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# EFFECT OF ENDSARS PROTEST ON SMALL AND MEDIUM ENTERPRISES (SMEs) IN LAGOS STATE.

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#### Abstract

This study was carried out to examine the effect of EndSARS protest on Small and Medium Enterprises (SMEs) in Lagos State. Specifically, the study examined aimed at ascertaining if the EndSARS protest has any negative effect on Small and Medium Enterprises in Lagos State. The study employed the survey descriptive research design. A total of 230 responses were validated from the survey. From the responses obtained and analysed, the findings revealed that extortion, abuse and human rights of suspects and extrajudicial killings as well as bad government were among the causes of EndSARS protest in Lagos state. Furthermore, the findings revealed that killing of protesters by security operatives and military, destruction of private and public properties by protesters, disruption of movement and looting and vandalization of shops were among the negative effects of the EndSARS protest in Lagos state. The findings further revealed that the EndSARS protest has negative effects on SMEs in Lagos state. The study recommends government of Nigeria should come to the realization that SMEs are the life wire that drives any economy and should do their best to make sure that their interests are protected. More so, Government of Nigeria should look into those whose shops were looted and vandalized and put assistance measures in place to restore them for full operation.

#### Introduction

A protest is practically a demonstration by the public to portray their expression of objection or disapproval towards an idea or action in a polity. This demonstration can take different forms but the climax of it is taking to the street by the populace to publicly express their grievances to the government.

The EndSARS campaign movement dates back to 2017, where Nigerian youths used the hashtag to share their experiences on violence and assault perpetrated by the defunct Special Anti-Robbery Squad (SARS). However, the movement only revived in early October, 2020 after a video emerged of police officers thought to be members of the SARS unit, allegedly killing an unarmed young man. These prompted Nigerian youths to troop to Twitter, calling on the Federal Government for police reform with the hashtag, #EndSARS, #Endpolicebrutality, and many more. The hashtag trended continuously on Twitter as Nigerian youths aired their pain and experiences online.

A viral message broadcast on social media suggested men of the Special Anti-Robbery Squad SARS had gunned down a Nigerian youth, snatched his car, and sped off with it. the video

#### VOL. 11 NO. 1

MARCH 2022

spread on Social media, the hashtag #ENDSARS started to garner momentum as more young people demanded an end to the brutal police unit that has for years brutalized young Nigerians. On the 4th of October, 2020, the Nigerian Police Force, through the Inspector General of Police, <u>announced</u> the ban of SARS members and other Tactical Squads from carrying out routine patrols and other conventional low-risk duties, stop and search duties, checkpoints, mounting of roadblocks, traffic checks, etc with immediate effect.

On 7th October 2020, youths in Lagos State <u>set out</u> for a three-day protest to call for the disbandment of the Special Anti-Robbery Squad (SARS) unit of the Nigeria Police Force, as part of the push for reforms in the police system to put an end to the extra-judicial activities of the agency. Youths were seen marching to the Force Headquarters at Ikeja, carrying placards with various inscriptions such as "*Protect, not exploit*", "*Nigeria police stop killing us*," amongst other printed messages (nairametrics.com). This was the start of a 14-day protest that eventually turned violent and hijacked by hoodlums and resulted to the destruction, vandalizing and looting of public and private properties and Small and Medium Enterprises in the country.

Small and Medium Enterprises (SMEs) are non-subsidiary, independent firms/organizations which employ fewer numbers of employees. This number varies across countries. According to the European Union (EU), SMEs are categories of micro, small and medium-sized enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million Euros. In Nigeria, the Central Bank of Nigeria in its monetary policies circular No. 22 of 1988 defined SMEs as enterprises which have an annual turnover not exceeding Five Hundred Thousand Naira (N500,000).

For the sake of clarity, the National Policy on Micro Small and Medium Enterprises (MSMEs) has given a clear distinction of enterprises, based on employment and Assets. SMEs are organizations which can best be described through their capital, scope and cost of projects, annual turnover, financial strength and number of employees amongst other things. Such organizations must and can be registered under any part of the Companies and Allied Matters Act (CAMA) in order to do business in Nigeria.

The small and medium scale enterprises sub sector of the economy holds the key to the nation's quest for economic growth and development. Today, regardless of the level of growth and development the world over, countries continue to embark on viable policies and programs that would create and pave way for the sustainable development of their economies through SMEs development. Numerous studies have shown that small and medium scale enterprises act as a catalyst for growth and development of a national economy.

In recent decades, Nigeria has made it one of the nation's prime objectives to expand its industrial base through creation, sustenance and growth of small and medium scale enterprises for attainment of economic growth. This has remained the focus of various administrations in Nigeria particularly during the present democratic dispensation. On the other hand, the decay of infrastructural facilities especially power, canalization and looting has negatively affected the performance, growth and development of SMEs in Nigeria over the years.

# **Review of Literature**

Our focus in this chapter is to critically examine relevant literatures that would assist in explaining the research problem and furthermore recognize the efforts of scholars who had

previously contributed immensely to similar research. The chapter intends to deepen the understanding of the study and close the perceived gaps.

# Conceptual Framework

# Protest

According to Daniel L. Schofield (1994), a protest is a public expression of objection, disapproval or dissent towards an idea or action, typically a political one. Protests can take many different forms, from individual statements to mass <u>demonstrations</u>. Protesters may organize a protest as a way of publicly making their opinions heard in an attempt to influence <u>public opinion</u> or government policy, or they may undertake <u>direct action</u> in an attempt to enact desired changes themselves. Where protests are part of a systematic and peaceful <u>nonviolent</u> campaign to achieve a particular objective, and involve the use of pressure as well as persuasion, they go beyond mere protest and may be better described as cases of <u>civil resistance</u> or <u>nonviolent resistance</u>.

Various forms of self-expression and protest are sometimes restricted by governmental policy (such as the requirement of <u>protest permits</u>), economic circumstances, religious orthodoxy, social structures, or media monopoly. One state reaction to protests is the use of <u>riot police</u>. Observers have noted an increased <u>militarization of protest policing</u> in many countries, with police deploying <u>armored vehicles</u> and snipers against protesters. When such restrictions occur, protests may assume the form of open <u>civil disobedience</u>, more subtle forms of resistance against the restrictions, or may spill over into other areas such as culture and emigration.

A protest itself may at times be the subject of a <u>counter-protest</u>. In such cases, counterprotesters demonstrate their support for the person, policy, action, etc. that is the subject of the original protest. Protesters and counter-protesters can sometimes violently clash.

# Forms of Protest

According to Daniel L. Schofield (1994), a protest can take many forms. The Dynamics of Collective Action project and the Global Nonviolent Action Database are two of the leading data collection efforts attempting to capture protest events. The Dynamics of Collective Action project considers the repertoire of protest tactics (and their definitions) to include:

- **Rally** or **demonstration**: Demonstration, rally, or similar protest, without reference to marching or walking in a picket line or standing in a vigil. Reference to speeches, speakers, singing, or preaching, often verified by the presence of PA sound equipment and sometimes by a platform or stage. Ordinarily will include worship services, speeches, briefings.
- **March**: Reference to moving from one location to another; to distinguish from rotating or walking in a circle with picket signs (which is a picket).
- **Vigil**: Most vigils have banners, placards, or leaflets so that people passing by, despite silence from participants, can be informed about the purpose of the vigil.
- **Picket**: The modal activity is picketing; there may be references to a picket line, informational picketing, or holding signs; "carrying signs and walking around in a circle". Holding signs, placards, or banners is not the defining criteria; rather, it is holding or

carrying those items and walking a circular route, a phrase sometimes surprisingly found in the permit application.

- **Civil disobedience**: Explicit protest that involves deliberately breaking laws deemed unjust in order to protest them; crossing barricades, prohibited use of segregated facilities (such as lunch-counters or restrooms), voter registration drives (to earn non-eligible people the right to vote), or tying up phone lines.
- **Ceremony**: These celebrate or protest status transitions ranging from birth and death dates of individuals, organizations or nations; seasons; re-enlistment or commissioning of military personnel; or to anniversaries of any of the above. These are sometimes referenced by presenting flowers or wreaths commemorating, dedicating, or celebrating status transitions or their anniversary; e.g., an annual merchant marine memorial service, celebrating Chanukah or Easter, or celebrating the birthday of Martin Luther King Jr.
- Dramaturgical demonstration
- **Motorcade**: Vehicular procession (electoral campaigns or other issues)
- **Information distribution**: Tabling/petition gathering, lobbying, letter-writing campaigns, or teach-ins.
- **Symbolic display**: e.g., a menorah or creche scene, graffiti, cross burning, sign, or standing display.
- Attack by collective group (not-one-on-one assault, crime, rape): Motivation for attack is the "other group's identity" as in gay-bashing or lynching. Can also include verbal attacks or threats.
- **Riot, melee, mob violence**: Large-scale (50+), use of violence by instigators against persons, property, police, or buildings separately or in combination, lasting several hours.
- Strike, slow down, sick-ins, and employee work protest of any kind: Regular air strike through failure of negotiations or wildcat air strike. (Make note if a wildcat strike.)
- **Boycott**: Organized refusal to buy or use a product or service. Examples: rent strikes, Montgomery bus boycotts
- **Press conference**: Only if specifically named as such in report, and must be the predominant activity form. Could involve disclosure of information to "educate the public" or influence various decision-makers.
- **Organization formation announcement** or **meeting announcement**: Meeting or press conference to announce the formation of a new organization.
- **Conflict, attack or clash (no instigator)**: This includes any boundary conflict in which no instigator can be identified, i.e. Black/white conflicts, abortion/anti-abortion conflicts.
- **Prayer Walk:** A prayer walk is an activity that consists of walking and praying at the same time. It's done not for the physical benefit but for the spiritual exercise, either publicly functioning as a demonstration or rally.
- **Lawsuit**: Legal maneuver by social movement organization or group.
- **People's Protest:** Simultaneous online and offline protests involving physical representations of protesters in public spaces that are subsequently assembled online. Developed in Europe during the COVID-19 pandemic.

The Global Nonviolent Action Database uses Gene Sharp's classification of 198 methods of nonviolent action. There is considerable overlap with the Dynamics of Collective Action repertoire, although the GNA repertoire includes more specific tactics. Together, the two projects help define tactics available to protesters and document instances of their use.

# The Special Anti-Robbery Squad (SARS)

The Special Anti-Robbery Squad (SARS) was a notorious Nigerian Police Force unit created in late 1992 to deal with crimes associated with robbery, motor vehicle theft, kidnapping, cattle rustling, and firearms. It was part of the Force Criminal Investigation and Intelligence Department (FCIID), headed by Deputy Inspector General of Police Anthony Ogbizi.

SARS was controversial for its links to extrajudicial killings, forced disappearances, extortion, torture, framing, blackmail, kidnapping, illegal organ trade, armed robbery, home invasions, rape of men and women, child arrests, the invasion of privacy, and polluting bodies of water by illegally disposing of human remains. After widespread protests in Nigeria and worldwide under the motto "End SARS", the unit was disbanded on 11 October 2020.

Inspector General of Police M.A. Adamu said that a new unit, the Special Weapons and Tactics (SWAT), would replace the SARS. He said that SARS personnel would report to police headquarters for debriefing and examination. Within hours of the announcement, some Nigerians took to twitter with the hashtag #EndSWAT, and demonstrations continued amid fears that police reform would not materialize.

# **EndSARS** Protest in Nigeria

End SARS is a decentralised <u>social movement</u> and series of <u>mass protests</u> against <u>police</u> <u>brutality</u> in <u>Nigeria</u>. The slogan calls for the disbanding of the <u>Special Anti-Robbery</u> <u>Squad</u> (SARS), a notorious unit of the <u>Nigerian Police</u> with a long record of abuses. The protests which takes its name from the slogan started in 2017 as a <u>Twitter</u> campaign using the <u>hashtag</u> #ENDSARS to demand the disbanding of the unit by the <u>Nigerian government</u>. After experiencing a revitalisation in October 2020 following more revelations of the abuses of the unit, <u>mass demonstrations</u> occurred throughout the major cities of Nigeria, accompanied by vociferous outrage on social media platforms. About 28 million tweets bearing the hashtag have been accumulated on <u>Twitter</u> alone.<sup>[7]</sup> Solidarity protests and demonstrations by Nigerians in <u>diaspora</u> and sympathizers occurred in many major cities of the world. The protests is notable for its patronage by a demographic that is made of entirely young Nigerians.

Within a few days of renewed protests, on 11 October 2020, the Nigerian Police Force announced that it was dissolving the unit with immediate effect. The move was widely received as a triumph of the demonstrations. However, it was noted in many quarters that similar announcements had been made in recent years to pacify the public without the unit actually being disbanded, and that the government had merely planned to reassign and review SARS officers to medical centres rather than disband the unit entirely. Protests have continued accordingly, and the Nigerian government has maintained a pattern of violent repression including the killing of demonstrators. There have been international demonstrations in

solidarity with those happening in the country, and the movement has also grown increasingly critical of <u>Muhammadu Buhari's</u> government response to the protests.

SARS officers have been alleged to profile young Nigerians, mostly males, based on fashion choices, tattoos and hairstyles. They were also known to mount illegal road blocks, conduct unwarranted checks and searches, arrest and detain without warrant or trial, rape women, and extort young male Nigerians for driving exotic vehicles and using laptops and <u>iPhones</u>.<sup>[13]</sup> Nigerians have shared both stories and video evidence of how officers of SARS engaged in <u>kidnapping</u>, murder, theft, rape, torture, <u>unlawful arrests</u>, humiliation, <u>unlawful detention</u>, <u>extrajudicial killings</u> and <u>extortion</u> of Nigerian citizens. A large section of the victims of the abuses of SARS have been young male Nigerians.

# Small and Medium Enterprise (SME)

In many respects, the meaning and concept of small businesses cannot be completely isolated from the operational environment. Thus the perception and definition is highly dependent on the particular economy that provides the environment of operation. In Nigeria, there seems to be no clear cut definition or scope for determining small business enterprise. However, varied definition and scope were made by some agencies as follows:

- 1. The national directorate of employment defined it as being able to accommodate project with capital investment as loan as N5,000 and employing as few as three persons.
- 2. The Central Bank of Nigeria in its monetary policy guidelines 1980 defined small scale business as an enterprise whose annual turnover rangers between N25,000 and N50,000, also the Federal Ministry of Industries before the Structural Adjustment Programmed [SAP] and Foreign Exchange Market, defined small scale business as any manufacturing, processing or service industry with capital investment of not more than N150,000 in plant and machinery.
- 3. The Nigeria Bank for Commerce and Industry also defines the small scale enterprise as firms' or companies with assets [including working capital but excluding land] not exceeding N750,000 and paid employment of up to 50 persons an such an establishment be wholly owned by Nigerians.

Measuring the appropriateness of some of these definition, Nwakobi [1985] criticized most of the definition describing them as merely "institutional" Nwabobi holds the views that the definitions do not pain a health picture of the growth of small scale business enterprise, considering the difficulties involved in capital formation and other discrimination of attitudes of the banks towards the owners of small scale business enterprise. In July, 2001, the national council on industries at the 13<sup>th</sup> meeting in Markurdi, Benue State, reviewed and adopted the following classification of industrial enterprises and came up with the definition that "A small scale industry is an industry with total capital employed of over N1.5 million but not more than N50 million including working capital but excluding cost of land and of a labour size of 11 -100 workers.

However, comparatively, most develop countries seems to have agreed on a maximum unit of 500 employees as a small firm [Feldman 1989]. However, a review of the performance induct of small scale business can be best anchored on the United Nations industrial

development organization definition of small scale business as "an economic venture" that is characterized by the following:

- Ownership and management being vested in the same Individual
- Capital being made available by an owner on whom the policy Decisions rest
- Having a coalesced operational area
- A situation of a venture controlling a small share of the market
- There by constituting a little quota in the large sized market
- The owner participating very actively in all decision making Processes on a day to day operation basis with a high degree of rigid control.

Reflecting the characteristics, small scale business enterprises have emerged, especially in the developing world, with roles of employment generation, encouragement of rural development, assisting substantially in lifting gross domestic product, developing entrepreneurship and proving avenue for self-employment.

# **Basic Characteristics of Small Scale Enterprise**

The overall business scene and activities in Nigeria appear to be dominated by small businesses which are established by individual, groups, companies and cooperatives.

Most business start off as small but with proper planning and management, then expand and grow. However, it will be risky to assume that small enterprises are exactly like big ones after all the difference is size. But it is necessary to differentiate the small business from the large ones and to associate those characteristic with problems inherent in small business.

In summary, characteristics as identified by several writers among who Broom and Long Necker (1972), MUSSELMAN AND Huglice (1973) and yewande (1991) are presented here. It must not however be taken that these characteristics are all embracing or that all must be present in the same magnitude in a business for such a business to qualify as a "small scale business".

- 1. Management is not independent- generally; the managers are also the owners. This means that the manager/ owner can run the business as he pleases. Discipline as the control factor in this case may sometimes be missing. This lack of proper managerial discipline leads to business failures.
- 2. The size of the small business firm within industry is usually small. Thus they are not dominant in their individual field or operation.
- 3. Capital requirement is small and therefore within reach of the indigenous entrepreneurs.
- 4. Majorities of the modern small business units are labour intensive and are able to achieve high productivity. These units are concentrated in areas of low technology.
- 5. Capital is supplied and ownership is held by a small group or an individual. The initial capital usually equity holdings is supplied by the owner or co- owners of the business. Often for working capital, they depend on trade credit or credit finance or both.
- 6. The area of operation is mainly local employees / workers and owners all like in one home community. Most small scale firms even those identified as modern utilizing plants and machinery are run along family line. However, markets served by them are

VOL. 11 NO. 1

not always local, modern small firm's serves market across ethnic cultural and even nations or state boundaries.

7. On other all – embracing characteristic of small scale business in Nigeria is the apparent lack of attention to managerial functions of planning, organizing, directing coordinating and controlling.

In Nigeria, the entrepreneur usually sets out to achieve high return on investment. The workers generally are not adequately remunerated or sufficiently motivate.

### Types of Small Business

No doubt, the future of economic prosperity of Nigeria lies in the structuring and eventual growth of medium and small scale

Enterprises. This situation has been confirmed by the Nigeria institute of social and Economic Research (NISER), THE National Association of small scale Industry (NASSI), and the German based Frederick Elbert Foundation. It is the existence of this kind of scenario that had given impetus to the growth of some small scale industries like the ones that constitute the objects of the study.

Their very existence also confirms Oshagbenius (1985) categorizing of small scale industries as those which include, weaving, carpentry, pottery, ceramics, farming, fishing, piggery animal husbandry, poultry, wood and metal works, brick and block making and a host of others, operating under registered names and depending largely on local raw materials.

### Source of Fund to Small Businesses Sources of Initial Capital

Traditionally, and with regards to sources, two types of capital are recognized, equity and borrowed.

Baumback is the view that the distinction between equity and debt capital in a small business is blurred. In any case, one thing is clear; equity financing denotes ownership while debt financing implies an obligation to repay the principal amount plus interest. In providing initial capital, a small business enterprise has a good normal source open to it. These include funds invested by the owner as well as funds made available by creditors.

Credit takes the form of bank loans, trade credit, union loans from individuals, friends and relative and credit union loans. It is noteworthy that these and other sources of funds are made use of both at the beginning stage and in the subsequent day-to-day financing of business operations. Those more closely related with the growth of the business will be discussed later under "sources of development capital"

1. **Personal saving:** To a beginning firm, personal savings of the founder constitute a primary source of equity capital. Many writers are in support of this view. Broom says it is not only difficult but also quite hazardous to borrow venture capital. He is of the opinion that two third of initial should be form the owner. Dr. Nordi advices that the starting small business should not only be from borrowed funds if his personal resources are inadequate. Baumback goes further to explain why initial capital should necessary come from those who have created the business. He said that there is general hatred for risk taking among human beings. The general public thus is usually hesitating about investing in an unknown venture. Such recommended ownership equity is designed mainly to provide a margin of safely for the new Entrepreneur.

- 2. Commercial Banks commercial banks are a primary source for debt capital. Although they tend to limit their learning to working capital needs of going concerns, some initial capital dose some from this source. The commercial bank has considerably changed from just supplying capital for an interest income to a more acceptable socio- economic role. It has development". Mr. Tina confirmed this when he said that have increased the amounts given out for loans the 20 percent (proportion of deposits government requires that should be set aside for small business loans are also given. One of those is the installment loans which may not exceed certain amount. Such a loan is repayable monthly or quarterly as prearranged but the maximum maturity period is one year. Over draft for up to a period of two years is also given. In spite of the new interest in small businesses, their problem with the banks has not changed. Their greatest problem is to meet the requirement of the banks. The bank considers the mode and time of of repayment of the principal amount plus the interest. Many small business many not be in a position to start paying interest not to talk of the principal as and when due.
- 3. Trade Credit- Credit extended by suppliers' plays an important role especially to the beginning business. Trade credit tends to be widely used source of short tends funds to the small firm. This according to Baumback often provides a major point of the small business man's working capital needs especially in the retail fields. The amount of credit available to a particular firm depends upon the type of business and the supplier's confidence in the new firm. They extend credit more freely than the bankers. Competitions for sales volume force them to reach out for new small and financially weak customers by offering delayed payment. Even when such customer faulted in the credit terms, the suppliers often hesitate to react for fear that they might lose a promising customer.
- 4. Friends and Relatives very often, funds from friends and relatives are used to supplement initial owner equity capital. This usually character as poor business practice and in many cases based on erroneous assumptions may at times be necessary. This is with cognizance of the fact that many and family owned. It should be noted that family and business relationships are well as funds should not be mixed, if most desirable result are be obtained. Loans from friends and relatives tend to create a highly personal relationship such relationship may conflict with independence and business. The time for the repayment of the loan may not be defined. Interest payment may be deferred too. But the problem in these associates may feel it a duty to offer advice and even insist that certain decisions be taken. These decisions may not be in harmony with the objectives of the proprietor. However, this problem can be easily avoided. A business loan should be taken as a business transaction and not a favour. In such case, the inexperienced associate's advice can be easily rejected. Terms of the loan should be clearly defined and loans could be getting from lending institutions instead of from friends and relatives.
- 5. **Credit Unions** S. F. Arniel defined a credit union as "a group of people bound by some intangible bond of association, perhaps the bond of the same employer, the same religion, the same politics, the same profession, trade, hobby or the same type of misfortune," credit unions are cooperative that encourage saving and lending on attractive terms. They also provide financial advice to members. The prime purpose of a

VOL. 11 NO. 1

MARCH 2022

credit union is to teach thrift. People save with the credit union for various reasons. These may include absence of banking house. The liberal lending policies of credit unions also attract membership. Credit unions obtain most of their funds from savings of members. Many small businessmen usually obtain loans which are eventually used up in business. Credit unions thus constitute an important source of funds for small business especially it the rural areas.

6. Other Sources of Funds – in addition to the already Discussed sources of funds for initial capital, a good number of small businessmen still make use of some local sources. Such include borrowings "isusu" (a group of persons who agree to make contributions regularly). Members take turns to benefit from these contributions. Some of the funds got from the "isusu" are used for small business operation.

# **Government Influence on Small Business Enterprises**

Government tax policies generally make it difficult for the small businesses to exit. In fact, government fiscal policies and the way they are designed are a major cause of discontent among small businessmen. Tax problems of small concerns have not arisen because the tax measures were directed at small business as such. The central point is that the system weights disproportionately on them by virtue of their sizes and character. Most businessmen fail to understand this and nurse the feeling that government does not want them to survive.

This is wrong as the growth of small business organizations has become the concern of many governments. In Nigeria, the government's effort to promote small business was materialized in national development plans. With the aid of international organizations, a normal of assistance centers to meet the technical and financial needs of small and medium sized enterprises were created. To further show government interest emphasis is land on more effective use of the bodies responsible for the promotion and guidance of small, and medium sized enterprises. These bodies include:

- The national directorate of employment
- Small industries corporation
- National economic reconstruction fund
- Nigeria industrial development bank
- The Nigerian Agricultural & cooperative Bank.

For such assistance to be given, the importance of the project has to be critically confidence the socio-economic point of view.

Obviously, there is evidence that with proper guidance, most small scale industries that do not depend solely on personal income have been known to have found it relatively easier to deal with these prescribed government agencies than with the conventional profit oriented commercial and financial institutions.

But it has also been revealed that most of the small scale entrepreneurs have not made use of these facilities because they are not equipped to deal with the bureaucracies associated with procuring loans. This attitude of the small scale entrepreneurs has the tendency of effect the efficiency of some of these lofty. Government policies designed specifically for the growth of small scale business.

# Survival of Small-Scale Businesses In A Turbulent Environment

The survival of business enterprises depends on how dynamically related they are in their target market. This is because assets and products of a business will be of little or no value if there is no customer demand for the goods and services produced by the business. The operation of every enterprise is most of the time, influenced by both internal and external factors. The internal factors are controllable by management.

The internal factors affecting the attainment of organizational objectives can be explained from two broad areas:

- > Identification of major resources of an organization, and
- Analysis on the perception that the organization members share about the nature of the organization, its character and management style. The resources of an organization include:
- Financial resources
- Physical resources
- Human resources Financial Resources: Financial resources have to do with the availability of capital in general. Capital, as we know it, is very vital in the setting up and subsequently operational activities of any business, as such, there is every need for any given enterprise to acquire, allocate and control money for financial planning, construction, maintaining inventory, embarking on research and development activities. Physical Resources: Physical resources, on the other hand, are concerned with the existence of efficient manufacturing plant and other facilities, location of such facilities with respect to market needs and convenience of suppliers. Human Resources: Human resources have to do with the entire workforce of an organization including the specialists such as the accountants, engineers and scientists, etc. Whether the organization is a charitable venture or a profitmaking organization, the importance of human beings working in the enterprise cannot be under-estimated. They are the human elements that bring life, dynamism and success to an organization.

# Factors in the External Environment of an Organization

Factors in the external environment of an organization are largely uncontrollable by management. These factors influence business objectives. They also have influence on decisions reached by management. Factors in the external environment include the following:

- 1. Demographic Factors: The factors in the demographic environment are of paramount interest to marketing executives because people make up market. Demography is the statistical study of human population and its distribution. Under demography, we look at age of people, sexes, birth rates, level of education and geographical shift in population. Demographic factors are very important to marketing executives because people make marketing possible.
- 2. Economic Factors: Market requires not only people but purchasing power. The level of personal disposable income especially in relation to price levels and inflation affect marketing system. International marketing, the exchange rates and currency devaluation policies have major impact on exporting and importing activities. Under economic environment, we consider real income, growth in productive activities, inflation pressure, change in savings and expenditure patterns.

3. Social and Cultural Factors: People adapt to cultural and cultural values almost unconsciously. Marketing executives give consideration to consumers' beliefs attitudes, customs, values and norms of the society. They also pay attention to public disapproval of misleading advertising and poor product acceptance resulting from cultural values and otherwise.

VOL. 11 NO. 1

- 4. Political Factors: Business organizations are affected by the development in the political environment. Decision-making process, the setting of business goals and objectives are not free from political influence in our society. Therefore, for businesses to thrive, political issues have to be taken into consideration. Legislature at Federal, State and Local government levels exercise influence on business activities in the society. There are laws made by the legislature and government agencies concerning pricing, advertising, packaging and all the laws are affected by the political processes of the day. Some laws are made to protect companies and other laws are made to check or even punish certain business or entrepreneurs.
- 5. Technological Factors: Technological advancement can also influence business operations. Advancement in computer technology has a great impact in our lives and the way business is being carried out at the present time. Technology is a major agent of change in modern society. It determines how products are developed and maintained, distributed and promoted.
- 6. Competitive Factors Competition is another strong factor influencing businesses. Firms compete with each other in the bid to have a substantial share of the market. Competition remains a continuous phenomenon in the market place because of ever-changing needs and wants of consumers. Competition makes business organizations to sit-up and delivers better quality and charge fair price.

# The Role of Small Scale Business In The Development Of Nigeria Economy

Hardly, can any major industry succeed in isolation of the services and contributions of small business enterprise. The relative strength of their importance and role vary from one industry to another. Infact the importance of small scale business in any economy cannot be overestimated. Firstly, continuous growth in the economy of any nation depends to a large extent on the startups of small businesses.

Even on a recessionary economy, small scale enterprises are a legitimate and viable component in any strategy for reconstructing the economy. Furthermore, it is emphasized that the small scale enterprises make the possibility of the equitable distribution of national income more realistic of providing employment opportunities on a large scale. By creating more employment, the help, I mobilizing capital and human resources that would otherwise be left Idle. Some small businesses no doubt, provide certain distinct services that in most cases may not be matched success of large businesses.

Implicitly, if the small businesses would by and large find themselves over saddled with a myriad of activities that they would only be able to manage minimally. The role of small scale businesses in the development of Nigeria economy has made it very possible for firms to depend less on imported goods or materials. They often rather depend on locally made machines and local raw materials as inputs. One can buttress this point further by the fact that non dependence of small businesses on imported raw materials as inputs leads to a reduction

in the demand of foreign raw materials thereby saving the foreign exchange earnings of the nation.

Worthy of mention also is the advantage of solving payment problems as a result of less dependence on imported inputs. This has an attendant blessing of creating an interest in the promotion or home made products. In this way small business ventures generate revenues and strengthen the Nigeria economy.

Small industries have a shorter gestation period and as a result, yield quicker returns on investment. They facilitate balanced industrial development in that only such small scale ventures can easily be established in many rural areas. In this regard, those present a potent means of reducing rural urban migration and its consequential urban congestion, unemployment and other social vices. Small businesses also serve as a training school for indigenous entrepreneurs and provide the opportunity for acquisition of skills for a large number of workers. They facilitate a speedy development of Nigeria economy.

Crusher (2010), Lawal (1993) listed the following as the contribution of the small scale enterprises to the growth and development of the Nigerian economy:

- a. Increased output of goods and services for the generality of the people of Nigeria.
- b. Helping to solve the daunting unemployment situation in the country by the creation of jobs and employment of large number of unskilled and semi-skilled people.
- c. The small scale enterprises, in a way, develop a pool of skilled and semi-skilled manpower. Because people with inadequate skills are engaged by the entrepreneur, they have the opportunity to develop their skills for future advanced functions in well-established industries.
- d. Small scale businesses improve backward linkages between them and the agricultural economy.
- e. The small scale enterprises provide opportunity for developing and adapting appropriate technology and serve as excellent breeding ground for entrepreneurial and managerial capacity. They also stimulate indigenous entrepreneurship.
- f. The operation of small scale enterprises makes possible increased utilization of local resources as inputs for processing and production of goods.
- g. They supply large firms with intermediate materials and help to distribute the products of large firms on commission basis or serving as sole distributors for the large firms.
- h. The small scale enterprises, especially the ones operating in the rural areas, help to reduce rural-urban migration (or population movement) by the employment of youths in the rural areas.
- i. They help to preserve competition and prevent monopolistic tendencies by the large firms.
- j. They have great flexibility for innovation and extend the frontiers of knowledge on local products and services.

# Problems of Establishing Small Business Enterprise in Nigeria

Small scale enterprises owning to their peculiar nature are beset with myriad of special problems which directly or militate against their survival and growth. A lack of indigenous entrepreneurial initiative for industrial development is a characteristic of most development countries. Limited resource of capital and skilled labour, a lack of technological and managerial

knowledge and limited markets are important handicaps to the acceleration of industrial development in Nigeria.

In large industrial establishments, some f these handicaps are alleviated by foreign assistance collaboration.

Unfortunately, the small scale industries do not enjoy such benefits and as such dependent almost entirely on indigenous entrepreneurs. Some of the problems facing small scale industries come from the owners while some come from unpredictable environmental force which is external to the business and they include government unit's competition etc.

Some other problems can be identified in different functional areas such as manufacturing marketing, financial and labour. But generally, the following problem has been identified by the researched as the major factor militating against the establishment of small scale enterprises in Nigeria.

- 1. Lack of Start-up Capital -The early stage financing is usually is usually the most difficult and costly to obtain. There two types of financing at this stage. Seed capital and start-up capital. Seed capital is relatively small amount of fund needed to prove concept and fiancé feasibility study. It is the most difficult to obtain because the venture capitalist is usually not interested at this level of funding. While start-up capital is involved in determines if commercial sales are feasible. It is also very difficult to obtain. No good business ideas can ever surface without fund.
- 2. Lack of Land and Good Locations: before any small scale industry is established, this is the need to acquire land on which the factory site or the warehouse will be built. In urban areas, land is not usually available and when available, it will be very expensive beyond the reach of the small scale entrepreneur. In the rural area where land is bound to be available at the reduced cost, other necessary infrastructures will be lacking. Good location of our businesses is very important for the easy survival of the enterprise but it is very difficult to get and where available, the cost will not be affordable for any small business operator.
- 3. **Poor Government Policies** Nigeria government has not been able to help entrepreneurs in establishment process of small scale business. Instead, one obnoxious policy or the other was used in making things difficult for young entrepreneurs. Government is only interested in revenue generation without noticing how is has hindered the establishment of more small business in Nigeria. Every new business that is still struggling to survive is expected to pay between N5,000 to N20,000 as business premises and a lot of other permit. The business is also expected to pay almost the same amount of the local government where it is situate. All these end up pulling the business down.
- 4. Insecurity of Lives and Properties security problems are one of the major problems of establishing small scale enterprise in Nigeria. Even the large scales businesses that can afford to employ the services of security personal are not free from t his social menace. Any business that deals on highly valued products is not safe. Consequently, many prospective investors opted to keep their money in banks or use item and buy empty lands for re-sale in future than to risk the money by establishing any business at all.

5. **Psychological Factors such as: Lack of Self Confidence, Lack of Creativity and Fear of Failure** Another factor that has seriously militates against the establishment of small scale enterprise in Nigeria is psychological factors. Although it has never been seen as a problem, but it has eaten deep on young entrepreneurs. Most people don't believe in themselves, they think they can't do it. They are always waiting for others to take the lead or nothing for them. They also lack the foresight to think ahead of others, no creativity in them. Always afraid that the business must fail like other ones that failed. They think they cannot make a difference and therefore there is no point in trying to establish once. They make the money but the fear of the unknown will not allow them to invest.

# **Prospects of Small Scale Enterprises In Nigeria**

In addition to government efforts in the past, there is a renewed support for small scale enterprises. There are programmer, such as, National Economic Empowerment Development Strategies (NEEDS), at the national level, SEEDS at the state level, and LRRDS at the local government level, all of which are development plans for employment generation and poverty alleviation. In 2005, Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) was commissioned.

The Agency has already completed a nation-wide survey on small and medium scale enterprises as basis for articulating ideas for micro, small and medium enterprises policy thrust. While government is contributing, the organized private sector is also making vital contribution. The Capital Market driven by the Nigerian Stock Exchange and the Security and Exchange Commission have not only been expanding facilities but also providing windows for small and medium scale enterprises to access funds from the market (Fatai, 2011).

At the international front, the globalization and reforms like liberalization of trade, commercialization and privatization have the aims of opening up new vista of opportunities for the small and medium scaled enterprises and entrepreneurs. The liberalization of grade through world trade agreement has opened up opportunities for the small and medium scale enterprises to access international markets. The African Growth and Opportunity Act offer incentives to exporters from African countries to the United States of America (Onugu,2005; Omotola, 2008).

#### **Research methodology**

Research designs are perceived to be an overall strategy adopted by the researcher whereby different components of the study are integrated in a logical manner to effectively address a research problem. In this study, the researcher employed the survey research design. This is due to the nature of the study whereby the opinion and views of people are sampled.

#### **Population of the Study**

According to Udoyen (2019), a study population is a group of elements or individuals as the case may be, who share similar characteristics. These similar features can include location, gender, age, sex or specific interest. The emphasis on study population is that it constitutes of individuals or elements that are homogeneous in description.

This study was carried out to examine the effect of EndSARS protest on Small and Medium Enterprises (SMEs) in Lagos State. The residents and owners of SMEs in Lagos state form the population of the study.

## Sample Size Determination

A study sample is simply a systematic selected part of a population that infers its result on the population. In essence, it is that part of a whole that represents the whole and its members share characteristics in like similitude (Udoyen, 2019). In this study, the researcher adopted the simple random sampling (srs.) method to determine the sample size.

### Sample Size Selection Technique and Procedure

The Taro Yamane (1967:886) provides a simplified formula to calculate sample sizes.

# Assumption 95% confidence level P = .5 $n = \frac{N}{1 + N(e)^2}$

n= 2,200/1+2,200 (0.05)2 n= 2,200/1+2,200 (0.0025) n= 2,200/1+5.5 **n=230** Therefore, for this study, the sample size is 230

# Sources of Data Collection

The research instrument used in this study is the questionnaire. A 10 minutes survey containing 19 questions were administered to the enrolled participants. The questionnaire was divided into two sections, the first section enquired about the responses demographic or personal data while the second sections were in line with the study objectives, aimed at providing answers to the research questions.

# Method of Data Analysis

The responses were analysed using the frequency tables, which provided answers to the research questions. The hypothesis test was conducted using Chi-Square statistical tool.

# Validity and Reliability of the Study

The reliability and validity of the research instrument was determined. The Pearson Correlation Coefficient was used to determine the reliability of the instrument. A co-efficient value of 0.68 indicated that the research instrument was relatively reliable. According to (Taber, 2017) the range of a reasonable reliability is between 0.67 and 0.87.

#### **Data Presentation And Analysi**

#### Table 4.1Demographic information.

Demographic information	Frequency	percent
Gender		
Male	101	44%

VOL. 11 NO. 1

Female	129	56%
	129	50%
Religion		
Christian	130	45%
Muslim	170	55%
Age		
20-25	79	34%
25-30	112	48%
30+	39	17%
Education		
Diploma	35	15%
Bsc	180	60%
Masters	50	25%
PhD	20	10%

#### Source: Field Survey, 2020

#### **Answering Research Questions**

**Question 1:** What do you think are the causes of EndSARS protest in Lagos state? **Table 4.2:** Respondent on question 1

Options	Yes	No	Total %
Criminality and brutality of police and SARS	230	00	100
Extortion, abuse of human rights of suspects and		00	100
extrajudicial killings			
Viral video showing the shooting of a man in Ughelli,		00	100
Delta State by the police officers			
Shooting of protesters at the Lekki toll gate	230	00	100
Bad government	230	00	100

## Field Survey, 2020

From the responses obtained as expressed in the table 4.2 above, all the respondents constituting 100% said yes to all in options provided. There was no record of no.

**Question 2:** What do you think are the negative effect of EndSARS protest in Lagos State? **Table 4.3:** Respondent on question 2

Options	Yes	No	Total %
Killing of protesters by security operatives and military	230	00	100
Killing of security operatives by angry protesters	230	00	100
Destruction of private and public properties	230	00	100
Looting and vandalizing of shops	230	00	100
Disruption of movement and declaration of curfew	230	00	100
Heavy holdup	230	00	100
Increase in cost of transportation	230	00	100
Reduction in demand for goods and services	230	00	100

#### Field Survey, 2020

From the responses obtained as expressed in the table 4.3 above, All the respondents constituting 100% said yes. There was no record of no.

**Question 3:** Do you agree that EndSARS protest has negative effect on Small and Medium Enterprises?

Table 4.4: Respondent on question 3

Options	Frequency	Percentage
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VOL. 11 NO. 1

MARCH 2022

Yes	178	77.40
No	52	22.60
Total	230	100

# Field Survey, 2020

From the responses obtained as expressed in the table 4.4 above, 77.40% of the respondents said yes. While the remaining 22.60% said no.

#### Test of Hypotheses

**HO:** The EndSARS protest does not have any negative effect on Small and Medium Enterprises. **HA:** The EndSARS protest has negative effect on Small and Medium Enterprises.

Options	Frequency	Percentage
Yes	178	77.40
No	52	22.60
Total	230	100

# Field Survey, 2020

In this section, the researcher tests the following null hypotheses

### Level of significance: 0.05

# **Decision Rule:**

In taking decision for "r", the following riles shall be observed;

- A. If the value of "r" tabulated is greater than "r" calculated, accept the alternative hypothesis  $(H_1)$  and reject the null hypothesis  $(H_0)$ .
- B. If the "r" calculated is greater than the "r" tabulated, accept the null hypothesis (H<sub>0</sub>) while the alternative hypothesis is rejected

#### Table 4.5: The EndSARS protest has negative effect on Small and Medium Enterprises

Variables	0	E	0 – E	$(O - E)^2$	<u>(0 – E)</u> <sup>2</sup>
					E
Yes	178	87.09	88.25	6528.06	86.79
No	52	23.56	-24.75	17.56	8.15
Total	230	230			98.11

# Source: Field Survey, 2020 \*\*. Table value at 0.05 significance at 2 df

The calculated chi-square value = 98.11

Df = (K - 1)(2 - 1) = 1

Table value at 0.05 of significance and 4 degree of freedom (Df) = 7.815

**Decision:** Since the calculated chi-square  $(X^2)$  value (98.11) is greater than table value (7.815), we reject the null hypothesis (Ho) and accept the alternate hypothesis (H<sub>1</sub>) which states that the EndSARS protest has negative effect on Small and Medium Enterprises.

#### Conclusion

In this study, our focus was to carry out a critical analysis on the effect of EndSARS protest on Small and Medium Enterprises (SMEs) in Lagos State. The study specifically was aimed at ascertaining if the EndSARS protest has any negative effect on Small and Medium Enterprises in Lagos State.

The study adopted the survey research design and randomly enrolled participants in the study. A total of 230 responses were validated from the enrolled participants where all respondent are owners of SMEs and residents of Lagos State.

The findings revealed that extortion, abuse and human rights of suspects and extrajudicial killings as well as bad government were among the causes of EndSARS protest in Lagos state. The findings also revealed that killing of protesters by security operatives and military, destruction of private and public properties by protesters, disruption of movement and looting and vandalization of shops were among the negative effects of the EndSARSprotest in Lagos state. The findings further revealed that the EndSARS protest has negative effects on SMEs in Lagos state.

# Recommendation

Based on the responses obtained, the researcher proffers the following recommendations:

- The federal government of Nigeria should look into the reasons behind the protest that caused chaos and uproar in all the 36 states in Nigeria and enact laws and structures that bring to an end the brutality of SARS in Nigeria.
- The government of Nigeria should endeavor to orientate the SWAT properly so that they will not be like pouring new wine in an old wine skin. That is the SWAT being another version of SARS.
- The federal of Nigeria should carry out a thorough check on all members of the SWAT force and their academic qualifications to ascertain their eligibility for the work.
- Government of Nigeria should come to the realization that SMEs are the life wire that drives any economy and should do their best to make sure that their interests are protected.
- Government of Nigeria should look into those whose shops were looted and vandalized and put assistance measures in place to restore them for full operation.

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