

Investigating Resilience of Small and Medium-Scale Enterprises in a Globalised World: Kwara State Experience

¹ Rahman Oladimeji Mustapha, Kwara State University Malete, Department of Business & Entrepreneurship, rahmanmustapha717@gmail.com, ORCID: 0009-0003-0560-2924

² Mahmud Babatunde Ajeigbe, Newgate University Minna, Department of Management Studies, ajeigbe.mb@newgateuniversityminna.edu.ng, ORCID: 0000-0003-4949-2803

³ Mustapha Kabir, Kwara State University Malete, Department of Business & Entrepreneurship, senmustkb@gmail.com, ORCID: 0009-0004-8968-7538

Abstract

Small and medium-sized enterprises (SMEs) are regarded as crucial drivers of innovation, economic growth, and employment creation on a global scale. Nonetheless, SMEs often face internal and external environmental factors that constrain their continued growth. The main objective of this study is to examine the influence of resilience on the performance of entrepreneurial SMEs in a globalised world. The specific objectives are to examine the impact of access to capital on the resilience of SMEs in Ilorin Metropolis and to determine the effect of entrepreneurial support infrastructure on the resilience of SMEs in Ilorin Metropolis. The underpinning theory of the study is the Resource-Based View (RBV) theory. This study adopted a cross-sectional survey research design to collect quantitative data. The target population consisted of 3,124 small and medium-sized enterprises registered with the Kwara State Internal Revenue Service. Using the MACCOR sample size calculator, a sample size of 343 SMEs was determined to be appropriate. A simple random sampling technique was employed to ensure fair representation of SMEs across different sectors. Data were collected using a structured, closed-ended questionnaire based on a five-point Likert scale. The study concluded that access to capital is a significant factor that enhances the resilience of SMEs in Ilorin Metropolis. Furthermore, entrepreneurial support services and infrastructure for start-ups, as well as the transfer of talent and knowledge, are essential in strengthening SME resilience. The study therefore recommends that, to enhance resilience, stakeholders including government agencies, financial institutions, and development partners should focus on improving access to finance through diverse channels such as concessional loans, grants, and venture capital programmes.

How to cite this article:

Mustapha, R. O., Ajeigbe, M. B. & Kabir, M. (2026). Investigating Resilience of Small and Medium-Scale Enterprises in a Globalised World: Kwara State Experience. Ndejje University Journal of Interdisciplinary, Vol 2 DOI: <https://doi.org/10.64080/ndujis.2026.1.1.March002>

Introduction

Small and medium-sized enterprises (SMEs) are regarded as crucial in terms of innovation, economic growth, and employment creation on a global scale. Due to their capacity to create innovation, rapidly adapt to the changing market conditions, and provide the means of livelihood to large segments of the population, they are often dubbed as the engine of both traditional and growing economies. SME resilience has been not only a survival tool in modern scholarship, but it has been identified as a form of resilience that enables firms to respond to changing environments, overcome shocks, and, in some cases, even adjust their operations when stressed. The SMEs have been the key to the growth of the locals, alleviation of poverty and innovation in Nigeria especially in areas like Kwara. Globalisation is a challenge but it also has opportunities though poses certain challenges that are unique to the business which will stress, the resilience of such a business.

The markets have been growing, and there has been accessibility to the global supply chain and technological advancements possibilities as a result of globalisation (Orlanyuk-Malitskaya et al., 2024). However, it has merely exposed SMEs to greater susceptibility with regard to economic stability, volatile consumer preference and growth in competition. The ability to take a hit, resilience, or to re-plan and continue operating in the business environment chaos is one of the key factors SMEs survive to such challenges. SMEs often have critical weaknesses as compared to large companies that have extensive financial and human resource abilities. Due to their low financial means, limited opportunities to access foreign networks, and insufficient institutional support, resilience is not only an additional advantage, but also a means of their survival and growth.

Succeeding at overcoming setbacks is not the only component of resilience as it applies to SMEs. Contemporary studies emphasise resilience

as a dynamic and adaptive process, whereby proactive skills such as resourcefulness, strategic creativity, experience-based learning, and networking adaptation enable SMEs to not only absorb shocks but also transform challenges into opportunities. The resilient SME will not only be able to absorb sudden events such as technological changes, regulation, or recession but also translate the distress into opportunity. Namely, many SMEs that have survived the COVID-19 pandemic demonstrated resiliency by enforcing new business models, flexible management of supply chains as well as digitization. Duah-Boateng (2024) says that resilience is a dynamic process that can determine a long-term sustainability within a globalised economy.

Major barriers continue to affect the survival of SMEs in Nigeria and these impediments threaten their recovery. A large number of companies are in tenuous conditions due to lack of infrastructure, unpredictable state actions, inflation rate, and limited availability of finance. Globalisation heightens these facts by making the local businesses less competitive because it imports foreign goods and services that are often better and cheaper. SMEs in Kwara State face the danger of becoming ineffective, out of business, or even stagnating in an increasingly integrated economy unless it is resilient. Owing to this situation, studies on resilience among entrepreneurial SMEs are relevant and important. This has a large human element to resilience too. Among the crucial elements of entrepreneurial mindset, there is the ability of the owners of the businesses to preserve their optimism, flexibility, and creativity in spite of the unfortunate events. Even during the moments of crisis, entrepreneurs with leadership, inventiveness and judgement skills can mobilise resources, build social capital, and sustain staff. Amid this volatility, resilient leadership directly relates to the survival and performance of an organisation since it allows SMEs to remain competitive long-term (Boudreaux, 2024). Determination of the businessman is often a decisive factor as to whether the business will be successful or not in Kwara State, where most companies are family owned or operate within fragile economic systems.

This research study is thus prompted by the need to examine resilience as a strategic capacity that enables SMEs in Kwara State to survive, adapt, and innovate under conditions of globalisation. This study, by targeting the entrepreneurial SMEs in the institutionally constrained and economical volatile environment, adds to the current research on SME resilience by offering empirical evidence of resilience in a developing country, and enlightening how resilience mechanisms lead to sustainable performance, and how adaptive and transformational resilience are practically displayed. Regardless of the advantage and disadvantage of globalisation, the ability of the SMEs to respond to ambiguity, complexity, volatility and uncertainty will either facilitate or discourage sustainable growth of SMEs. The purpose of the study is to give a better insight on how the resilience in the entrepreneurial organisations is part of innovating in entrepreneurial organisations, adapting, or surviving performance amid external constraints.

Statement of the Problem

Small and medium enterprises (SME) are crucial towards job creation, spurring innovation as well as contributing immensely in terms of economic growth. Nonetheless, they often have internal and external environmental factors constraining their continued growth. One such external factor is the entrepreneurial ecosystem that is made up of networks, institutions, regulations, cultural values, and support systems that impact the success of entrepreneurs (Brown & Rocha, 2025). Nigerian entrepreneurial ecosystems are still underdeveloped because of factors such as lack of proper infrastructure, poor institutional systems, and limited access to entrepreneurial networks (Ayeni, 2025). Such gaps limit the ability of SMEs to leverage on the ecosystem advantages to achieve long term growth. Without strong ecosystems, very few SMEs can expand beyond the survival levels, especially in the

emergent countries where informal systems are paramount (Omowole, et al., 2024).

Nonetheless, there are the internal influences such as the ability of SMEs to be competitive, be innovative, show leadership and a strategic orientation as well. Nigerian SMEs in general and those in the city of Ilorin in particular, due to their insufficient management expertise, financial constraints and inability to align with the enabling infrastructure, fail to translate opportunity to measurable growth performance (Hassan, 2022). Business collapse rate and limited competitiveness in both domestic and foreign markets are results of this. Although research from throughout the world has shown how entrepreneurial ecosystems can boost the growth of SMEs, there are still few empirical studies that concentrate on Nigerian contexts, particularly at the city or regional level (Omowole et al., 2024). Therefore, this study seeks to bridge this gap by examining the impact of entrepreneurial ecosystems on the growth of SMEs in Ilorin metropolis, Kwara State.

Research Questions

The study is guided by the following research questions:

- i. What is the impact of access to capital on the resilience of SMEs in Ilorin Metropolis?
- ii. How does entrepreneurial support infrastructure influence the resilience of SMEs in Ilorin Metropolis?

Research Objectives

The objective of the study was to investigate influence of resilience on the performance of entrepreneurial SMEs in a globalised world. Other specific objectives are to:

- i. Examine the impact of access to capital on the resilience of SMEs in Ilorin Metropolis.
- ii. Determine the impact of entrepreneurial support infrastructure on the resilience of SMEs in Ilorin Metropolis.

Research Hypotheses

H_{01} : access to capital has no significant impact on the resilience of SMEs in Ilorin Metropolis.

H_{02} : entrepreneurial support infrastructure has no significant impact on the resilience of SMEs in Ilorin Metropolis.

Literature Review

Conceptual Review

This study focuses on the concepts of SME resilience, access to capital, and entrepreneurial support infrastructure. SME resilience refers to the ability of enterprises to adapt, recover, and persist during challenges. Access to capital and support infrastructure provide the financial, human, and institutional resources necessary to strengthen SMEs' survival and performance.

Resilience

Resilience is becoming a strategic resource that is of paramount importance in the context of small and medium-sized businesses (SMEs) and helps them to achieve sustainable development by predicting, withstanding, and responding to shocks (Sidani and Harb, 2025). This has not just the power to recuperate after a hit but also the power to change, innovate and reform operations in accordance to the changing situations. As far as SMEs are concerned, resilience is not a luxury but a necessity because they often have to operate within the constraints of such factors as the lack of financial buffers, immature managerial systems, and uncertain business conditions.

Resilience theoretically can be considered based on the Resource-Based View (RBV) of resources which are valuable, rare and difficult

to copy like social capital, trust-based networks, and entrepreneurial know-how (Barney, 1991). In addition to RBV, resilience emphasizes that strong companies have the capacity to reorganize their workflow, respond to new opportunities, and continuously monitor changes in the environment to remain competitive (Ateke and Nwulu, 2021). These two theories collectively imply that SME resilience is not only a resultant consequence of resources but also of the dynamic means of deployed and adapted resources when faced with uncertainty.

This point of view is supported by empirical studies. SMEs with resilient natures, including good network connectedness, adaptive leadership, and quick decision-making have been shown to record a higher rate of survival and growth on the post-crisis or conflict-impacted regions (Mncube, 2025). To illustrate, SMEs that have local alliances and peer networks had an upper hand in responding to disruption of supply chain and market changes. Moreover, SMEs, which incorporated post-crisis learning in the context of COVID-19 crises by improving the processes and diversifying the revenues and enhancing the skills of the employees, turned out to be stronger and resilience became an active, learning-focused capacity instead of a reaction to a crisis. Combined, these results reveal that the process of resilience is multidimensional and dynamic in that the three facets of adaptation, recovery, and persistence interact to maintain the performance of SMEs in unfavorable environments.

Access to Finance

Liquidity is an essential element of SME resilience because it defines how businesses can switch operations, invest in innovations, and survive liquidity crunches. SMEs in the emerging markets are characterized by chronic financing constraints, usually linked with the perception of high risk, the absence of collateral, and information asymmetries, that put traditional financial institutions off lending (Kapapi, 2022). These restrictions restrict the ability of SMEs to become stronger by diversification, inventory buffers, or investing in digital tools.

But there is a new development that is beginning to alter this scenario. In Nigeria, underserved SMEs have been able to procure credit with the assistance of loan guarantee systems, blended finance models, and fintech, which in turn can be used to make them more resilient, such as improving delivery systems or installing backup power generators (William and Olabiji, 2024). Empirical research has demonstrated that, SMEs which are offered such initiatives have increased absorption and recovery rates in the event of a shock. Together with business advisory services, access to finance will increase further financial stability and flexibility in operation that enables firms to integrate regular business operations with business strategy alterations in the event of disruptions. It can be said theoretically that the resilience lens provides a more insightful perspective on this phenomenon. Finance is not merely a buffer, but a strategic resource which allows SMEs to restructure business, introduce new technologies, and pursue new opportunities. This way, availability of finance enhances all the aspects of resilience adaptation, recovery and persistence to transform financial capital into a long-run process of sustaining SMEs under volatile and institutionally limited conditions.

Entrepreneurial Support Infrastructure

The quality and extent of support infrastructure in the form of both physical infrastructure (material resources) and the support systems such as networks, support systems, intangible services and networks are also a major determinant of SME resilience. Uninterrupted standards like electricity, transport systems and fast-speed internet minimize the disturbance to operations and increase the adjustment capacity of firms. On the other hand, the lack of these fundamentals in areas with poor infrastructure, including most parts of Nigeria, increases the effects of shocks and compel businesses to use expensive contingency plans that undermine resilience (Basson, 2023).

Resilience is further reinforced by soft infrastructure such as mentorship systems, training centers, business alliances, incubators, and university-industry partnerships to share knowledge, collaborate in solving problems and being aware of market dynamics early. SMEs that are part of vibrant entrepreneurial ecosystems can adjust and survive more easily through peer support, social capital and community-based learning to address challenges (Hasayotin et al., 2024). In both empirical research, accessibility of such support networks by SMEs is associated with greater recovery rate and ability to absorb shocks, hence the outstanding importance of social and institutional connectivity in resilience.

The initial evidence of Kwara State indicates that SMEs that have access to local TVET centres, business hubs, and non-competitive societies perform better in times of crisis, but a formal nature of those mechanisms has not been thoroughly studied through scholarly research (Elkady et al., 2024). Theoretically, RBV emphasizes the importance of tangible and intangible resources in the entrepreneurial infrastructure as being valuable, rare, and difficult to imitate, while a resilience perspective emphasizes how SMEs can leverage these resources to reorganize operations, exploit opportunities, and proactively respond to environmental turbulence. Because of this, the entrepreneurial support infrastructure increases resiliency in regards to adaption, recovery, and persistence not only as a buffer of resources but also as a process that enables SMEs to continue performing and be innovative under problematic conditions.

Theoretical Review

Resistance Theory (Underpinning Theory)

Resistance Theory assumes that organizations and individuals have the ability to resist, adjust and recuperate internal and external forces or forces that are liable to disrupt their existence and functionality (Pfeffer and Salancik, 1978; Holling, 1973). When applied to the case of entrepreneurial SMEs, resilience is determined by the capacity of the firm to withstand environmental shocks such as economic changes, market fluctuations, and technological changes. The resistance is exhibited in both proactive and reactive strategies which enable SMEs to continue operations, keep growing and survive unfavorable environments. Some of the mechanisms that help SMEs to survive disruptions and improve operational stability include financial buffers, effective human resources, adaptive processes, and supportive networks.

Resilience as a concept in this study is multidimensional based on the Resistance Theory, and includes adaptation, recovery, and persistence. Adaptation is a measure of how the SME will change strategies and processes whenever there is a new challenge. Recovery is the possibility to recover after the disruption of operations, whereas persistence is the possibility to maintain operations and further growth in spite of difficulties. In this respect, financial resources, human capital, and entrepreneurial support infrastructure will be likely to enhance all dimensions of SME resilience allowing Ilorin firms in Kwara State to absorb shocks and continue functioning in a dynamic and globalised business environment.

In the theory, organizations have presupposed that they have the inherent capacities to reduce or solve threats but the capacities of the organizations differ among different firms based on their resource endowments, knowledge and availability of support frameworks. The Resistance Theory is especially robust in explaining the survivability of SMEs to environmental stress and shocks and provides information on the stability in operations, the adaptive behaviour, and long-term persistence. The theory is, however, constrained by the fact that it pays less attention to the way firms actively seek to accumulate or create the resources they need to resist and it offers little information on the role

played by institutional and systemic factors in determining the outcome of the resilience.

In spite of these constraints, Resistance Theory is very applicable to the study as it offers a powerful approach that can help in explaining how the SMEs use internal capabilities, resources, support networks to resist environmental shocks, to adapt to the challenges, and remain operational. Using this theory, the research paper has identified the processes by which access to capital, and entrepreneurial support infrastructure lead to resilience of SME in an institutionalised and globalised environment.

Resource Based View Theory

Resource-Based View (RBV) postulates that the capability of an organisation to obtain, generate and make use of valuable, rare, unique and non substitutable resources is a significant performance, development and existence determinant (Barney, 1991). With respect to entrepreneurial SMEs, resilience is identified depending on the perception through which a firm is able to access and use necessary resources including financial resources, skilled human resource and entrepreneurial support infrastructure particularly in a globalised and dynamic business environment. The resources that are available and strategically used allow SMEs in Ilorin, Kwara State, to adjust and innovate, as well as to resist external shocks like the market and economic shocks, and technological changes. Monetary resources enable the SMEs to expand operations, implement new technologies, and deal with the operational risks, and skilled human capital offers the skills that are required to effectively react to uncertainty. Incubators, mentorship networks, and collaborative platforms are additional entrepreneurial support infrastructures that enhance resilience through networking, information sharing, and strategic alignment (Autio et al., 2014; Smallbone et al., 2012).

Based on RBV, the concept of resilience in this study is multidimensional in nature, made up of adaptation, recovery, and persistence. All the dimensions are an indication of how the SMEs strategically use their resources to survive and prosper in the harsh environments. In this regard, we postulate that financial resources, human capital and entrepreneurial support infrastructure have a positive effect on every dimension of the SME resilience which subsequently improves the firm performance in a globalised and institutionally bound environment. This theoretical approach provides a clear rationale on why resource management processes that result in entrepreneurial resilience need to be investigated.

This theory presumes that firms have differences in the resources and capabilities they have and the resources are not perfectly mobile among companies. Resource-Based View can be reinforced by the fact that it can explain the importance of internal resources as major forces of firm survival, competence, and performances especially when SMEs are operating in uncertain environments. The theory, however, vitiates it with little attention to the outside environmental and institutional factors as well as how resources are evolved and changed over time. In spite of these drawbacks, the Resource-Based View can be used extensively in the study as it offers a pertinent model to explain how financial resources, human capital as well as the infrastructure of entrepreneurial support can contribute to SME resilience and consequently lead to performance in a globalised business context.

Empirical Review

Oganija et al (2025) made a Post-Covid Empirical Study of *Business Resilience and its Issues on the Survival of SMEs in Kwara State*. The paper examined the extent to which the survival of SMEs in Kwara State was influenced by entrepreneurial resilience as measured by psychological capital (hope, self-efficacy, resilience, and optimism) and the strategic flexibility (innovation adaption, and decision-making agility). A quantitative approach design of the study was cross-sectional survey using a standard, closed-ended questionnaire to 343 SMEs, and a response of 312 responses being valid samples of a population of 3124 registered enterprises. The data was analysed by multiple regression analysis. The analysis reached the point of generalization that the internal entrepreneurial capacities also play a big role in ensuring that SMEs survive in unstable environments. Amongst other recommendations, it also proposed that strategy and psychological capability development should enjoy paramount importance on the part of stakeholders who should provide training, policy, and innovation-support mechanisms to enhance resilience.

Nana and Omodafe (2025) examined the effect of the entrepreneurial ecosystem on the performance of small and medium-sized enterprises in Delta State, Nigeria. The study aimed to assess how key entrepreneurial ecosystem pillars policy, finance, human capital, markets, culture, and support systems affect SME performance. The study was not explicitly anchored on any underpinning theory. A cross-sectional survey research design was adopted, with SME owners in Delta State constituting the study population. Using Cochran's formula, a sample size of 384 respondents was determined, and judgmental sampling technique was employed. Primary data were collected through a structured questionnaire designed on a five-point Likert scale, and internal consistency reliability was used to assess the reliability of the instrument. The data were analyzed using descriptive and inferential statistical techniques. The findings revealed that policy, finance, human capital, markets, and support services had positive and statistically significant effects on SME performance, while entrepreneurial culture had a negative and insignificant effect. The study concluded that the combined influence of entrepreneurial ecosystem pillars creates a supportive environment that enhances the performance and sustainability of SMEs. Consequently, the study recommended that the Delta State Government should promote an entrepreneurial culture that encourages risk-taking, creativity, and resilience through educational programs and public awareness campaigns.

The study by Ajiroro (2024) was undertaken on the *Assessment of Entrepreneurial Ecosystems and development of SMEs in Ilorin Metropolis, Kwara State*. In turn, the research looks at the role of entrepreneurial ecosystems in relation to the growth of businesses, with the focus on the SMEs in the city of Ilorin in Kwara State. The conclusions of the study established that the growth of SMEs is greatly influenced by entrepreneurial ecosystems that also offer access to finance, entrepreneurship infrastructure, entrepreneurial knowledge and talent exchange. The analysis reached the conclusion that successful SMEs and their capacity to promote economic growth is based on entrepreneurial ecosystems. Availability of financing is critical to the growth of an economy, employment, and entrepreneurship since it provides the starting business with funds it requires to invest, innovate, and expand.

Siddiqui and Rokade (2024) looked into *Entrepreneurial Proficiency, Financial Knowledge and Sustainable Functioning—Examining the Mediating Role of Business Resilience among Indian Entrepreneurs*. A quantitative approach to collect data from 275 small business owners in India using an offline questionnaire was used. To assess the collected data, PLS-SEM was employed. The results demonstrate that financial literacy has a highly positive effect on resilience and entrepreneurial capacity. Entrepreneurial skills greatly improve the

company resilience and long-term success of Indian SMEs. Additionally, it was demonstrated that while company resilience had a major impact on sustainable performance, it also tempered the impact of financial knowledge and proficiency on sustainable performance among Indian SMEs.

An analysis of a framework in developing resilient business models that respond to the economic disruptions that affect Nigerian SMEs was conducted by Otokiti et al (2022). The study proposed a framework to be used in making strong business models that will enhance the flexibility and the sustainability of Nigerian SMEs in the face of economic insecurity. The framework to minimize vulnerabilities and have a long-term growth is an integration of risk management, digital transformation, financial literacy, and strategic agility. This paper employed the mixed methods design because it relied on a survey and a case study to understand the levels of resilience of SMEs across various industries. Based on the information, most of the SMEs in Nigeria are not utilizing proactive risk mitigation strategies, but employing reactive measures that often lead to business collapse instead of strategic planning. This paper develops a resiliency architecture that provides digital integration, flexible business strategies, and facility-based financial strategies to address these problems. The frame identifies how digitalization, including cloud computing, data analysis, and the use of e-commerce can enhance the business efficacy and market penetration. It also reveals that risk management training and financial literacy are the important factors that help SMEs to overcome crises in the economy without failures. The proposed structure also highlights the importance of the two factors, i.e. contribution to the private sector and regulatory policy by the government in developing a healthy SME market. Financial interventions, legislations changes, and capacity-building initiatives are proposed to make SMEs be more competitive. By relying on an organised resilience architecture, Nigerian SMEs can shift away from reactive strategies of survival to active business continuity planning.

Shan and Tian (2022) explored *the role of a social capital on entrepreneurial resilience of SME in China: A moderated mediation model of entrepreneurial passion and Confucian traditional golden-mean thinking.* In this study, the researcher seeks to investigate the inner process through which social capital of SME entrepreneurs has an effect on entrepreneurial resilience. We offer a regulation and mediation model that seeks to reveal an inner mechanism. The bootstrapping method and hierarchical regression modelling methodologies are adjusted to test and confirm mediation and moderation effects among Chinese entrepreneurs in SEM in accord with survey data. The results show that social capital indeed has a direct and an indirect influence over entrepreneurial resilience with obsessive and harmonious entrepreneurial drive mediating between social capital and entrepreneur resilience. Moreover, studies show that the relationship between social capital and entrepreneurial resilience is posited with a moderate in the positive direction by golden-mean thinking, whereas, the relationship between obsessive entrepreneurial enthusiasm and entrepreneurial resilience is negatively severe in the golden-mean thinking. In the light of these outcomes, we present the conclusion that the complex inner workings of social capital, entrepreneurial enthusiasm, and golden-mean thinking prove to be more efficient means of developing entrepreneurial strength. The paper concludes listing the theoretical and practical implications and give suggestions on further researches.

Although prior studies have advanced the understanding of resilience and growth among SMEs, several limitations remain. For instance, Ajirowo (2024) emphasized the role of entrepreneurial ecosystems in SME growth, while Oganija et al. (2025) explored entrepreneurial resilience through psychological capital and strategic flexibility. On the same note, Otokiti et al. (2022) designed a resilience framework that can combine the concept of digital transformation, risk management, and financial literacy, and Shan and Tian (2022) explored the mediating and moderating role of social capital and entrepreneurial passion on

resilience in the context of Chinese SMEs. Siddiqui and Rokade (2024) went further and made a connection between financial knowledge and entrepreneurial competence determining sustainable SME performance in India. Although these studies offer useful information on resilience and survival drivers, they focus more on internal capacities or on ecosystem support without placing resilience within the broader context of globalization which exposes SMEs in the developing countries to cross-border case competition, foreign market entry, currency fluctuations and technology shock that, in any developing economy, Nigeria included, characterize SMEs.

In addition, methodological and contextual gaps are evident. Many of the studies adopt cross-sectional survey designs (e.g., Oganija et al., 2025; Siddiqui & Rokade, 2024), which limit causal inferences and fail to capture the dynamic nature of resilience over time. Some others, such as Otokiti et al. (2022), but suggesting a framework, lay more emphasis on conceptual modelling as opposed to empirical validation in particular local settings. Additionally, although studies on resiliency have been done in Nigeria, there is a dearth of studies that explicitly address the state of Kwara and the extent to which SMEs have adapted to the globalization process including the adoption of digital technology, international competition, and the unpredictability of trade policies. Little is also known on how resilience inter-relates with local institutions, entrepreneurial systems and sector specific predicaments within a globalised environment. The above gaps explain why the current research is necessary and in this regard, the current research aims to examine resilience of SMEs in Kwara state in the light of the globalization process and hence present new insights that can fill theory, methodological and contextual gaps that are currently evident in the literature.

Methodology

The research design used in this study was a cross-sectional survey design, and it was used to gather quantitative data. The design was adopted due to its ability to collect data of a large number of respondents within a relatively short area of time and also offers results that can be generalized to the rest of the population of the SMEs in the research region. The population sample was 3,124 SMEs registered with the Kwara State Internal Revenue Service with operations in Ilorin and pay taxes of one hundred thousand naira and above. The sample size of 343 SMEs was calculated as suitable using MACCOR sample size calculator. Simple random sampling method was used to ensure that SMEs of various sectors were fairly represented. A structured questionnaire with closed-ended questions was used to collect data on the basis of a five-point Likert scale. The questionnaire has been created after a thorough evaluation of the literature available on SME resilience, access to finance, and entrepreneurial support infrastructure, and constructs were grounded in theory and were relevant. The independent variables were well defined as the main variables access to finance and entrepreneurial support infrastructure, and the dependent variable SME resilience, and specific questions were drafted to accurately measure every construct. Resource-Based View and resilience perspectives informed these choices because they link the theory directly to the research design and hypotheses.

Cronbach alpha coefficients were computed on all scales to have a value of reliability and validity, and all the alpha coefficients were above the recommended 0.7 mark, which is good internal consistency. The construct validity was measured using the exploratory factor analysis in which all measures loaded correctly on the intended dimension. The analysis of the data was performed with the help of multiple linear regression of SPSS version 27.0, which made it possible to observe the relationships between the independent variables and SME resilience. Admittedly, cross-sectional design does not allow the researcher to observe resilience as a dynamic, temporal phenomenon. As a result, resilience is quantified as experienced adaptive capacity in one instance as opposed to resilience over a long period. Nevertheless, the design has offered valuable information about the ability of SMEs to change, rebound, and survive within the economic and institutional boundaries in Ilorin, Kwara State.

Findings

H₀₁: access to capital has no significant impact on the resilience of SMEs in Ilorin Metropolis.

H₀₂: entrepreneurial support infrastructure has no significant impact on the resilience of SMEs in Ilorin Metropolis..

Out of the 343 copies of questionnaire distributed, only 287 was properly filled, returned, coded and analysed. According to established research methodology standards, a response rate of 50% is considered adequate for analysis, 60% is good, and 70% or higher is very good or excellent for survey-based research (Reisner, 2023; Mugenda & Mugenda, 2003; Dillman, Smyth & Christian, 2014). In this study, the usable response rate of 83.7% therefore meets and exceeds these accepted benchmarks, indicating that the data are sufficiently representative for reliable analysis.

Table A1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.785 ^a	.616	.613	4.47971

a. Predictors: (Constant), Access to Capital, Entrepreneurial Support Infrastructure

Source: Field Survey, 2025

Table A1 presents the model summary of the regression analysis. The correlation coefficient (R) is 0.785, which indicates a strong positive relationship between the predictors (access to capital and entrepreneurial support infrastructure) and the dependent variable. The coefficient of determination (R²) is 0.616, implying that 61.6% of the variation in the dependent variable is explained by the independent variables included in the model, while the remaining 38.4% is due to other factors not captured in this study. The adjusted R² value of 0.613 further confirms the robustness of the model, accounting for the number of predictors. The standard error of the estimate (4.47971) indicates the average distance between the observed values and the regression line, suggesting a relatively good fit of the model. Overall, the regression model demonstrates substantial explanatory power, making it useful for predicting variations in the dependent variable.

Table A2: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9132.051	2	4566.025	227.529	.000 ^b
	Residual	5699.267	284	20.068		
	Total	14831.317	286			

a. Dependent Variable: Resilience of SMEs
b. Predictors: (Constant), Access to Capital, Entrepreneurial Support Infrastructure

Source: Field Survey, 2025

Table A2 presents the Analysis of Variance (ANOVA) results for the regression model predicting the resilience of SMEs. The regression sum of squares (9, 132.051) is significantly high in comparison with the residual one (5, 699.267), which implies that a significant part of the variability in SME resilience is explained by the independent variables access to capital and entrepreneurial support infrastructure. The values of the mean square of the regression (4,566.025), and the residual mean square (20.068) were inputted to calculate the F-statistic, 227.529. The corresponding significance probability is 0.000 that is less than the traditional 0.05 standard ($p < 0.05$). This statistic shows that the regression model is significant, which means that access to capital and the entrepreneurial support infrastructure interactively have significant impacts on resiliency of SMEs. Altogether, the model is very well-suited to forecasting changes in resilience in SMEs in the setting of the research.

Table A3: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.115	1.721		.067	.947
	Access to Capital	.383	.086	.345	4.466	.000
	Entrepreneurial Support Infrastructure	.556	.093	.464	5.999	.000

a. Dependent Variable: Resilience of SMEs

Source: Field Survey, 2025

Table A3 presents the coefficients of the independent variables in relation to SME resilience. Access to capital demonstrated a positive and statistically significant relationship with resilience ($\beta = 0.383$, $t = 4.466$, $p < 0.001$), indicating that SMEs with broader access to funding sources including bank lending, government grants, venture capital, and angel investments are better positioned to navigate business challenges. Such a result is consistent with the previous literature (Ajirowo, 2024; Siddiqui and Rokade, 2024; Oganija et al., 2025) that argues that financial resources do not only offer the opportunity to grow operationally but also indicate credibility to investors and other

ecosystem partners, which can further promote resilience.

Infrastructure of entrepreneurial support also had a positive but significant impact on resilience ($\beta = 0.556$, $t = 5.999$, $p < 0.001$), which demonstrates the importance of incubators, accelerators, networking initiatives, and talented labor pools. Integrity of the SMEs in a highly-developed ecosystems contributes to cooperation, sharing of knowledge and innovative approaches to solving problems, which are directly related to adapting to the new market environment and survival in the market under economic pressure. The reason is that the standardized beta (0.464 in infrastructure and 0.345 in finance) is a little higher, indicating that financial resources are highly necessary, but structural and social support networks can have even a more significant impact on SMEs shock absorption capacity. These findings agree with the previous research on the significance of entrepreneurial ecosystems in promoting sustainable business operations and resilience (Otokiti et al., 2022; Shan and Tian, 2022; Ajiwoyo et al., 2023).

In general, the regression equation of the model Resilience SME = $0.115 + 0.383$ (Access to Capital) + 0.556 (Entrepreneurial Support Infrastructure) indicates that access to finance and entrepreneurial support infrastructure in Kwara State are both important factors in predicting SME resilience. The results indicate that resilience is multidimensional: finance mainly reinforces recovery and persistence whereas entrepreneur support infrastructure reinforces adaptive capacity by strengthening social and institutional connectivity. In turn, the null hypothesis refusal (H_01 and H_02) proves that the two factors matter to allow SMEs to resist the environment shocks and survive in a globalized economy environment.

Discussion of Findings

The findings from Table A3 indicate that access to capital has a positive and statistically significant effect on SME resilience ($\beta = 0.383$, $t = 4.466$, $p < 0.001$). This is an indication that SMEs who have greater opportunities in terms of the availability of financial resources such as bank loans, government grants, venture capital, and angel investments have greater opportunities to overcome business hurdles. These findings are in line with other researchers (Ajirowo, 2024; Siddiqui and Rokade, 2024; Oganija et al., 2025), who emphasize that the availability of financial resources can not only facilitate the development of operation but also demonstrate trustworthiness to investors and partners in the ecosystem, which helps in increasing resilience. Access to finance empowers the recovery and persistence abilities of SMEs, which in turn make them resilient to economic and market shocks, in the context of Ilorin, where liquidity constraints and poor institutional support often hinder the growth and survival of SMEs.

Entrepreneurial support infrastructure was also found to have a positive and significant effect on SME resilience ($\beta = 0.556$, $t = 5.999$, $p < 0.001$) indicating the significance of incubators, accelerators, networking programs, and talent pools. Cooperation, knowledge sharing, innovative problem solving is enabled by structural and social support network which makes SMEs adaptive and allows them to endure in difficult market environments. The standardized values of the beta (0.464 in infrastructure, 0.345 in finance) show that although financial resources are very essential, entrepreneurial support infrastructure can have a still greater impact on the shock absorption of SMEs and their general resilience. On the whole, the regression model (Resilience SME = $0.115 + 0.383$ (Access to Capital) + 0.556 (Entrepreneurial Support Infrastructure) attests to the fact that both finance and support infrastructure are the main factors influencing SME resilience in Kwara State, which proves the null hypothesis (H_01 and H_02) to be rejected and proves that the factors make SMEs survive in the globalised economic environment.

Conclusion

The study concluded that the availability of capital is a key aspect of accessing more resilient SMEs in Ilorin Metropolis, based on the study. The SMEs which have better access to the financial facilities like loans, grants and venture capital are in a good position to innovate, face challenges in their operations and to support their businesses during the stormy situations. This validates the fact that accessibility to finance is a key determinant in SME flexibility and survival in the long run in a globalized business environment.

In addition, support facilities and infrastructure to commence, and transfer of talent and knowledge are also needed in strengthening SME. The presence of incubators, accelerators and mentorship programs and the presence of a good workforce will enable SMEs to share their knowledge and expertise and also will have solutions that will enable them to come out stronger after any shock in the market. Overall, this study demonstrates that not only financial resources are necessary to ensure the survival of SMEs but also a positive environment, which, further, should include infrastructure, human capital, and knowledge networks. Besides, SMEs that practice strategic planning and constantly track the market trends, and align their operations to new challenges are better placed to survive and prosper. Association with other businesses, industry networks and government agencies also increase their resource access, knowledge sharing and finding new growth opportunities. Increasing the culture of innovation, flexibility and constant learning in the SMEs not only promotes the sustainability of competitiveness and resilience in the local and international market, but also guarantee long-term survival of the enterprise.

Recommendations

- i. According to the research outcomes of the current research, improving the resilience of the SMEs in Kwara State should be properly addressed through interventions of multiple stakeholders, such as governmental bodies, financial institutions, and development partners. The availability of finance was recognized as a decisive provision in helping SMEs to smooth out the shocks, recuperate in face of disruptions, as well as seek out growth provisions. Thus, it can be recommended that efforts be made to offer a wide range of financial options in the form of concessional loans and grants, venture capital, and credit guarantee programs. By making these resources available, SMEs will be able to invest in innovation and scale operations, and cope with the unpredictabilities of competitive and volatile economy.
- ii. Besides the financial assistance, the infrastructure in supporting entrepreneurs needs to be reinforced. The SME ecosystem means reinforcing networks, sharing of knowledge and developing talent should be established as policies and programmes. Programs like business incubators, skill training programs, mentorship programs, and partnering platforms may offer SMEs the knowledge, mentorship, and networks needed to innovate, adapt, and survive. With the two integrated, the financial resources and the good supportive infrastructural and knowledge-based base will enable the SMEs in Kwara State to withstand the economic shocks and succeed in its globalised business environment. Theoretically, these recommendations are consistent with the Resource-Based View and resilience perspective, which emphasizes the role of both tangible and intangible resources in the development of SME resilience. In practical terms, they offer policy-makers, financial institutions, and other development partners with an action plan to ensure the enabling environment where the SMEs can use resources, networks and capabilities to adapt, recuperate and continue to survive in the harsh environment. In general, improving the resilience of SMEs is not only essential in the sustainability of individual firms, but also leads to more economic growth, creation of jobs and innovations in the economies of developing countries in general.

References

- Ajirowo, W. O. (2024). Assessment of entrepreneurial ecosystems and SMEs' growth in Ilorin Metropolis, Kwara State. *African Journal of Management and Business Research*, 15(1), 324-338.
- Ateke, B. W., & Nwulu, C. S. (2021). Dynamic marketing capabilities and adaptability of hospitality firms in Rivers State. *Nigerian Journal of Management Sciences*, 22(1).
- Autio, E., Nambisan, S., Thomas, L. D. W., & Wright, M. (2014). Digital affordances, spatial affordances, and the genesis of entrepreneurial ecosystems. *Strategic Entrepreneurship Journal*, 8(1), 83–109. <https://doi.org/10.1002/sej.1156>
- Ayeni, A. A. W. (2025). Entrepreneurial Abilities and Business Performance: Enacting Business Survival Paradigm from Electronics Informal Market, Nigeria. *World*, 6(2), 75.
- Basson, N. (2023). Internal and External Factors Affecting The Growth of Small, Medium and Micro Enterprises in Overstrand Local Municipality, Western Cape Province (Master's thesis, University of South Africa (South Africa)).
- Boudreaux, M. J. A. (2024). Transformational Leadership in AI-Driven Industry 4.0: Cultivating Adaptive, Ethical, and Resilient Leaders. South College.
- Brown, R., & Rocha, A. (2025). Analysing Diversity in Entrepreneurial Finance across Entrepreneurial Ecosystems. In *The Oxford Handbook of Spatial Diversity and Business Economics* (pp. 229-248). Oxford University Press.
- Dillman, D. A., Smyth, J. D., & Christian, L. M. (2014). Internet, phone, mail, and mixed mode surveys: The tailored design method (4th ed.). Wiley.
- Duah-Boateng, E. (2024). Exploring the Impact of Transformational Leadership on Organizational Innovation: A Case Study of Ghana Revenue Authority (Doctoral dissertation, Magyar Agrár-és Élettudományi Egyetem).
- Elkady, S., Hernantes, J., Gómez, E., & Labaka, L. (2024). Revealing resilience features: Analyzing informal solutions adopted in emergency situations. *International Journal of Disaster Risk Reduction*, 101, 104267.
- Hasayotin, K., Maisak, R., Setthajit, R., Ratchatakulpat, T., Naburana, W., & Supanut, A. (2024). Empowerment of SMEs and entrepreneurial ecosystems: a qualitative study on diversifying pattaya's economy. *Revista de Gestão Social e Ambiental*, 18(7), 1-30.
- Hassan, N. J. (2022). Government Intervention Policies on the Performance of Small and Medium Scale Enterprises (Fashion Design Businesses in Ilorin Metropolis) (Master's thesis, Kwara State University (Nigeria)).
- Holling, C. S. (1973). Resilience and stability of ecological systems. *Annual Review of Ecology and Systematics*, 4(1), 1–23. <https://doi.org/10.1146/annurev.es.04.110173.000245>
- Kapapi, P. J. (2022). Effects of emergent financial lending institution on the economy: the case of small and medium enterprises in Kasama district of Northern province of Zambia (Doctoral dissertation, The University of Zambia).
- Mncube, D. V. S. (2025). Overcoming the funding dilemma for Small and Medium-Sized Enterprises [SMEs] in Africa to unlock their unrealized potential. Available at SSRN 5238322.
- Mugenda, O. M., & Mugenda, A. G. (2003). Research methods: Quantitative and qualitative approaches. African Centre for Technology Studies.
- Nana, U. J., & Omodafe, U. P. (2025). Assessing the effect of entrepreneurial ecosystem on small and medium-sized enterprises' performance in Delta State, Nigeria. Unpublished manuscript, Department of Accountancy and Department of Marketing, Delta State Polytechnic, Delta State, Nigeria.
- Oganija, B. K., Lanre, M., & Mudashir, M. (2025). A Post-Covid Empirical Study of Entrepreneurial Resilience and Implications for Survival of SMEs in Kwara State. *International Journal of Business Economics and Management Science*.
- Omowole, B. M., Olufemi-Phillips, A. Q., Ofodile, O. C., Eyo-Udo, N. L., & Ewim, S. E. (2024). The role of SMEs in promoting urban economic development: A review of emerging economy strategies. *Journal Name Unspecified*.
- Omowole, B. M., Olufemi-Phillips, A. Q., Ofodile, O. C., Eyo-Udo, N. L., & Ewim, S. E. (2024). The role of SMEs in promoting urban economic development: A review of emerging economy strategies. *Journal Name Unspecified*.
- Orlanyuk-Malitskaya, L., Plakhova, T., Sakulyeva, T., & Glazkova, I. (2024). The impact of globalisation processes on supply chain management. *Innovative Infrastructure Solutions*, 9(2), 35.
- Otokiti, B. O., Igwe, A. N., Ewim, C. P., Ibeh, A. I., & Sikhakhane-Nwokediegwu, Z. (2022). A framework for developing resilient business models for Nigerian SMEs in response to economic disruptions. *Int J Multidiscip Res Growth Eval*, 3(1), 647-659.
- Pfeffer, J., & Salancik, G. R. (1978). The external control of organizations: A resource dependence perspective. Harper & Row.
- Reisner, A. (2023). Judgment rules for surveys. In *Social science methods* (pp. 85–99). University of Illinois Press.
- Shan, T., & Tian, X. (2022). The effects of social capital on entrepreneurial resilience of SME from China: A moderated mediation model of entrepreneurial passion and Confucian traditional golden-mean thinking. *Frontiers in Psychology*, 13, 961824.
- Sidani, D., & Harb, B. (2025). Digital challenges for sustainability in Asian countries—the role of resilient capabilities in Lebanese universities. *Journal of Asia Business Studies*, 19(3), 845-862.
- Siddiqui, A., & Rokade, V. (2024). Entrepreneurial Proficiency, Financial Knowledge and Sustainable Functioning—Examining the Mediating Role of Business Resilience among Indian Entrepreneurs.
- Smallbone, D., Welter, F., & Ateljevic, I. (2012). Entrepreneurship in transition economies: Challenges and perspectives. *International Journal of Entrepreneurship and Small Business*, 17(1), 1–20. <https://doi.org/10.1504/IJESB.2012.044597>
- William, B., & Olabiyi, W. (2024). Access to Finance: A Comparative Study of Banking Services in Nigeria. Available at SSRN 5004032.