaches target audience, and improves customer engagement andloyalty. ▪ Use e-commerce channels to meet demand and consider strategic alliance with credible transporters/logistic companies.
Agriculture	<ul style="list-style-type: none"> ▪ Apply for available government funding and support (e.g. by way of agriculturalinputs such as fertilizers and seedlings). ▪ Search for viable local substitutes for 	<ul style="list-style-type: none"> ▪ Developgoodpricingsystemthatreflectstheprevailing market dynamics. ▪ Review sales and marketing strategy to ensure that it alignswithcurrentrealities,leverage technology

	<p>imported inputs.</p> <ul style="list-style-type: none"> ▪ Cultivate crops (projected to be) in high demand. ▪ Consider value-adding synergies with credible and like-minded players to expand cultivation and achieve economies of scale. ▪ Review credit strategy and ensure effective management of liquidity risk. ▪ Consider re-negotiating logistics arrangements with respect to fertilizer, fuel and other inputs to ensure timely delivery. ▪ Protect front-line workers from exposure to COVID-19 and ensure safe handling of inputs. 	<p>and social media, reaches target audience, and improves customer engagement and loyalty.</p> <ul style="list-style-type: none"> ▪ Use e-commerce channels to meet demand and consider strategic alliance with credible transporters/logistic companies and food processing companies/eateries. ▪ Liaise with relevant government agencies to advocate for the deployment of central collection centres in various states/local government
<p>Manufacturing</p>	<ul style="list-style-type: none"> ▪ Explore alternative financing options/restructuring plans with investors/ financiers ▪ Complement the distributor network with direct-to-consumer strategies in order to ensure constant supply of products and enhance profitability ▪ Source raw materials locally to cushion scarcity of required materials to reduce the cost ▪ Identify alternative suppliers in non-impacted regions of the world ▪ Consider backward integration, where possible ▪ Increase use of local workforce (where possible) to meet demands and timelines ▪ Ensure continuous assessment and response to competitive intelligence ▪ Hedge against foreign 	<ul style="list-style-type: none"> ▪ Provide incentives such as price discounts to spur discretionary spend ▪ Take the pulse of your customers, thinking through longer-term considerations around shifts in core markets or business models as a result of the pandemic ▪ Establish plan for sales events to offload excess stock ▪ Maintain discounting discipline by considering flexible terms and conditions, generous return policies, or including additional services to increase your total value proposition. ▪ Deployment of technology and digital solutions i.e. drone sales reducing human contact as well as electronic ordering systems

	currency liabilities and other exposures	
Hospitality	<ul style="list-style-type: none"> ▪ Postpone expansion or renovation plans as this may not be essential for business survival. ▪ Use flexible vendors and flexible contract terms with value proposition. ▪ Minimize all discretionary operational and capital expenditure. Reconsider or postpone maintenance and other capital expenditure where possible to conserve cash. <p>Renegotiate credit terms and pricing with key vendors and lenders</p>	<ul style="list-style-type: none"> ▪ Develop a flexible pricing system in light of the reduced cash flow that would characterize the post COVID-19 era. ▪ Relook value proposition by providing more complimentary services ▪ Diversify marketing activities to attract new customers. ▪ Offer guests different options for cancellation to retain customers in the long-term. ▪ Consider meal delivery service from restaurants to manage costs and boost revenue ▪ Attract millennial travelers as they are more adventurous and are taking advantage of currently low prices.
Health	<ul style="list-style-type: none"> ▪ Focus on increasing operational efficiency and productivity to reduce expenditure and increase liquidity by delivering health services virtually through mobile and digital platforms. This should include training and retooling of staff for digital work ▪ Put in place strategies and procedures to ensure safety of the health workers and patients e.g. fully insulated testing and patient contact centers for COVID 19 and other diseases. This will limit the possibility of disease transmission via physical contact with patients, etc. ▪ Build redundancies into supply lines for hospital consumables to minimize service 	<ul style="list-style-type: none"> ▪ Sensitize customers to the availability of health care services such as telemedicine and other digital channels. Incentivize customers to use these services by offering discounts and promotions. ▪ Digitize patients records in a shared database so health care providers can have a complete view of a patient's medical history and records to aid critical decision making and promote the safety of health workers. <p>Explore innovative health payment plans/interventions for patients who cannot pay market rates for health services or do not have insurance coverage but require healthcare in the interest</p>

	<p>quality degradation due to the failure of a supplier to deliver. For example establish alternative local sources for imported consumables such as PPEs, chemicals, drugs</p> <ul style="list-style-type: none"> ▪ Develop data management and analytics capabilities to guide the processing of healthcare and patient data so that hospitals can provide evidence based, smart, responsive and proactive medical interventions. ▪ Ensure the availability of insurance cover for high risk public health workers and events. ▪ Government should encourage innovative platforms for healthcare providers, industry players and educational institutions to engage in information sharing and collaboration. <p>Modify existing business models to allow delivery of drugs and medical supplies to patients at home using drones and other delivery vehicles to reduce human-to-human contact and increase speed of delivery</p>	<p>of public health.</p>
<p>Education</p>	<ul style="list-style-type: none"> ▪ Invest in technology tools especially laptops in bulk to forestall price increases that may result from foreign exchange fluctuations. ▪ Seek alternate sources of power such as Solar and Inverters to 	<ul style="list-style-type: none"> ▪ Schools should look to shift some modules/subjects to purely online post the COVID-19 pandemic. <p>Schools may also explore partnerships and alliances with global schools, universities and business schools in a bid to</p>

	<p>minimise cost of power in this current season</p> <ul style="list-style-type: none"> ▪ Seek loans to meet obligations for staff salary and other fixed operating costs, or restructure loans in anticipation of improved cash flows when schools and tertiary institutions resumes <p>Educational institutions may also consider mergers and acquisitions in the long-term. Schools will benefit from improved economies of scale (buildings, shared services, staff skills etc.)</p>	<p>provide value adding services to existing students. It will serve as a marketing tool to engage new/prospective students.</p>
<p>Financial Services</p>	<ul style="list-style-type: none"> ▪ Players in the sector will be required to find alternative investments for idle cash. ▪ Engage consultants to perform a diagnostic review of relevant industries in order to identify sectors that would be on an upward trajectory post-COVID and deploy excess liquidity to such sectors. ▪ Optimise available business channels and invest more in technology in order to maximise profits post-COVID. ▪ Review end-to-end value chain to implement stringent cost management strategies to ensure survival ▪ Engage consultants to implement sustainable cost optimization strategies ▪ Plan for mergers and acquisitions post-COVID, where necessary ▪ Invest in innovative contactless payments solutions and customer 	<ul style="list-style-type: none"> ▪ Early detection of impairment on portfolios and engage in remediations ▪ Improve on bouquet of digital offerings and deploy dedicated help lines to key clients ▪ Engage customers through various communication channels to reinforce messaging that their banking service provider has the capacity to weather the shock. ▪ Improved apps / website features ▪ Support customer-facing teams to deliver consistent customer experience by equipping them with adequate remote working facilities / infrastructure. ▪ Automate as many transaction channels as possible e.g. account opening, due diligence procedures

	<p>interaction channels which should align with new customer expectations</p> <ul style="list-style-type: none"> ▪ Improved apps / website features ▪ Develop innovative products and solutions for SMEs such as integrated payment and book-keeping platforms ▪ On-going cyber and fraud monitoring <p>Provide adequate support for remote working for staff</p>	<p>(Know-Your-Customer), share purchase, etc.</p> <p>Sensitise customers on the use of digital and technological channels</p>
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Some Of The findings Of The Study

From the reviewed qualitative and quantitative literatures as well as the views of the researchers below are some of the findings:

1. The novel coronavirus (COVID-19) disease was first identified in Wuhan, a city in China late 2019 and spread rapidly to almost every region of the world, it noted February 27, 2020 in Nigeria (Aifuwa, Saidu&Aifuwa, 2020).
2. There is no cure for COVID-19 pandemic but governments of nations are using different measures and strategies to contain COVID-19 spread. Containment measures and strategies adopted were (frequent washing of hands, keeping good hygiene, social distancing, use of face mask in public place and hand sanitizers (Ukata&Onuekwa, 2020).
3. The symptoms of the virus on infected individuals include, fever, cough, shortness of breath or difficulty breathing, chill, repeated shaking with chill, muscle pain, headache, sore throat, and recently, loss of taste or smell (World Health Organisation, n.d).
4. MSMEs in Nigeria prior to the COVID-19 era faced challenge of infrastructure, poor financial support and credit environment, top levels of unskilled workforce and low investment opportunities (Oyelaran-Oyeyinka, 2020)..
5. In the COVID-19 era, MSMEs are the most vulnerable sector in the Nigerian economy with little or no help from the federal government. COVID-19 has impacted very negatively on MSMEs more than ever before(Oyelaran-Oyeyinka, 2020)..
6. MSMEs sectors and business ownership are Manufacturing, Wholesale and Retail trade; Repairs of Motor Vehicles and MotorCycles. Others are Accommodation and Food serviceActivities, Mining and Quarrying, Construction, Water Supply; Sewerage, Waste Management andRemediation, Agriculture, Forestry, Fishing andHunting. Others include: Transport andStorage, Information and Communication, Administrative and Support ServicesActivities, Education, Art Entertainment, Recreation were seriously affected by COVID-19 pandemic(Smedan.gov.ng, 2013)..
7. Micro, small and medium scale enterprises (MSMEs) in Nigeria have contributed about 48% of the national GDP in the last five years. They accounted for about 50% of industrial jobs and nearly 90% of the manufacturing sector, in terms of number of enterprises (Pwc.com, 2020)
8. There are about 41, 643, 028 Micro and Small Medium Enterprises in Nigeria

9. COVID-19 pandemic has negative multiple impact on MSMEs which include labour market, supply chain, productivity and value chain, finance and liquidity, workforce, operations and business sentiment(KPMG Advisory Services, 2020).
10. Nigerian government enacted Nigerian Emergency Economic Stimulus Bill to assist MSMEs in cushioning the negative impact of coronavirus pandemic (Ogbonna, 2020).
11. There are key insights, consideration and strategies for COVID-19 response in Nigeria suggested to MSMEs operators with recommendations for operations (KPMG Advisory Services, 2020)

Implication Of The Study

From the findings of this study, it implies that coronavirus pandemic without cure has impacted negatively on MSMEs in Nigeria. It also imply that if Nigerian Emergency Economic Stimulus Bill content of 2020 is properly implemented as well as the key insights, consideration and strategies for COVID-19 response in Nigeria as suggested to MSMEs operators with recommendations for operations MSMEs may bounce back and contribute greatly to Nigeria economy. The above may also serve as ways of minimizing the negative impact of COVID-19 on MSMEs in Nigeria.

Conclusion

From the findings and implication of this study, it is concluded that coronavirus has impacted negatively on MSMEs but if the Nigerian Emergency Economic Stimulus Bill content of 2020 is properly implemented as well as the key insights, consideration and strategies for COVID-19 response in Nigeria as suggested to MSMEs operators, the impact will be greatly minimized.

Recommendations For Policy Makers, MSMEs And Stakeholders

1. Governments and other concern agencies should find cure for coronavirus pandemic to reduce its various impacts on human and the economies.
2. Nigerian Emergency Economic Stimulus Bill content of 2020 should be properly implemented, including key insights, consideration and strategies for COVID-19 response in Nigeria.
3. MSMEs operators should take advantage of the Nigerian Emergency Economic Stimulus Bill content
4. The negative impact of lockdown on the MSMEs and individuals were much, governments should ease the lockdown with good measure in place so that people may return to businesses

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