

# Effects of Risk Management on SMEs Performance in Jos Metropolis

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DOI: <https://dx.doi.org/10.47772/IJRISS.2025.90300230>

Received: 17 February 2025; Revised: 04 March 2025; Accepted: 06 March 2025; Published: 09 April 2025

## ABSTRACT

The purpose of this study was to analyze the effects of risk management on SMEs performance in Jos metropolis. Business Survey design was adopted. Primary and Secondary data were used for this study. Data were gathered using questionnaires from 200 respondents. Taro Yamane formula was used in determining the sample size. Simple percentage was used in analyzing demographic data of the respondents while Regression analysis was used in analyzing the responses gotten from the respondents. The study was directed toward examining the role of risk identification on SMEs performance in Jos metropolis, to examine the effect of risk assessment on SMEs performance in Jos metropolis and also to examine the impact of risk control on SMEs performance in Jos metropolis. However, it was recommended that SMEs are encouraged to enhance and improve their risk identification processes, develop their robust risk assessment methods and implement effective control measures in response to improving SMEs performance.

## INTRODUCTION

Risk management is a critical aspect of business operations, and its significance is particularly pronounced in the context of Small and Medium-sized Enterprises (SMEs). In this chapter, we delve into the importance of risk management for SMEs and explore historical perspectives on how these enterprises have managed risks. By drawing upon the insights of previous authors and references, we aim to shed light on the relevance of risk management practices for SMEs worldwide. The ability of a SME owner or top SME management to make strategic decisions is crucial to guaranteeing the financial health and long-term viability of SMEs in the business environment (Cepel, Stasiukynas, Kotaskova & Dvorsky 2018), as well as the success of the digitalization process (Cepel et al. 2018).

The most crucial stage of risk management in SMEs is risk source diagnostics because only by identifying the risk sources can preventive measures be developed (Gorzen-Mitka, 2019). The negative effects of a lack of business risk management put a company's very survival in danger (Balcaen and Ooghe, 2018). This includes the inability to pay debts owed to vendors, employees, the government, and the lack of job orders from clients, as well as unfavorable values for the company's financial indicators or tense interactions between workers and management. SMEs face numerous challenges that can impact their survival and growth. Effective risk management plays a pivotal role in mitigating these challenges and ensuring long-term success. Scholars and researchers have highlighted the importance of risk management in SMEs, underscoring the following key point.

According to Klapper and Love (2011), SMEs often lack the financial reserves to weather significant losses caused by unforeseen events. Effective risk management practices enable SMEs to identify potential threats and implement strategies to minimize financial risks. By assessing and addressing these risks, SMEs can safeguard their financial stability and enhance their chances of long-term sustainability. Disruptions to operations can significantly impact SMEs. As noted by Molina-Morales et al. (2015), risk management contributes to ensuring business continuity. By identifying vulnerabilities, implementing contingency plans,

and establishing resilient supply chains, SMEs can minimize the impact of disruptions and maintain uninterrupted operations, thus safeguarding their profitability and reputation.

Risk management practices enhance stakeholder confidence in SMEs. According to Cumming et al. (2016), implementing robust risk management frameworks signals to stakeholders, including customers, suppliers, investors, and lenders, that the SME is committed to responsible business practices. This fosters trust and strengthens relationships, leading to increased opportunities for collaboration and growth. Lenders and investors assess risk management practices when making financing decisions. Verheul et al. (2010) found that SMEs with sound risk management frameworks are more likely to access favorable financing terms. By demonstrating an understanding of risks and implementing appropriate risk mitigation strategies, SMEs enhance their creditworthiness and increase their chances of obtaining financing for growth and expansion.

SMEs have historically employed various approaches to manage risks, adapting to the specific contexts and challenges they faced. Scholars have explored these historical risk management strategies, shedding light on past practices: Lichtenstein and Brush (2001) highlighted the importance of informal networks in risk management for SMEs. These networks, comprised of social relationships and community connections, provided SMEs with access to information, shared experiences, and mutual assistance during times of crises. These networks acted as a valuable resource for risk management before the advent of formal risk management frameworks. Verheul et al. (2010) noted that SMEs often adopted risk-avoidance strategies to protect their businesses. This involved focusing on niche markets, diversifying their product or service offerings, and cautious expansion plans. By minimizing exposure to potential risks, SMEs sought to safeguard their core business activities while selectively exploring growth opportunities. Previous research by Lumpkin and Dess (1996) emphasized the importance of entrepreneurial agility in risk management for SMEs. Due to their size and organizational flexibility, SMEs were able to adapt quickly to changing circumstances. This agility allowed them to adjust strategies, explore new markets, and embrace innovation as a means to mitigate risks and seize opportunities.

Insurance has played a significant role in risk management for SMEs. Molina-Morales et al. (2015) noted that SMEs recognized the importance of insurance as a risk transfer mechanism. Although the extent of coverage varied based on available resources and perceived risks, obtaining insurance for key areas such as property, liability, and business interruption provided SMEs with a level of protection against unforeseen events. A small-scale industry, according to NCI (2003), is defined as an enterprise with total costs (including working capital but excluding cost of land) above N1.5 million but not exceeding N50 million, with a labor size of between 11 and 100 workers, as opposed to a medium-scale industry, which has total costs (including working capital but excluding cost of land) above N50 million but not exceeding N200 million, with a labor size of between 101 and 300 workers. SMEs, which make up the majority of economic operations in both established and emerging nations like Nigeria. Previous researchers, academics, and practitioners have identified the formal and informal forms of financing as the two primary financing concepts for SMEs. Government regulation only applies to the formal forms of finance; it does not apply to the informal forms of financing. According to Aruwa (2016), the commercial banks and development banks for businesses are two of the most well-liked formal sources of financing. Contrarily, informal sources include cooperative credits and loans from friends and family. In this regard, Inang and Ukpogong (2015) and Aruwa (2016) are two significant works. According to their results, the cost of capital, risk, unfavorable loan terms from banks, and a lack of equity capital are the four issues that keep coming up when it comes to funding SMEs. The government has implemented a number of policies and programs over the years aimed at subsidizing SMEs. However, it is concerning to see that SMEs currently lack funding and that finance issues keep coming up. SMEs seem unsafe, as researchers have discovered, as previously mentioned. Investors are therefore not drawn to them. Today's SMEs are most at risk from financial and strategic risks. While most business owners are aware of this and make thorough plans before starting operations, some outside causes, such as earthquakes, fire outbreaks, tsunamis, floods, social upheaval, purposefully caused damage, etc., can nevertheless force a business to close. Having said all of this, it must be underlined that a business owner will succeed in their venture if they thoroughly assess the risks associated with their industry and take the necessary steps to reduce them. Insurance provides protection for the insured. Effective risk management and insurance coverage can reassure

investors and so lower a business's risk. The question that remains is whether SMEs are aware of their risks and that the majority of them are insurable.

According to Vaughan (2017) A very wise strategy for controlling the recognized risk and lowering uncertainty is to run a firm with basic insurance (Douglas, 2019). Defining insurance is the equitable transfer of a loss risk from one organization to another in exchange for a regular payment called premium is what is referred to as insurance. A small business needs to protect its properties because replacing them would be more difficult and costly. It is based on this background that the present study seeks to investigate the role of insurance in minimizing business risk in small and medium scale enterprise in Plateau State, Nigeria.

Fear of the future has historically been one of the main deterrents for entrepreneurs from starting businesses (Cacciotti, Hayton, Mitchell, & Giazitzoglu, 2016). The risks that SMEs face include; liquidity risks, theft, machine breakdowns, civil commotion, reputation risks, fire outbreak risks, liability risks, intentionally caused damage to goods and properties and other risks. SMEs do not have good performance and by extension do not last longer because they do not identify, assess and control the risks properly. Despite these problems, a business owner who properly assesses the risk in their industry and takes the necessary steps to reduce that risk will undoubtedly be successful in that industry. This means that with proper Insurance risk management, the SMEs performance will improve and by extension last longer. This is the precise point at which insurance policies become crucial for all business owners as a way to mitigate any risks that could arise from natural disasters or man-made issues. However, despite the fact that previous researchers have identify the significant role of insurance risk management on reducing business risk, such studies only focused on commercial businesses ignoring the small and medium scale enterprises. It is on this note that the present study seeks to fill this gap in existing literature by examining the effect of insurance risk management on SMEs performance of small and medium scale enterprise in Jos metropolis.

## RESEARCH HYPOTHESES

The following hypotheses were stated in the present study;

### Hypothesis 1

H<sub>01</sub>: Risk Identification does not have a significant effect on SMEs performance in Jos metropolis.

### Hypothesis 2

H<sub>02</sub>: Risk assessment does not have a significant effect on SMEs performance in Jos metropolis.

### Hypothesis 3

H<sub>03</sub>: Risk Control does not have a significant impact on SMEs performance in Jos metropolis.

## METHODOLOGY

The research used descriptive survey design as the strategy or plan of action regarding events which upon implementation would enable the researcher to investigate the problem of this study. The study was designed in a systematic process of providing answer to the research questions and research objectives. The population of this study comprised of selected SMES in Terminus market in Jos metropolis. According to Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), the total population of Small and Medium Scale Enterprises was 220. The sample size for this study was determined through the use of Taro Yamane formula as stated below;

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

Where:

**N** is the Population

**1** is the constant

**e** is the degree of error expected

**n** is the sample size

$$n = \frac{220}{1 + 220 (0.05)^2}$$

$$\frac{220}{1 + 220(0.0025)}$$

$$\frac{220}{1 + 0.55}$$

$$\frac{220}{1.55}$$

$$n = 142$$

Questionnaire was the main research instrument used for the study to gather necessary data from the sample respondents. The questionnaire was structured for linkert scale questionnaires in such a way that it provided answers to the research questions. The descriptive and quantitative statistical method of data analysis was used to analyze the study of this research. The descriptive analysis involved the use of tables and frequency distribution. The quantitative approach employed the non-parametric statistics method such as Regression analysis for hypothesis testing to examine the relationship between observed and expected variables on the data. The data were obtained from the respondents through the administration of questionnaires which were collated and analyzed using Statistical Package for Social sciences (SPSS Version 20.0).

### Data Presentation and Analysis

**Table 1: Risk Identification as A Tool for Risk Management on Smes Performance in Jos Metropolis, Nigeria**

S/N	Items	SA	A	U	D	SD	Total
1	Theft and burglary are risks that affect my business performance	78	40	12	46	24	200
2	Fire damage are risks that affect my business performance	97	33	8	38	24	200
3	Riots and Civil commotion are risks that affect my business performance	100	60	4	26	10	200
4	Brand reputational risks are risks that affect my business performance	99	51	9	30	11	200

5	Economic fluctuations are risks that affect business performance	104	76	6	12	2	200
<b>Total</b>		<b>478</b>	<b>260</b>	<b>39</b>	<b>152</b>	<b>71</b>	<b>1000</b>
<b>Percentage (%)</b>		<b>47.8</b>	<b>26</b>	<b>3.9</b>	<b>15.2</b>	<b>7.1</b>	<b>100</b>

From Table 1 it showed that the respondents indicated the risks that affect SMEs performance. The result shows that Theft and Burglary are main concerns for SMEs in Jos metropolis, because these risks can result in financial losses and also disrupt business operations. Many SMEs that have experienced theft and burglary reported that, it significantly had a negative impact on their business performance. Also, Fire damage is a risk that significantly affects SMEs especially industries that are involved fire prone or hazardous materials or Processes. SMEs that witnessed Fire incident affirmed that there was a significant damage to property and equipment which also disrupted business operations. Many SMEs who have experienced Fire damage reported that, it significantly had a negative impact on their business performance. Furthermore, Riot and Civil commotions are risks that can have devastating impact on SMEs performance particularly those who live in environs subject to social unrest and tension, which might result to damage to goods and properties, as well as disruption /loss of business. Many SMEs that who have experienced riots and civil commotions reported that there was a significant negative impact on their business performance. In addition to riot and civil commotions risks, Brand and reputational risks are also main concerns for SMEs in Jos metropolis because these risks can lead to damage to the company's reputation which can arise as a result of negative social media publicity, poor customer service and non-regulatory compliance which in return can lead to loss of business and loss of customers. Many SMEs who have experienced brand and reputational risks reported that, it significantly had a negative impact on their business performance. Finally, Economic Fluctuations are risks that significantly affects SMEs in Jos metropolis because changes in economic conditions such as recession, inflation or interest rate fluctuations can affect SMEs' ability to operate effectively. Many SMEs reported to have experienced cash flow problems, reduced demand and increased costs during periods of economic downturn. Majority of SMEs who have experienced Economic fluctuations reported that, it significantly had a negative impact on their business performance. Therefore, we can confidently align that theft and burglary, fire damage, riots and civil commotion, brand reputational risks and Economic fluctuations are risks that affect SME performance.

**Table 2; Risk Assessment as A Tool for Risk Management on Smes Performance in Jos Metropolis, Nigeria**

S/N	Items	SA	A	U	D	SD	Total
1	Quantifying the degree of theft and burglary through reviewing security measures is essential in relation to my business performance	98	52	10	30	10	200
2	Quantifying the degree of fire damage through fire hazard assessment is essential in relation to my business performance	111	49	7	24	9	200
3	Analyzing the degree of riot and civil commotion damage through researching historical events is essential in relation to my business performance	108	52	10	22	8	200
4	Quantifying the degree of brand reputational risk by conducting a risk audit and analyzing customer feedback is essential in relation to my business performance	100	70	4	20	6	200



5	Quantifying the degree of economic fluctuation through analyzing historical data and market research is essential in relation to my business performance	110	45	5	28	12	200
<b>Total</b>		<b>527</b>	<b>268</b>	<b>36</b>	<b>124</b>	<b>45</b>	<b>1000</b>
<b>Percentage (%)</b>		<b>52.7</b>	<b>26.8</b>	<b>3.6</b>	<b>12.4</b>	<b>4.5</b>	<b>100</b>

From Table 2; it shows that the respondents indicated how risk assessment affect SME performance. Theft and Burglary is a significant risk to SMEs in Jos metropolis as SMEs who experience this risks suffer financial losses and business disruption. Many SMEs who faced these risks reported that the assessment of theft and burglary risk revealed that ineffective security measures and lack of employee training contribute to the likelihood of the theft and burglary. Also, Fire damage is as well a significant risk to SMEs in Jos metropolis as SMEs who experienced these risks suffer financial losses, damage to property and disruption of business. Many SMEs who faced these risks reported that the assessment of Fire damage highlighted that the importance of carrying out regular fire hazard assessments and implementing effective fire prevention measures in relation to the business performance. Furthermore, Riot and civil commotion is another risk that SMEs face in Jos metropolis because SMEs who experience this risk suffer property damage, business disruption and loss of revenue. Many SMEs who experienced these risks reported that the assessment revealed that businesses located in areas in Jos metropolis prone to social unrest, are particularly vulnerable to these risks. Additionally, brand and reputational risks is a significant risk to SMEs in Jos metropolis as SMEs who experience tend to suffer loss of customer's trust and revenue. Many SMEs who experienced these risks reported that the assessment of brand and reputational risks highlighted the importance of conducting regular risk audits and implementing effective reputation management strategies. Finally, Economic fluctuations pose a significant risk to SMEs in Jos metropolis with the potential to result in cash flows problems, reduced demands and increased costs. Many SMEs who experienced these risks reported that the assessment revealed that businesses with limited financial resources and lack of diversification are particularly vulnerable to these risks.

Therefore, we can confidently align with the fact that quantifying the degree of theft and burglary, fire damage, Riot and Civil commotion damage, brand reputational risk and Economic fluctuations is essential in relation to SMEs performance in Jos metropolis.

**Table 3: Risk Control as a Tool for Risk Management on Smes Performance in Jos Metropolis, Nigeria**

S/N	Items	SA	A	U	D	SD	Total
1	Implementing security measures such as CCTV cameras, burglar alarms, motion sensors, reinforcing doors and windows can effectively control the risk of theft and burglary	109	61	3	20	7	200
2	Investing in fire prevention equipment and protocols such as fire extinguishers and fire alarms can significantly control the risk of fire	121	49	4	21	5	200
3	Proactive engagement in community development, fostering and encouraging tolerance for each other's culture and religion can significantly control the risk of riots and civil commotion	105	63	5	23	4	200
4	Maintaining a strong brand image through effective communication and customer satisfaction can	108	62	4	20	6	200

	minimize reputational brand risks						
5	Diversification, hedging, and contingency planning can significantly control the risk of economic fluctuations	118	52	4	19	7	200
<b>Total</b>		<b>561</b>	<b>287</b>	<b>20</b>	<b>103</b>	<b>29</b>	<b>1000</b>
<b>Percentage (%)</b>		<b>56.1</b>	<b>28.7</b>	<b>2</b>	<b>10.3</b>	<b>2.9</b>	<b>100</b>

From Table 3 it shows how the risk affecting business performance can effectively be controlled. Many SMEs operating in Jos metropolis agreed that the risk control measures involved are essential for effective risk management. Majority of the SMEs emphasized the importance of implementing security measures to control the risk of theft and burglary. They agreed the use of CCTV cameras, burglar alarms, motion sensors and reinforcing windows and doors are effective measures of controlling theft and burglary. Also, Many SMEs operating in Jos metropolis emphasized the need for investing in fire prevention equipment and protocols to control the risk of fire. They agreed the use of fire extinguishers and fire alarms are important measures in controlling fire damage. Furthermore, Many SMEs operating in Jos metropolis emphasized the importance of proactive engagement in community development to control the risk of riot and civil commotion . They mentioned promoting tolerance for each other's culture and religion as a key measure in controlling riot and commotion risk. Additionally, Many SMEs emphasized the need for maintaining a strong brand image to minimize reputational brand risk. They agreed effective communication and customer satisfaction as essential measures in effectively controlling brand and reputational risks. Finally, Majority of SMEs operating in Jos metropolis highlighted the importance of diversification, hedging and contingency planning to control the risk of economic fluctuations. Therefore, we can confidently align with the fact that implementing security measures such as CCTV, investing in fire prevention equipment and protocols such as fire extinguisher fire alarms, proactive engagement in community development, fostering and encouraging tolerance for each other's culture and religion, maintaining a strong reputation and brand image through effective communication and customer satisfaction and diversification ,hedging and contingency planning are ways of controlling theft and burglary, fire ,riots & civil commotions, brand and reputational and economic fluctuations risks that affect SME performance in Jos metropolis.

### Test Of Hypothesis

The following hypotheses were tested using Multiple Regression Analysis

**Table 4: Multiple Regression analysis showing Risk identification, Risk assessment and Risk control as Predictors of SMEs Performance**

Variables	Beta	t-Value	df	R	R <sup>2</sup>	F	p-value
Risk Identification	0.81	4.61					
Risk Assessment	0.26	5.12	3	0.542	0.346	9.23	< .05
Risk Control	0.34	4.67					

The result presented in table above shows that whether risk identification, risk assessment and risk control jointly affect SMEs performance in Jos metropolis. Results shows that risk identification, risk assessment and risk control will jointly predicts business performance in Jos metropolis [ $R = 0.542$ ;  $R^2 = 0.346$ ;  $F = 9.32$ ;  $p < .05$ ]. Collectively, risk identification, risk assessment and risk control accounted for about 34.6% variance in

SMEs performance in Jos metropolis. Hence, this implies that risk identification, risk assessment and risk control will jointly affect business.

## DISCUSSION OF FINDINGS

Findings of the study revealed that risk identification have a significant effect on SMEs performance in Jos metropolis. The findings from this study through the research question one revealed that greater percentage of the respondents support that theft, fire damage, riots and civil commotion, brand reputational risks and burglary are the risks that affect SMEs performance and this is because 47.8% and 26% strongly agree and agree which makes up 73% of the respondent that are in that category that strongly agree and agree with the point respectively. This finding was in-line with the study of Praton (2018) who examined the relationship between risk-taking behavior and firm performance in Indonesian SMEs. The study found that risk-taking behavior positively influenced firm performance, and this impact was more effective in low information technological turbulence. Findings of this study also supported the study of Hanggraeni et al. (2019) that explored the impact of internal, external, and enterprise risk management on the performance of micro, small, and medium enterprises (MSMEs). The study highlighted the obstacles faced by MSMEs, such as technological mastery, lack of human resources, and impartial government policies, which affect their performance and sustainability. The findings of this study also support the findings of Rostami (2016) who focused on risk identification tools and techniques used by SMEs in the UK construction industry. The study found that group work, brainstorming, and periodic risk reporting were commonly adopted risk identification techniques in large enterprises while SMEs relied more on individuals' tools and techniques such as documentation review, expert judgment, and checklist analysis.

Findings of the study reveal that risk assessment has a significant effect on SMEs performance in Jos metropolis. The findings from this study through the research question two reveal that greater percentage of the respondents (79.5%) support that quantifying the degree of theft, quantifying the degree of fire damage, quantifying the degree of Riot and Civil commotion damage, quantifying the degree of brand reputational risk and quantifying the degree of burglary is essential in relation to SME performance against the respondents (20.5%) who strongly disagree and disagree with the fact that risk assessment is essential in relation to SMEs performance in Jos metropolis. Findings of this study support the study of Falkner & Hiebl, (2015) and Amin et al. (2016) who reported that risk assessment has significant effect on business performance.

Also, findings of the study reveal that risk control has a significant impact on SMEs performance in Jos metropolis. The findings from this study through the research question two reveals that greater percentage of the respondents (84.8%) support that implementing security measures such as CCTV, investing in fire prevention equipment and protocols such as fire extinguisher fire alarms, proactive engagement in community development, fostering and encouraging tolerance for each other's culture and religion, maintaining a strong reputation and brand image through effective communication and customer satisfaction and implementing security measures such as installing burglar alarms, motion sensor, reinforcing doors and windows are ways to control theft, fire, riots & commotion and burglary risks that affect the SMEs in Jos metropolis against the 15.2% who strongly disagree and disagree that risk control is not the way to curtail risks that affect SMEs performance in Jos metropolis. The findings of this study was in-line with the study of Bettanti & Lanati (2023) explored the relationship between enterprise risk management (ERM) and performance measurement systems (PMS) in SMEs. The study highlighted the potential for alignment between risk management and performance management and proposed a risk-driven PMS framework. The findings suggest that linking ERM to PMS can enhance risk management initiatives within SMEs. The findings of this study also support the study of Tien (2023) investigated the impacts of internal audit practices on the quality of internal control in Vietnamese SMEs. The study highlighted the importance of risk control practices, such as internal auditing, in enhancing the quality of internal control systems. Effective risk control measures ensure that SMEs have robust internal control mechanisms in place, which positively impacts their performance.

## CONCLUSION

SMEs performances are built based on good risk management strategy as we all know that risks that affect business are inevitable. In summary, risk management is not a luxury for SMEs in Jos metropolis – it is a



necessity. It empowers SMEs to navigate challenges, seize opportunities and carve a path towards success. By embracing risk management as a fundamental part of their operations, SMEs can optimize performance, foster resilience, and unlock their full potential in an ever-evolving business landscape.

This study wishes to conclude that Risks SMEs face is capable of affecting business performance and that Risk management is not a merely defensive strategy: it fuels growth, profitability, innovation and overall performance positively. By understanding the dynamic relationship between risk and reward, SMEs in Jos metropolis can make calculated decisions that opens doors to new market shares, growth, profitability and enhance overall performance. SMEs in Jos metropolis will be empowered to seize opportunities with confidence, armed with a comprehensive understanding of potential pitfalls and plan to navigate them.

## RECOMMENDATIONS

This study wishes to recommend the following after careful observation from the data collected and analyzed based on objectives;

1. **Enhance Risk Identification Processes:** SMEs in Jos metropolis are encouraged to enhance their and improve their risk identification processes. This can be achieved by conducting regular risk assessments, engaging employees in risk identification activities, and staying updated on industry trends and potential risks. By identifying risks at an early stage, SMEs can take proactive measures to mitigate them and thereby enhance and increase the overall SMEs performance. To enhance risk identification processes, SMEs in Jos metropolis can have brainstorming sessions with local stakeholders including; SME owners, employees, local government officials, Suppliers and partners of SMEs in Jos metropolis. Also, SMEs in Jos metropolis can also carry out PESTLE analysis of the business environment in Jos Metropolis.
2. **Develop Robust Risk Assessment Methods:** SMEs in Jos metropolis are to Promote the adoption of robust risk assessment methods among. This involves evaluating the potential impact and likelihood of risks, prioritizing them based on their significance, and allocating appropriate resources for risk mitigation thereby enhancing their performance and minimizing the negative consequences of risks. SMEs are encouraged to use both quantitative and qualitative techniques to assess risks effectively. To develop robust risk assessment methods, SMEs in Jos metropolis can collaborate with local stakeholders to conduct regular assessment at least quarterly, use a risk assessment template tailored to Jos metropolis, taking into account local factors such as crime rates, social unrest rates, historical events and cultural events as well as encouraging information sharing.
3. **Implement Effective Risk Control Measures:** SMEs in Jos metropolis are to implement effective control measures against risks that are capable of crippling the SMEs performance. This includes developing risk control strategies tailored to the specific needs of each SME, such as implementing internal controls, contingency plans, risk transfer mechanisms (e.g., insurance), and regular monitoring and evaluation of risk control measures. By proactively managing risks, SMEs in Jos metropolis can enhance their operational efficiency, protect their assets, and improve overall business performance. To implement effective risk control measures, SMEs in Jos metropolis are encouraged to develop business continuity plans to ensure continuity of operations during disruptions or crises, engage with local emergency services including the police, fire department, ambulance services, to ensure effective response to emergencies as well as to regularly review and update these control measures of the identified risks that affect SMEs performance in Jos metropolis.

## Suggested Further Studies

As a researcher, I suggest and encourage that other researchers should research on the role of technology in risk management on SMEs performance in Jos metropolis. This could include studying how digital tools and platforms can enhance risk identification, risk assessment, and control in relation to SMEs performance.

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