

The level of fear of Corona-Virus Disease (COVID-19) among citizens and its effect on SMSE in Lagos State

Oluwole Victor Falobi¹, Lawrence Olusola Ige², Toyosi Sijuade Olugbenle³, Christopher Dike⁴

¹²³⁴University of Lagos. Yaba, Lagos, Nigeria

¹²³⁴ofalobi@unilag.edu.ng

Artikel history

Received	Revised	Accepted	Published
2023-01-03	2023-01-15	2023-02-01	2023-02-28

Keyword :

Assessment,
Business, Covid-
19, Epidemic,
Impact, SMSE

Abstract

The study assessed the level of fear of nimbus-contagion (Covid -19) among citizens and its effect on SMSE in Lagos State. The outbreak of the nimbus-contagion disease in Nigeria has increased the tension and anxiety among citizens. The researchers believe it could trigger some adverse effects on small and medium-scale enterprises in Lagos state. A descriptive research strategy was used for the study. A self-structured questionnaire, a four-point Likert scale, was used as the instrument for data collection. One Hundred (100) participants were aimlessly named as the sample size for the study. The questionnaire has sections; section A comprises demographic data of the participants, while section B was used to evoke responses from the participants grounded on the research questions. Analysis was done using frequency counts, percentage of chance, mean, and standard deviation, while T-test was used to test the two (2) hypotheses at 0.05 level of significance. The findings discovered that: the impact of corona-virus disease (COVID-19) on SMSE in Lagos State is high; it was also revealed that the level of fear of corona-virus disease (COVID-19) among citizens and the effect on SMSE in Lagos State is high. It was recommended that Measures should be put in place for the future occurrence of any pandemic; Online sales and services should be encouraged for business owners and consumers; the Company should encourage online engagement of clients than simple office calls; Saving culture should be encouraged for future purposes.

How to cite: Falobi, V.O., Ige, L.O., Olugbenle, T.S., Dike, C. (2023). The level of fear of Corona-Virus Disease (COVID-19) among citizens and its effect on SMSE in Lagos State. *Insight: Jurnal Ilmiah Psikologi*, 25(1), 60-69. doi: <https://doi.org/10.26486/psikologi.v25i1.2710>

INTRODUCTION

It is egregious that the COVID-19 epidemic brings unknown challenges to the world's economy. Demand for numerous goods and services has dropped intensively, while some entrepreneurs either have a shortage or are overwhelmed. In Nigeria and worldwide, borders are being closed, and societies have to change how they live. As countries come under quarantine orders and consumers around the world, try to reduce physical contact, manufacturers need to know that their response to the new COVID-19 Epidemic will have a significant impact on their business. Those that respond by rising to the occasion would seek innovative ways of dealing with the situation, while those who reply may struggle with conforming to the change; they need to keep producing to remain profitable and flexible in these times because various kinds of

chops are demanded to keep individual abreast of ultramodern changes in time of need (Falobi, 2022).

The outbreak of coronavirus disease in Nigeria has increased the tension and anxiety among citizens and has affected the operation of Small and Medium Scale Enterprises in Lagos. Many Small and Medium Scale Enterprises need help to operate due to the inability to obtain resources during this period.

The nimbus-contagion epidemic (Covid-19) is causing broad economy retrogression. Evidently, the pandemic negatively affected the employment rate and investment, which led to excellent trade that brought about substantial economic growth. This pandemic has increased movement restrictions; business investors are apprehensive about the consequences of Small & Medium-Scale-Enterprises (SMSE) in Lagos State, the commercial center of Nigeria. Small & Medium-Scale ventures in Lagos State will encounter significant difficulties in their day-to-day business transaction because of the increase in the costs-of-production (Chukwurah, 2011; Chinonye & Akinlabi, 2014; Gana. 2001).

The general objectives of the study are to assess the impact of corona-virus disease (COVID-19) on SMSE in Lagos State and to ascertain the level of fear of corona-virus disease (COVID-19) among citizens and the effect on SMSE in Lagos State. Sun Business Network (SBN) focuses on the effect of nimbus-contagion on Small & Medium Scale-Enterprises operating in Lagos State food companies. As the restrictions executed to reduce the spread of the contagion roll on, the medium to long-term impact on SMSE is fussing. There is concern about the negative consequences of the COVID-19 epidemic on companies in Lagos State food networks (Sun Business Network, 2020). These are the SMSE that produce, process, request, transport, and vend the food products and associated services that numerous people depend upon in Lagos State. The most unequivocal impacts are price shocks and food deaths for consumers who calculate on these SMSE, while bankruptcies and unemployment will be rampant in these formerly weak enterprises soonest (Adekoya & Aibangbee, 2020; Sun Business Network, 2020).

The SMSE surveyed in the report revealed penetrating inputs, particularly ranch products, were getting interference with business operations. Challenges in demand and force have also hindered the capability to repay loans and renew leases. The report added that as the level of manufacturing diminishments, money begins to get depleted.

However, some SMSE has started reducing their workforce (Falobi, Isola & Jacob, 2019, and in Oghojafor, Kuye, Sulaimon, & Okonji, 2009). Meanwhile, most Small-Scale companies have dropped the work hours and salaries of their Staff (SBN, 2020). As the study pointed out, the eventual outcome of this epidemic and economic lockdown is that the SMSE will have no

option but to sack all their Staff. This will likely be short-term if the situation does not ameliorate. The query in Lagos State fiscal request has consequences for the real economy, hence SMSE (Ekeruche, 2020).

Also, the most direct effect on SMSE will be due to the restriction of movement within Lagos and encyclopedically (Akanni & Gabriel, 2020). The temporary check of unnecessary enterprises will drop affairs and products (Olufemi, 2020). SMSE is floundering to survival business-wise, and economic development has been challenged because of the pandemic (Falobi & Ishola, 2020). The outbreak of nimbus-contagion in Nigeria increased the pressure and anxiety among citizens, and its effect on the operation of SMSE in Lagos State cannot be overemphasized. Numerous SMEs need help to operate due to the inability to obtain resources and raw tools during this period. Without the resources required for production in order to produce or provide services, numerous SMSE can slightly produce or render services. This study assessed the impact of nimbus-contagion (COVID-19) on SMSE in Lagos state. System Theory is relevant to this study because it will investigate phenomena from a holistic approach that will show the nature of the relationship among parts that lead to the realization of the expected output (Falobi, 2018; Peterman & Kennedy, 2003). The study will be helpful for SMEs, the government, investors, and consumers of goods.

METHOD

A descriptive survey research design was used to carry out this study. The study was carried out in Lagos State. The population of the study is all registered SMEs in the Somolu Local Government area of Lagos State. A proportionate simple random sampling technique was employed to select 100 registered SMSE within Lagos's Somolu Local Government area.

This technique is employed to ensure a reasonably equal representation of the variables for the study. The technique was based on SMSE in Lagos, and their productivity and profit margin during the pandemic were taken into consideration due to convenience for this research. An interview schedule was used as the data collection instrument for this study. The questionnaire was used during the interview to obtain information from business owners. The questionnaire was modified on a four-Likert scale of measurement - Strongly Agree, Agree, Disagree, Strongly Disagree. Descriptive statistics of frequency counts, percentage, mean, and standard deviation were used to analyze the researched questions, and T-test was used to test the hypotheses formulated. To ensure the reliability of the instrument, a test re-test was adopted. The researchers administered the instrument to 15 respondents who were not part of the sample and used an interval of two weeks. The two sets of scores were computerized using Pearson Product Moment Correlation Co-efficient. The reliability coefficient obtained was 0.87. The researchers

employed a face-to-face method in the administration of the instrument. The mean values of all the items in the table were added and divided by the number of items to interpret the result. This gave the weighted average mean value, which 4.00 is the maximum value that can be obtained. Any value of the weighted average mean that is between 0.00 and 2.44 was taken to stand for negative, while the one between 2.45 and 4.00 was taken to stand for Positive.

RESULTS AND DISCUSSION

The study's results were obtained from the research questions answered by the study, and two hypotheses were tested and analyzed.

Research Question 1: What is the impact of coronavirus disease (COVID-19) on SMSE in Lagos State?

Table 1: Impacts of Corona-Virus Disease (Covid-19) On SMSE

Items	SA	A	D	SD	Mean	Std. D
The outburst of the Coronavirus disease (Covid-19) has a positive effect on the operation of my business	6 (6.0)	7 (7.0)	24 (24.0)	63 (63.0)	1.56	.87
The Coronavirus disease (Covid-19) at first has a low negative impact on my business but after some months, the impact was huge	4 (4.0)	18 (18.0)	50 (50.0)	28 (28.0)	1.98	.79
During the pandemic, I did not retrench any of my employees	8 (8.0)	15 (15.0)	45 (45.0)	32 (32.0)	1.99	.89
Employed digital measures by encouraging my employees to work from home to reduce the spread of the virus	15 (15.0)	5 (5.0)	54 (54.0)	26 (26.0)	1.99	.78
Reduced the cost of operating my business in order to break even during the pandemic	16 (16.0)	37 (37.0)	46 (46.0)	1 (1.05)	1.81	.73
Weighted Average Mean					1.87	

N = 100

Key: 1 = Strongly Disagree, 2 = Disagree, 3 Agree, 4 = Strongly Agree

Decision Value: *Negative* = 0.00-2.44, *Positive* = 2.45-4.00

Table 1 shows the impacts of coronavirus disease (COVID-19) on SMSE in Lagos State. The table shows that the respondents disagreed with all the following items: The outburst of the Coronavirus disease (Covid-19) has a positive effect on the operation of my business ($\bar{x} = 1.56$), the Corona-virus disease (Covid-19) at first has a low negative impact on my business, but after

some months the impact was huge ($\bar{x} = 1.98$), during the pandemic, I did not retrench any of my employees ($\bar{x} = 1.99$), employed digital measures by encouraging my employees to work from home to reduce the spread of the virus ($\bar{x} = 1.99$) and reduced the cost of operating my business in order to break-even during the pandemic ($\bar{x} = 1.81$). Meanwhile, based on the value of the weighted average mean (1.87 out of 4.00) maximum value that can be obtained), which falls within the decision value of negative, it can be inferred that the impact of corona-virus disease (COVID-19) on SMSE in Somolu Local Government Area of Lagos State is high.

Research Question 2: What is the level of fear of coronavirus disease (COVID-19) among citizens and the effect on SMSE in Lagos State?

Table 2: Level of Fear of Corona-Virus Disease (Covid-19) Among Citizens and the Effect on SMSE

	SA	A	D	SD	Mean	Std. D
The fear of being arrested by law enforcement agencies during the pandemic made me cease the operation of my business	52 (52.0)	29 (29.0)	14 (14.0)	5 (5.0)	3.28	.89
Fully complied with the stay-at-home order by the government during the pandemic	35 (35.0)	50 (50.0)	13 (13.0)	2 (2.0)	3.18	.73
Adopted regular health monitoring system at the workplace to avoid the spread of the Coronavirus disease (Covid-19)	53 (53.0)	42 (42.0)	4 (4.0)	1 (1.0)	3.47	.63
Ensured that employees maintained social distancing	39 (39.0)	54 (54.0)	5 (5.0)	2 (2.0)	3.30	.66
I started operating from home after the extension of the lockdown	27 (27.0)	46 (46.0)	24 (24.0)	3 (3.0)	2.97	.80
Weighted Average Mean					3.24	

N = 100

Decision Value: *Low* = 0.00-2.44, *High* = 2.45-4.00

Table 2 shows citizens' fear of coronavirus disease (COVID-19) and its effect on SMSE. The table shows that the respondents agreed to the following items: The fear of being arrested by law enforcement agencies during the pandemic made me cease the operation of my business ($\bar{x} = 3.28$), Fully complied with the stay-at-home order by the government during the pandemic ($\bar{x} = 3.18$), Ensured that employees maintain social distancing ($\bar{x} = 3.30$) and started operating from home after the extension of the lockdown ($\bar{x} = 2.97$). Again, the respondents strongly

agreed to this item: Adopting regular health monitoring system at the workplace to avoid the spread of the Coronavirus disease (Covid-19 ($\bar{x} = 3.47$). Meanwhile, based on the value of the weighted average mean (3.24 out of 4.00 maximum value that can be obtained), which falls within the decision value of positive, it can be inferred that the level of fear of corona-virus disease (COVID-19) among citizens and the effect on SMSE in Somolu Local Government Area of Lagos State is high.

Hypotheses Testing

Ho1: There is no significant difference in the impact of COVID-19 on SMSE in Lagos State.

Table 3: Summary of T-test Showing Difference in the Impact of COVID-19 on SMSE

Test Variable (Impact of COVID-19)	Grouping Variable (Business Type)	N	Mean	Std. D	Df	T	Sig (p)	Remark
OTM Competences	Small Scale	6	9.33	2.36	98	-009	.059	Not Significant
	Enterprises	4						
	Medium Scale	3	9.33	3.13				
	Enterprise	6						

Table 3 shows the significant difference in the impact of COVID-19 on SMSE in Lagos State. The table shows that the mean score for the small-scale Enterprises was 9.33, while that of the medium scale was 9.33. These mean values reveal no appreciable difference. Thus, there is no significant difference in the impact of COVID-19 on SMSE in the Somolu Local Government Area of Lagos State (df = 98; t = -009; p < 0.05). Hence, we accept the null hypothesis. Based on this result, COVID-19 had the same impacts on small-scale and medium-scale enterprises in the Somolu Local Government Area of Lagos State.

Ho2: There is no significant difference in the level of fear of SMSE during the COVID-19 pandemic in Lagos State.

Table 4: Summary of T-test Showing Difference in the Level of Fear of SMSE on (COVID-19)

Test Variable (Level of Fear)	Grouping Variable (Business Type)	Pandemic						
		N	Mean	Std. D	Df	T	Sig (p)	Remark
Level of Fear	Small Scale Enterprises	64	16.20	2.23	98	.018	.220	
	Medium Scale	36	16.19	2.40				

Enterprise	Not Significant
------------	--------------------

Table 4 shows the significant difference in the level of fear of SMSE during the COVID-19 pandemic in Lagos State. The table shows that the mean score for the small-scale Enterprises was 16.20, while that of the medium scale was 16.19. These mean values reveal no appreciable difference. Thus, there is no significant difference in the level of fear of SMSE during the COVID-19 pandemic in the Somolu Local Government Area of Lagos State ($df = 98$; $t = .018$; $p < 0.05$). Hence, hypothesis 2 is accepted. Based on this result, both small-scale and medium-scale enterprises had a level of fear for the COVID-19 pandemic in the Somolu Local Government Area of Lagos State.

The findings of the study revealed that the impact of coronavirus disease (COVID-19) on SMSE in Somolu Local Government Area of Lagos State is negative; this finding aligns with Akanni & Gabriel (2020) that opined that small and medium-scale enterprises' business profit would be at negative. It was revealed that the level of fear of corona-virus disease (COVID-19) among citizens and the effect on SMSE in Somolu Local Government Area of Lagos State is high; this finding conformed to Adekoya & Aibangee (2020) and Adekoya & Aibangbee (2020) that opined that Covid-19 had created unprecedented fear to masses.

In addition, it was revealed that there is no significant difference in the impact of COVID-19 on SMSE in Somolu Local Government Area of Lagos State, and there is no significant difference in the level of fear of SMSE on COVID-19 pandemic in Somolu Local Government Area of Lagos State.

CONCLUSION

This study's findings have clearly shown how the COVID-19 pandemic has affected SMSE in Lagos State. The study suggests that the pandemic and the governmental mobility restriction, i.e. (partial and total lockdown) have had significant effects on SMSE in Lagos State.

The lockdown has resulted in an extreme decrease in the demand and supply rate of some products, which has resulted in high inflation. Whereas some businesses are also doing well during the period, primarily businesses involved in rendering services such as supermarkets, restaurants, delivery services, gifts, and surprise services. This is the state SMSE finds themselves in the light of the global pandemic in Lagos State. The pandemic has caused the government, investors, and businesses more adversity than good. In light of this, there should be room for business continuity. The researchers recommend that measures should be put in place for the future occurrence of any pandemic; Online sales and services should be encouraged for business owners and consumers; Government should stand to help SMEs whenever there is any

pandemic; Company should encourage online engagement of clients than simple office call; Saving culture should be encouraged for future purposes.

REFERENCES

- Abideen, S. O. (2020). Corona-virus (COVID-19) and the survival of small and medium enterprises. *Scholars Journal of Economics, Business and Management*, 7(6), 209-214.
- Abosede et al., (2013). Entrepreneurship, economic development, and inclusive growth. *International Journal of Social Sciences and Entrepreneurship*, 1(3), 375-387.
- Adesoji O. F. & Simplice A. A. (2020). The economic consequences of the Covid-19 Pandemic in Nigeria. *2020 European Xtramile Centre of African Studies WP/20/042*
- Adekoya, O., Aibangbee, R. (2020). Covid-19 economic downturn-the implication for corporate debts and recovery actions in Nigeria. SSRN Electron. J. <https://doi.org/10.2139/ssrn.3583053>
- Akanni, L., & Gabriel, S. (2020). The implication of (COVID-19) on the Nigerian economy. *Centre for the Study of the Economies of Africa (CSEA)*. Accessed on April 15th 2022.
- Akpoveta, A., Joy, O., (2020). COVID-19 Pandemic: Nigeria's Economic and Business Disruptions 19. <https://doi.org/10.2705/isjassr.v2i4.45>
- Alaye-Ogan, E. (2012). *A practical guide to running successful small businesses in Nigeria*. Lambert Academic Publishing.
- Capo, B. (2013). The digital story: Designing professional development in technology integration for teachers. *International Journal of Designs for Learning*, 4(1), 25-38.
- Chinonye, I.M., & Akinlabi, M. (2014). Entrepreneurship curriculum and pedagogical challenges in captivating students' interest towards entrepreneurship education. *Research Journal of Economics and Business Studies*, 4(1), 1-11.
- Chukwurah, C.C. (2011). Strategies for global reforms in business teacher education towards self-reliance in Nigeria. *International Journal of Vocational Technology Education*, 3(4), 45-48.
- Creswell, J. W., & Poth, C. N. (2018). *Qualitative inquiry and research design: Choosing among five approaches*. Thousand Oaks, CA: Sage Publications.
- Ekeruche, M.A. (2020). The impact of COVID-19 on Nigeria's economy. Document: URL /article/the-impact- of-covid-19-on-nigerias-economy (accessed 6.30.20).
- Falobi, O.V., Ishola, N.A., & Jacob, R.P. (2019). Entrepreneurial competencies needed by business education students in establishing small scale ventures in Lagos State Nigeria. *Unilag Journal of Curriculum and Instruction*, 1(1), 97-103.

- Falobi, O.V. (2022). Entrepreneurial skills acquisition among business education students of universities in southern Nigeria: Constraints and solutions. *Zamfara International Journal of Education*, 2(1), 31-37.
- Falobi, O.V. (2019). Assessment of entrepreneurial skills needed by business education students to be self-reliant in colleges of education in Lagos. *Port Harcourt Journal of Educational Studies*, 4(1), 294-301.
- Falobi, O.V., Ishola, N.A., & Jacob, R.P. (2019). Entrepreneurial competencies needed by business education students in establishing small scale ventures in Lagos state Nigeria. *Unilag Journal of Curriculum and Instruction*, 1(1), 97-103.
- Gabadeen, W.O., & Raimi, L. (2012). Management of entrepreneurship education in Nigeria higher institutions: Issues, challenges and way forward. *Abuja International Journal of Education and Management Sciences (ABIJEMS)*, 1-29.
- Gana, J.S.S. (2001). *Entrepreneurship*. Kaduna: Jofegan Associates.
- Ige, L.O., Obashoro-John, O., & Falobi, O.V. (2022). Transition of young adults from higher education to labour market in Nigeria. *International Journal of Adult Education and Community Services*, 2(3), 16-32.
- Ishola, N.A., & Falobi, O.V. (2021). Instructional resources and self-employment skills development of upper basic business studies students in Lagos State. *Potchefstroom Journal of Education & Social Science: South Africa*, 11(1), 130-148.
- Ishola, N.A., Alao, O.E., Falobi, O.V. & Jacob, P. R. (2022). *Lifelong learning and education for sustainable development: Component, competencies and correlations*. In M.B. Ubangha, A.O. Adeosun & M.A. Oladejo (Eds.), *Learning: The all-inclusive concept*, (pp. 81-101). University of Lagos Press and Bookshop Ltd.
- Michaelsen, L., & Sweet, M. (2008). The essential elements of team- based learning. *New Directions for Teaching and Learning*, 2008, 7-27. 10.1002/tl.330.
- Nseobot, R., Ahmed, S.M., Effiong, A.I., Muhiyuddin, G.S., Masifon, I., Farhan, A.S. (2020). Covid-19: A situation analysis of nigerias economy. *International Journal of Psychosocial Rehabilitation*. URL <https://www.psychosocial.com/article/PR270648/18103/> (accessed 12.12.21).
- Oghojafor, B.E.A., Kuye, O.L., Sulaimon, A.A., & Okonji, P.S. (2009). Empowering Nigeria youths for National economic development: The role of entrepreneurship education. *Journal of Research in National Development*, 7(2), 9-17.
- Ozili, P.K., & Arun, T.G. (2020). Spillover of Covid-19: Impact on the global economy. Working paper.
- Obiakor, T., Adeniran, A. (2020). Covid-19: Impending situation threatens to deepen Nigeria's education crisis thelma 7.
- Oji, H., (2020). Minimizing impact of Covid-19 crisis on Nigeria's economy. *Guard, Niger. News - Niger. World News*. URL <https://guardian.ng/business-services/minimising-impact-of-covid-19-crisis-on-nigerias-economy/> (accessed 7.2.20).

- Patrika, F., & Villaruel, R.B. (2021). Depression, anxiety, and stress among students in surabaya during Covid-19 pandemic. *Insight: Jurnal Ilmiah Psikologi*, 23(2). 195-204
- Peterman, N.E., & Kennedy, J. (2003). Enterprise education: Influencing students' perception of entrepreneurship. *Entrepreneurship Theory and Practice*, 28(2), 129-144.
- Sanni, K. (2020). Nigerian businesses lament impact of Coronavirus in China. Document: allAfrica.com. URL <https://allafrica.com/stories/202003080024.html> (accessed 6.30.20).
- Saputro, I., Sari, R.P., Roudhotina, W. (2021). Life satisfaction, coping stress strategies & media consumption during Covid-19 pandemic in Indonesia. *Insight: Jurnal Ilmiah Psikologi*, 23(1), 65-77.
- Sarry, S.M., Anggreiny, N., Mafaza, M., Adilbayeva, U.B. (2021). Coping self efficacy and response to uncertainty in the Covid-19 pandemic. *Insight: Jurnal Ilmiah Psikologi*, 23(2), 162-173.
- Sun Business Network. (2020). Covid-19 and food systems: How SMES in Nigeria can adapt and respond. Sun. URL <https://scalingupnutrition.org/news/covid-19-and-food-systems-how-smes-in-nigeria-can-adapt-and-respond/> (accessed 3.30.22)