The Impact of the Travel Restrictions on The Economic Status of SMEs in Kenya: A Case Study of Businesses in Narok Town, Kenya

Wilson Waweru Mungai College of Peace Institute (CPI) P.O Box 64495-00620, Nairobi, Kenya Tel: +254 719287184 Email: <u>willywalts5@gmail.com</u>

Abstract

As the basic unit of the national economy, the operation of businesses is key to the development of the national macro-economy. UNDP (2020) estimate that containment measures in sub-Saharan Africa, in their current form, have pushed an additional 9.1% of the population into extreme poverty. Narok County in particular has experienced challenges due to travel restrictions ranging from low business activities and lack of production material in industries. Studies have been conducted on the impact of Covid-19 in relation to various parameters. Little study has been done in relation to SMEs. It is for this reason; this study tends to find out find out the impact of travel restrictions on the economic status of SMEs in Narok County and the possible policy recommendations. The main objective of this research was to find out the impact of travel restrictions on the economic status of SMEs in Narok County. The specific objectives was to find out the impact of travel restrictions on the economic status of SMEs in Narok town, Narok County, to determine how SMEs respond to travel restriction to improve their economic status in Narok town, Narok County and to recommend Policies and coping strategies for future travel restriction in order to improve economic status for SMEs in Narok County. This study used descriptive research design. The target population that was considered in this study was all SMEs officially registered in Narok town. There are 895 SMEs registered in Narok town as per the ministry of trade Narok County (2021). The sample size will be 90 respondents. The respondents will be allocated proportionately and the sampling unit will be obtained using simple random sampling as per their category. The study used a self-administered questionnaire to collect data. Questionnaires were distributed using drop and pick method and the responses analyzed to find out if the intended information is given by the respondents. Quantitative data was analyzed using descriptive statistical methods. The analysis was done by SPSS (Statistical Package for Social Sciences) to generate those measures where the percentages and frequencies together with the means and standard deviations were computed and analyzed for each item that measures the impact of travel restrictions on economic status of SMEs in Narok town. The findings of the study revealed that travel restriction had made the SMEs to reduce the number of employees. This was due to reduced number of customers who could be served by that large number of employees had reduced. The study recommended that the government to adjust tax rates, provide subsidies to enable stability of SMEs.

Key words: SMEs, travel restrictions, economy, macro-economy