**TITLE PAGE**

**ASSESSING THE ROLE OF SMALL BUSINESS ENTERPRISES FOR SUSTAINABLE DEVELOPMENT**

**(A CASE STUDY OF HIANS TECHNOLOGY ENUGU URBAN)**

**BY**

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**JULY 2018**

**CERTIFICATION**

I, Lewachi Emmanuel, an undergraduate student in the Department of Business Management with registration number: U14/MSS/MAN/041 has satisfactorily completed the requirement for course and research work for the Degree of Bachelor of Sciences in Business Management.

The work embodied in the report is original and has not been submitted in part or full for any degree in any university.

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(External Supervisor)

**DEDICATION**

This work is dedicated to Almighty God and to my family and friends who contributed towards the success of this project.

**ABSTRACT**

The topic of this research work is geared towards the impact of small business in Enugu Urban Area of Enugu state. The aim of this study is to examine and identify in detail the problems, prospects, effects and the importance of the development of small business in the area under study. This work has five chapters, with each chapter focusing in a specific objective. Chapter one talks on a brief history of small scale business, chapter two highlights other researcher’s work on small scale business in Enugu Urban Area, past reforms aimed at small scale businesses and problems encountered by small scale business. The exploratory research method was used in the course of the research. Chapter four interprets data analysis gathered using percentages and chi-square techniques. Small scale firms are not given the desired as well as required attention by government and its agencies hence favorable conditions (like helpful government policies and adequate supply of capital) are needed for the growth of the small business as they are an integral part of economic growth and development of any nation.

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**ACKNOWLEDGEMENTS**

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**CHAPTER ONE**

**INTRODUCTION**

**1.1      Background of the Study**

The sub-sectors of the industrial sector are the Small and Medium Scale Enterprises which play crucial roles in industrial development (Ahmed S. 2006). Sequel to the adoption of Economic reform programme in Nigeria in 1981, there have been several decisions to switch from large scale industrial projects and capital intensive which was based on the import development philosophy to Small and Medium Scale Enterprises which have better prospects for developing domestic economy, thereby generating the required goods and services that will propel the economy of Nigeria towards development. Most of the world renowned companies and organizations started as a small scale business with skills and efforts they grew up to the conglomerated and multinational companies of today. Small scale business occupies a unique position in the economy of any nature and they are the bedrock of any economic development. They constitute of the cornerstone of any competitive economy and by far outnumber the large scale business. Also, they provide large scale business, more fertile ground for creativity and entrepreneurship. Hence, as a result of easy entry into the market, small scale business spring up all the time keeping the competition environment lively, a phenomenon that leads to productivity gains and real economic growth, apart from the fact that they generate employment opportunities, they are closer to the grass root and so on, ginger rural development. They are less capital intensive and do not require gigantic infrastructure for their operation. Being part of the economic system, small business entities are faced with numerous problems, particularly funding and many ways these are very different from the financial problems on large concern. However, the principles underlying financial decision are similar irrespective of the size of the business, hence, the basic goal so financial management through acquisition, anticipation and allocation of funds equally apply to small scale business. It is widely known in business circles that small scale business find it difficult to secure funds from financial institutions due to the fact that they have difficulty in meeting the collateral requirement that would qualify them for the financial assistance from the back. This is not withstanding every business whether small or large needs funds. Funds constitute the life blood of any business while other things follow. Small scale business serves as an engine room for economic development and government recognize the fact that small business is the second largest employers of labor apart from government. Government is also encouraging the establishment of small scale business by forming such bodies like Small and Medium Enterprises (SME). For instance, in any depressed unemployment is the increase, where the available resources are under-utilized and where raw-material supply to our big industries is inadequate, establishment of small scale business is considered as an alternative means of earning a living and providing raw-materials to our big industries.

**1.2 Statement of the Problem**

There is no doubt that small and medium scale enterprises are the principal catalyst of entrepreneurship and it constitute the real fabric of nation’s economy. And to say that the present and future economic advancement of this out great country- Nigeria lies in the dynamics and growth of the Small and Medium Scale (SME) is not an overstatement.

SMEs constitute a vital force to economic growth and development (Onuoha 1994:1). Economic development is a nation-wide problem which the small scale industries are capable of solving effectively these includes:

1.         Development of raw materials

2.         Sourcing of raw materials

3.        Providing training venues for workers and students on industrial attachment.

4.         Problems of capital for large establishment

5.         Unemployment

In the light of the above mentioned problems, the fact that small scale business are vital for economic development of any country, state or local government and numerous problems which small scale business are capable of solving motivated me to research or write on this topic.

**1.3 Objective of the Study**

The study intends to investigate various problems associated with the development of small scale business enterprise in Enugu Urban Area such as:

1. To discover and determine the factors militating against the growth and development of small scale businesses in Enugu urban area.
2. To determine if Government render financial assistance to small scale business in Enugu Urban
3. To ascertain and examine the management practice and sources of fund whether government policies/assistance, manpower and provision of capital have any influence on the entrepreneur in the growth of small scale industries.
4. To make recommendation based on the findings which will be of great help to potential entrepreneurs

**1.4 Research Question**

To solve the research problems, the following questions will be asked:

1. What are the factors militating against the growth and development of small scale businesses in Enugu Urban Area?
2. Does government render financial assistance to small scale businesses?
3. What is the nature and extent of Enugu State Government control assistance/policies over Small Scale Businesses?

**1.5 Research Hypothesis**

Research hypothesis is a tentative answer to a set of research questions. It can be summed as intelligent guesses as answers without evidences to the problems of research under investigation. Considering the nature of this research, the following hypotheses are proposed in their Null (H0) and alternative (H1) forms would be pursued to arrive at our conclusions and recommendations.

For the successful completion of the study, the following research hypotheses were formulated by the researcher;

1. H0: Small scale businesses do not have any factor militating against its growth and development in Enugu Urban area.

H1: Small scale businesses do factor militating against its growth and development in Enugu Urban area.

1. H0**:** The growth of small scale businesses do not depend on government policies/assistance in Enugu.

H1: The growth of small scale businesses depend on government policies/assistance in Enugu.

1. H0: Government does not have any position towards assisting, promoting and stabilizing small scale business in other to unlock value chain approaches to Enugu urban economic boom.

H1: Government does have any position towards assisting, promoting and stabilizing small scale business in other to unlock value chain approaches to Enugu urban economic boom.

**1.6      Significance of The Study**

This study is very beneficial to groups of people such as:  
1. The small scale entrepreneur as it will help them to know how to solve the economic problems.

2. Student of business studies of higher institutions of learning as this will serve as reference work and guide for further research work.

3. The state government as this will enable them to know the roles in which the small business played in the development of the state.

4. The state government will through this study know the problems facing the small scale business and the suggested solutions

**1.7 Scope Of The Study**

This research intends to consider the development of small scale business in Enugu State (Hians Technology Limited). The study would also highlight a wider view of problems encountered by small scale business in Enugu State and make recommendation on findings.

**1.8 Limitation Of The Study**

The study covers effects of small scale business on the economic development of Enugu State. The researcher encounters some constraints which limited the scope of the study;

**a) Availability Of Research Material:** The research material available to the researcher is insufficient, thereby limiting the study

**b) Time:** The time frame allocated to the study does not enhance wider coverage as the researcher has to combine other academic activities and examinations with the study.

**c) Organizational privacy**: Limited Access to the selected auditing firm makes it difficult to get all the necessary and required information concerning the activities.

**DEFINITION OF TERMS**

**Small scale business**: A small scale enterprise is a privately owned and operated business, characterized by a small number of employees and low turnover. A small enterprise usually only shares a tiny segment of the market it operates in.  
**Entrepreneur:** This is someone who exercises initiative by organizing a venture to take benefit of an opportunity and, as the decision maker, decides what, how, and how much of a good or service will be produced.

**Capital:** This is the amount of money required to carry out a particular venture and pay all the financial obligation of the business. Development: This is the process or the ability to make something to be advance or organize for the benefit of all sundry.

**Economic development: This is the process by which a nation improves the economic, political and social well-being of its people.**

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**CHAPTER TWO**

**LITERATURE REVIEW**

**2.1 Overview Of Small Scale Businesses**

According to allbusiness.com (2010), the abbreviation SMEs occurs commonly in the European Union and in International Organizations such as the World Bank, the United Nations and the World Trade Organization. Also the term Small and Medium Scale Businesses (SMEs) is predominantly used in the United States of America. The European Union states traditionally have their own definition of what constitutes SMEs. For instance, the traditional definition in Germany Limits Small and Medium Scale Enterprises to two hundred and fifty (250) employees while in Belgium, it is limited to one hundred (100) employees. Recently, the European Union has standardize the concept by categorizing enterprises with less than ten (10) employees as ‘micro’, those with fewer than fifty (50) employees as ‘Small’ and those with fewer than two hundred and fifty (250) employees as “medium”. In the United States of America, any business with fewer than one hundred (100) employees is classified as “small” while medium scale business refers to a business with fewer than five hundred (500) employees.

In India, Micro and Small Enterprises play a pivotal role in the overall industrial economy of the country. It is estimated that in terms of value, the sector account for about 39% of the manufacturing output and about 33% of the total export of the country. Also in South Africa, the term Small, Medium and Micro Enterprises (SMMEs) is usually used, while in Nigeria, the term Small and Medium Scale Enterprises (SMEs) is generally used. From the foregoing, it can be deduced that Small and Medium Scale Enterprises are enterprises that have the capacity to employ at most five hundred (500) employees at a time and it has been proved to be the back bone of every economy. The brain behind every successful Small and Medium Scale Enterprise is entrepreneurship which in the words of Olagunju Y. (2004) is an undertaking in which one is involved in the task of creating and managing an enterprise for a purpose. The purpose as further stated may be personal, social or developmental. One who is involved in this task is called an entrepreneur. Also a line between an entrepreneur and business owners must be drawn. While business owners establish and manage their own enterprise for personal gains, entrepreneurs exploit ideas that create a business that benefit them, the society and act as developmental weapon.

**2.2 Conceptual Framework**

The Concept “Small Scale Business” has been defined in many ways by many authors or scholars to suite their environment and thinking small scale enterprise has contributed enormously to the development of Nigeria economy via employment generation, income creation and poverty reduction.

Small Scale Businesses have a lot to offer to our society or the inaccessibility of the business to acquire resources to operate upon, but because the mechanism employed by them is subject to market influence this has led the development of this business a thought for concern to most researchers.

According to Drucker (1977.p.6), he stated in his work that every developing country, except those in which government totally owns, runs and controls in the economy, small businesses have proven themselves to be a major vehicle of development and the engine of social and economic growth.

Also, according to Scholder (1998), collaborated Drucker’s view, he believes that small business can offer a good solution to the twin problem of a pressing need for higher and increasing employment. The above fact portrays the importance of the survival of small business in the content of national development.

In general terms, the meaning of small scale enterprise varies from country to country, enterprise to enterprise as well as financial institution to another. There have been attempts by many authors to define small scale enterprises in terms of employments, asset and value or money sales volume, though the definition has proven unsatisfactory in some respect. This irresolution stems largely from the averse character of varying enterprises to the cost of project which is used as an interior or parameters, price inflation may render the definition meaningless in short term.

**2.3 Theoritical Framework**

Small and Medium business constitute the very foundation upon which the large businesses were built, however, small and medium have been identified differently by various individuals and organization such that an enterprise that is considered small and medium in one place is seen differently in another. Even within a country, the definition changes over time. Some common indicators employed in the various definitions include total assets, size of labour employed, values of annual turnover and capital investment (Baenol, 1994). The small scale industries of Federal Ministry of Industries defined small scale as ‘’ enterprises having capital (investment in land, building, machinery and equipment and working capital) up to N60,000.00 and employing not more than 50 person” as far back as 1979. The Central Bank’s monetary and credit guidelines, small-scale industries were regarded as establishment whose annual turnover is less than N6million and capital not exceeding N10million.

According to Brwon, Medott and Hamitton (1990), Many Small firms are created as a last resort rather than as first choice and have therefore invited growth potential. Although, the pro-SME view argues that small firms are more innovative than large firms; the micro American Journal of Business and Management 20 economic evidence is at best inconclusive. Examining US firms, Andretch (1987) find small firms have higher innovation rates in high technology, capital intensive industries. For a sample, Schiuardi (2001) study on European industries show a larger average firm size is associated with faster innovation rates.

In developing countries, there is little R & D activity such that technology transfers from abroad and initiative drive productivity improvement Rosenberg (1976). Thus, from a developing countries perspective, the firm level evidence does not favour SME subsidization as a mechanism for boosting innovation and productivity growth. Consistent with theoretical argument outlined, emerging empirical evidence supports the view that firm size responds to National characteristic.

Maksimonie (2002) find that financially, more developed countries tend to have larger firms. This suggests that financial development ease financial constraints on successful firms and allow them to grow. Kumar, Rajan and Zingales (2001) show that countries with better institutions as measured by judicial system tend to have larger firms.

Furthermore, Agbonifor (1998) noted that SMEs is a crucial factor in economic development. They indicated that it is a means by which productive activities indigenously owned and controlled and it is a means by which productive resources and talents that might not otherwise be put into productive uses. This will at least reduce the unemployment menace which Nufakho (1998) said have reached an alarming proportion. Brian Levy (1993) explained that the study of entrepreneurship has relevance today, not only because it helps small business or entrepreneurs better fulfill their personal needs, but also because of the economic contribution of the new ventures. Brian Levy therefore sees SMEs as a positive force in Economic growth and development. He stresses further by summarizing the importance of SMEs to include ensuring rapid development, increased utilization of local resources and provision of a training ground for indigenous managers and semi-skilled workers, reduction of the rural-urban drift, development of indigenous technology and raising the living standard of rural dwellers and so on. In fact, SMEs accounts for the economic development in most developed economies of the World today. It has helped in the balance of payment position of countries; it reduces over dependence on inputs relative to their capital investment. Sequel to the aforementioned benefits, the Federal Government of Nigeria has made several attempts via the introduction of various policies at developing SMEs in Nigeria. Notable amongst these policies are; Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), National Economic Reconstruction Funds (NERFUND), National Poverty Eradication Programme (NAPEP), National Economic and Empowerment Development Strategy (NEEDS), Small and Medium Industry Equities Investment Scheme (SMIEIS) and so on.

Despite the huge amounts spent on the development of these policies for SMEs growth, Sagagi (2006) noted that not much changes and improvements have been achieved. The reason for this as he indicated was attributed to limited financing and support, as well as inadequate infrastructure, insecurity and lack of training and vocational facilities.

**2.4 Review Of Past Reforms Aimed At Rural Development Since Late 1970s**

The challenges of adverse International Economic environment determined by oil shocks and diminishing terms of trade were faced by Successive governments in Nigeria were faced with the challenges of adverse international. Several programmes formulated to ameliorate Nigeria’s economic problems according to Ogwumike F. (1995) include:

**2.4.1 National Economic Empowerment Development Strategy (NEEDS)**

NEEDS was developed by the National Planning Commission, then headed by Prof. Charles Soludo. It was endorsed by the Federal executive Council of Nigeria as a poverty-alleviating strategy. The aim of the scheme was to meet the Millenium Development Goals of curbing the menace of poverty in Nigeria and bringing it to the barest minimum by the year 2015.

**2.4.2 Structural Adjustment Programme (SAP)**

Introduced in June 1986, the SAP was introduced after a debate on IMF loan conditions. It was aimed at restructuring the productive base of the economy and promoting non-inflationary economic growth.

**2.4.3 Operation Feed the Nation (OFN)**

OFN was introduced by the Federal Military Government headed by General Olusegun Obasanjo in 1979. It had the specific focus of increasing food production on the premise that availability of cheap food would ensure a higher nutrition level and invariably leads to National growth and the development OFN lasted till the Civilian Government of Alhaji Shehu Shagari in 1979.

**2.4.4 Small and Medium Enterprises Equity Investment Scheme**

The Small and Medium Enterprises Equity Investment scheme is a voluntary initiative of the Bankers’ Committee approved at its 246th Meeting held on 21st December, 1999. The initiative was in response to the Federal Government’s concerns and policy measures for the promotion of Small and Medium Enterprises (SMEs) as vehicles for rapid industrialization, sustainable economic development, poverty alleviation and employment generation.

The Scheme requires all banks in Nigeria to set aside ten (10) percent of their Profit After Tax (PAT) for equity investment and promotion of small and medium enterprises. The 10% of the Profit After Tax (PAT) to be set aside annually shall be invested in small and medium enterprises as the banking industry’s contribution to the Federal Government’s efforts towards stimulating economic growth, developing local technology and generating employment. The funding to be provided under the scheme shall be in the form of equity investment in eligible enterprises and or loans at single digit interest rate in order to reduce the burden of interest and other financial charges under normal bank lending, as well as provide financial, advisory, technical and managerial support from the banking industry. Every legal business activity is covered under the Scheme with the exception of trading/merchandising and financial services. Ten percent (10%) of the funds set aside has been earmarked for lending to microfinance enterprises.

**2.4.5** **National Directorate of Employment (NDE)**

The directorate was established by decree on the 24th October, 1986 and it commenced full operation in January 1987 with the primary aim of promoting skill acquisition, self-employment and labour intensive work scheme. The scheme was targeted at school leavers, apprentice, graduates etc. The programme was to address four (4) major areas as itemized below:

- Small Scale Enterprises programme

- Vocational skill development programme

- Rural employment promotion programme

- Special public work programme

Funding of the directorate between 1987 – 1989 rose from N70 million to N193.31 million. It was reported also to have declined to N176.82 million and to N100 million in 1994 and to N132.90 million in 1995.

**2.4.6 National Economic Reconstruction Fund (NERFUND)**

Sequel to the introduction of structural Adjustment programme (SAP) in 1986 and the subsequent devaluation of currency, coupled with sharp rise in interest rate, many small and medium scale Enterprises found it difficult to obtain loan to finance their investment. To bridge the gap, the federal government in 1990 set up the National Economic Reconstruction Fund to provide relatively long-term loans (5-10 years) to small and medium scale Enterprises at a very low interest rate.

**2.4.7 Youth Entrepreneurship Development Programme**

The Youth Entrepreneurship Development Programme (YEDP) was launched on 15th March, 2016 to enhance the deployment of the ingenuity and resourcefulness of Nigerian youths for maximum economic development. This was in recognition of the fact that there was no better segment of the Nigerian population than the youths to propel us to our much-needed economic recovery and diversification.

In the third quarter of 2015, the National Bureau of Statistics (NBS) indicated that of the 36.3 million youths representing 48% of the nation’s labour force, 13.6 million or 37.7% of them were either unemployed or underemployed. This situation could not be allowed to fester given that many of our youths had very bright ideas and big dreams but are constrained by scarce seed funding.

The YEDP aims to fix the triple-barreled constraints of insufficiency, high cost and inadequate term of capital usually faced by youth entrepreneurs and startups. It offers credit of up to N3 million to eligible youth or N10 million for groups of 3 – 5 youths, Interest rate is 9% per annum. Tenor broadly depends on project complexity and cash flow but is between 1 year for working capital loan and 3 years for term loan. The collateral requirements are quite simple: academic and NYSC certificates, third party guarantees and other movable assets.

Target beneficiaries are members of the National Youth Service Corps (NYSC), non-NYSC (but not more than five years post-NYSC), those who possess a verifiable tertiary institution certificate, and artisans with First School Leaving Certificate or a technical certificate or accredited proficiency certificate from the National Board for Technical Education (NBTE), whichever is applicable. Beneficiaries can be encouraged to migrate to other CBN interventions to obtain more funding if they utilize the YEDP facility properly.

The Guideline for the programme indicate that activities eligible for financing include startups and expansion projects in agricultural value chains (fish farming, poultry, snail farming, etc.), cottage Industry, creative industry (tourism, arts and crafts) and Information and Communication**.**

**2.4.8 The National Poverty Eradication Programme (NAPEP)**

Ike D. (1996), explained that before the introduction of National Poverty Eradication Programme (NAPEP), a temporary poverty Alteration Programme (PEP) in year 2000 was put in place to cushion the effect of terrible economic hardship faced by large number of unemployed people I the country. The intent was to provide monthly stipends to 200,000 unemployed people across the country so that they could start up small businesses and be self-reliant. The programme was to structure to benefit three categories of people namely:

- Skilled unemployed

- Unskilled and semi-skilled unemployed

- Unskilled and uneducated

The skilled unemployed people were provided with a micro-credit to enable them established and viable venture. The second category were trained for a period of 3-12 months or attached to a relevant construction and manufacturing companies for a period of 2 years to enable them acquire additional skills after which they will be provided with micro credit to enable start-up a businesses of their own. The third and final category were to either acquire formal education through Universal Basic Education(UBE) or be provided with permanent menial jobs in the areas of agriculture, road maintenance, tree planting etc.

It was reported in Tell newspaper by Musa Y. (2002) that the National Poverty Eradication Programme (NAPEP) was designed to eradicate poverty absolutely among Nigerians through strategies that provide for the participation of all registered political parties, traditional rulers and community leaders.

**2.4.9 Small and Medium Scale Enterprises Development Agency of Nigeria (SMEDAN)**

Oni E. (2012 ) explained that the Small and Medium s Enterprises Development Agency of Nigeria was established by the SMEDAN Act of 2003 to promote the development of Micro, Small and Medium Scale Enterprises (MSMEs) sector of the Nigerian economy. The agency position itself as a one-stop shop for MSMEs and Development. According to SMEDAN news billeting of 15, September, 2011 which was powered by crafty Syntax, the Agency has industrial development centers in twenty two (22) states of the federation which include, Bauchi, Ogun, Lagos, Sokoto, Niger, Edo, Ondo, Kano, Abuja, Katsina, Enugu, Oyo, Yola, Jos, Ogoja, Port-Harcourt, Kwara, Kaduna, Osun, Borno, Benue and Imo states respectively. According to Nigerian Tribune newspaper of 24th November, 2011, new opportunities abound for film makers as the Nigerian Film Corporation (NFC) in partnership with SMEDAN organized a maiden training programme in the city of Kano which began on the 17th of October, 2011. The workshop which was titled Entrepreneurial and business skills development. SMEDAN was partnered with in order to enhance funds for film.

**2.5 Problems Encountered By Small Scale Businesses In Enugu And Nigeria As A Whole**

Some of the problems encountered by small scale businesses in Nigeria are as follows:

* High Interest Rate:  One of the biggest problem confronting SMEs is paucity of funds for growth and expansion.  When these funds are sources, the interest rates are prohibitive thereby making goods uncompetitive with the imported ones.
* Import Liberalization:  The over generous application of this policy as a result of the World Trade Organization (WTO) code, has made a mess of our infant industries by exposing them to rude and unfair competition to dumped goods from all over the globe.  Government must moderate this policy by protecting our local products.  Globalization must be approached with reason and protective judgment.  Free Trade as a global concept should not be adopted at expense of our domestic economy.   Importation of primary goods that can be produced locally by our SMEs should be discontinued and consumers should be educated to buy made in Nigeria goods so as to promote local employment.
* Company Income Tax:  SMEs should be exempted from company tax for 10 years to enable them pay off their loans and get established.  This will enable them to grow, create employment and produce goods and services for the economy.  The products of viable SMEs will discourage frivolous importation which puts pressure on our foreign exchange and over-heats inflation.
* High Rate of Enterprise Mortality: The incidence of inadequate working capital, which constrains productive capacities of the small and medium enterprises as well as absence of succession plan in the event of the death of the proprietor, leads in many cases to frequent early demise of small and medium enterprises. Moreover, the persistence of suitable macroeconomic environment, arising mainly from fiscal policy excess has often smothered many small and medium enterprises.
* Constrained Access to Money and Capital Markets: The banking sector tends to be lukewarm in meeting the credit requirements of small and medium enterprises. This is because project proposals are poorly prepared, financial documentation and inadequate collateral are not provided, as well as the in ability of the promoters of small and medium enterprise projects to raise the required equity contribution. Moreover, the banks regard many small and medium enterprises as high risk ventures because of absence of’ succession plan in the event of the death of the proprietor. As a result, working capital is still a major constraint on production, as most small and medium enterprises are restricted to funds from family members and friends and are therefore unable to respond to unanticipated challenges in a timely manner. More worrisome is small and medium enterprises’ inability to adequately tap available finance from the capital market. This has been attributed to their aversion to disclosure and ownership dilution, although many small and medium enterprises blamed this phenomenon on the cumbersome requirement and procedure, for listing on the Stock exchange. The establishment of the second tier security markets of the Nigerian Stock Exchange, which was expected to solve this problem, has been shunned by most of the small and medium enterprises.
* Restricted market access**:** Insufficient demand for the products of the small and medium enterprises also imposes constraint on their growth. Although many small and medium enterprises produce some inputs for larger industrial enterprises, the non-standardization of their products, the problem of quality assurance as well as weak purchasing power, arising from consumers’
* Shortage of Skilled Manpower: Inadequate financial resources, as well as desire to operate with limited openness on the part of proprietors lead many small and medium enterprises to employ semi-skilled or unskilled labour
* **There are no sources in the current document.**. This of course, affects productivity, restrains expansion and hinders competitiveness.

Other Problems:  There are numerous other problems like management skill, lack of adequate infrastructure like power, water, roads, etc. Low consumer patronage, high cost of production, security, adulteration of goods, etc.

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**CHAPTER THREE**

**RESEARCH METHODOLOGY**

**3.1 Introduction**

In this chapter, research design is entails, the study population, sample size and sample method, instrument to data collection, tools of analysis, validity and reliability of measuring instrument.

**3.2 Research Design**

Research design refers to how the research is planned and carried out and also aimed at presenting necessary methods used in the research in an appropriate form. The research designed used by the researcher is the exploratory research method because this is a relatively untouched topic.

The general objective of this exploratory research is to gain an insight and generate new idea. It is helpful particularly because it helps in breaking broad, vogue problems into smaller more precise sub problem statement in form of hypothesis as has been earlier done in chapter one.

Questionnaires were personally administered and followed up by interviews to obtain information in the verbal responses from respondents to confirm or reject hypothesis.

**3.3 Sources Of Data**

In seeking information, the researcher used two based sources of data namely;-

-sources of secondary data

-sources of primary data

The secondary data are already in existence, having been gathered specifically for the research at hand.

primary data used in the research work through questionnaires were designed in relevance with the hypothesis tested. Interviews were also conducted to ensure a fair reconciliation of the ideas already contained in the questionnaires.

**Questionnaire**

A questionnaire was designed to gather primary data that would shed more light on the development of small scale businesses in Enugu Urban Area. Some questions were framed in such a way that their responses would be outsized in testing hypothesis earlier formulated.

In all, 161 questions were administered to employees of Hians Technology Limited. The question were principally of two types; the dichotomous questions were used where “yes” or “no” answer was required. On the other hand, the open ended questions were used to direct respondents frame of mind as that of the researcher while at the same time permitting them put forward their own views in the form of brief comments. As much as possible, difficult questions that were not likely to be answered without assistance were omitted. In the same vein, some sensitive questions were avoided in order to ensure that the quality of response was high.

**3.4 Data Analysis**

In analysis, data is reduced to an interpretable form so that the relation to the research problem can be studied. The chi square distribution method was used in computing the data collected. The data is tabulated and compared with the expected or theoretical figures or values.

Percentage distribution of the response and the chi-square test were used in the analysis of the completed questionnaires. Where the null hypothesis permits, the chi square is applied directly to the statistics using the relevant questions. Where this is impossible, due to the difficulty in estimating the expected frequencies under the null hypothesis, the percentage distribution was used to arrive at a conclusion in the first instance.

The second stage in such case involves the use of the chi-square to test the occurrence of such results either by chance or not. All hypotheses would be tested at five percent (5%) level of significance.

Chi-square method is considered more appropriate here because another consideration is its simplicity and lack of technical equipment.

**3.5 Population Of Study**

For the purpose of this study, the researcher is restricted to only one small scale company in Enugu urban.

**3.6 Sample Design And Determination Of Sample Size**

In the conduct of research of any nature, “no concept is as fundamental to the conduct of research and the interpretation of its result as sampling” (Osuala 1987:104) it involves taking a portion of a population or universe.

Shirkettle (1968:113) is of the opinion that “instead of obtaining data from the whole material being investigated, sampling methods are often used in which only a sample selected from the whole is dealt with and from this sample, conclusions are drawn relating to the whole”

A sample is therefore a subset of the population. The sample is made up of different branches of Hians Technology and were selected through a computation using the Taro Yamene’s statistical formula

n = N/1+N(e)(2)

where

n = sample size

N = population

e = margin of error (5%)

**Selected branches of hians technology global in enugu state**

**Name of branches Staff number**

9th mile 73

Emene 59

Okpara Avenue 48

Garki 90

**TOTAL 270**

In using the formular, the following estimates were made for determining the sample size.

n = N/1+N(e)(2)

where:

n = sample size of respondents in each of the branches

N = total number of workers in the selected branches

e = margin of error (5%)

n= 270/ (1+270(0.05)2)

n= 161

To select sample size for each branch, we apply the formula,

ni= n(Ni/N) where i = 1,2,3,4

where ni= sample size of branches of the company

n= calculated sample size of workers

Ni= total number of workers in the branch

N= total number of employees in Hians Technology Limited

**For 9th mile branch:**

ni = 161

Ni = 73

N = 270

ni= 161(73/270) = 44

**For Emene branch:**

ni = 161

Ni = 59

N = 270

ni= 161(59/270) = 35

**For Okpara Avenue branch:**

ni = 161

Ni = 48

N = 270

ni= 161(48/270) = 28

**For Garki branch:**

ni = 161

Ni = 90

N = 270

ni= 161(90/270) = 54

The questionnaire were issued as thus:

**Branches of Hians Technology No of staff**

9th mile 44

Emen 35

Okpara avenue 28

Garki 54

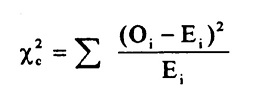
**TOTAL 161**

**3.7 Assumptions Of Chi Square**

The Statistical Chi-Square(X2) is a non-parametric method which does not require the stringent assumption however , certain basic requirement must be met before the chi-square procedure can be applied for hypothesis testing.

These are:

* The case must be randomly tested. The data must be classified and must satisfy the normal level of measurement required and
* The sample size should range between 25 and 250 (Ibanya 1992:122) chi-square is a measurement of variation between actual and theoretical frequencies.



Where:

Oi = Observed frequency

Ei = Expected frequency

c= Degree of freedom

x2= value of chi square

The responses from the questionnaire will form the observed frequency (Oi) while the frequency expected will be calculated using formular:

Oi= (∑r ×∑c)

n

where ∑r = summation of rows

∑c = summation of respondents

N= total number of respondents

The level of significance chosen is 95% or 0.05. The degree of freedom is calculated as thus *Df = (r-1)(c-1)*

*Where Df = degree of freedom*

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**CHAPTER FOUR**

**DATA PRESENTATION, ANALYSIS AND INTERPRETATION**

**4.1 Introduction**

This chapter deals with the presentation analysis of data collected, from the field. Responses are classified according to their personal data which includes sex, marital status, age educational qualification, position in the organization. These were compared according the Branches of Hians Technology Limited under study.

A total of (161) one hundred and sixty one questionnaires were distributed and 151 were returned making a representation of 94%. This shows that the respondents were interested in the study.

**4.2 Analysis And Presentation Of Data From 4 Branches Of Hians Technology Limited**

**Table 4.2.1: Gender of Respondents**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Male | 128 | 84.77 |
| Female | 23 | 15.23 |
| **Total** | **151** | **100** |

84.77% of the respondents are male while 15.23% of the respondents are female.

**Table 4.2.2 Educational Qualification**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Below first degree | 114 | 75.50 |
| First degree and above | 37 | 24.50 |
| **Total** | **151** | **100** |

Analysis of table 4.2.2 reveals that 75.50% of the respondents possess below first degree knowledge while the remaining 24.50% are operators with an acceptable level of knowledge.

**Table 4.2.3 Rank of Respondents**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Junior Staff | 72 | 47.68 |
| Senior Staff | 49 | 32.45 |
| Management Staff | 30 | 19.87 |
| **TOTAL** | **151** | **100** |

Analysis of table 4.2.3 shows that 47.68% of the respondents are Junior staff, 32.45% are senior staff while 19.87 of the respondents are found at the Management Cadre.

**Table 4.2.4 Age of Respondents**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Below 25 years | 16 | 10.60 |
| 25 -40 years | 89 | 58.94 |
| 40 years and above | 46 | 30.46 |
| **Total** | **151** | **100** |

Table 4.2.4 above reveals 10.60% of respondents are below the age of 25 years, 58.94% of the respondents revolve between the age of 25 and 40 years while the remaining 30.46% are above the age of 40.

**Table 4.2.5 Branches of Hians Technology**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of respondents** | **%** |
| 9th Mile | 42 | 27.8 |
| Emene | 33 | 21.8 |
| Okpara avenue | 26 | 17.2 |
| Garki | 50 | 33.1 |
| **Total** | **151** | **100** |

Table 4.2.5 above indicates that 27.8% of respondents are fro, 9th Mile branch, 21.8% from Emene Branch, 17.2% from Okpara avenue branch and the remaining 33.1% from Garki branch of Hians Technology.

**Table 4.2.6 Responses from sources of capital for registration establishment and overhead**

|  |  |  |
| --- | --- | --- |
| **Responses** | **No of respondents** | **%** |
| Personal Savings | 68 | 45.03 |
| Friends/relatives | 43 | 28.48 |
| Cooperative society | 28 | 18.54 |
| Bank Loans | 8 | 5.30 |
| Donor agencies | 4 | 2.65 |
| **Total** | **151** | **100** |

Table 4.2.6. shows that45.03% of the respondents believe that the Company came into existence and source of fund via personal savings, 28.48%, 18.54%, 5.30% and 2.65% get their sources of fund from friends/relatives, cooperative society, bank loans and donor agencies respectively

**4.2.7 Responses on source of materials**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of respondents** | **%** |
| Locally | 73 | 48.34 |
| Internationally | 42 | 27.81 |
| All of the above | 36 | 23.84 |
| **Total** | **151** | **100** |

Table 4.2.7 shows 48.34% believe that their materials are sources locally, 27.81% believe their materials are sourced internationally while the remaining 23.84% say their materials are sourced from both the international and local market.

**4.2.8 Responses on if government agencies assist in promoting small scale firms in Enugu Urban to unlock value chain approach**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **NO OF RESPONDENTS** | **%** |
| Yes | 61 | 40.40 |
| No | 90 | 59.60 |
| **Total** | **151** | **100** |

Table 4.2.8 shows that 61 respondents indicated that government agencies assist in promoting small scale business in Enugu Urban to aid in development while 90 respondents indicated that government agencies do not assist the small scale business in any form.

**4.2.9 Responses to hindrances encountered towards the development of small scale business**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Positive | 103 | 68 |
| Negative | 48 | 32 |
| **TOTAL** | **151** | **100** |

The above table indicates that 103 respondents are of the opinion that SMBs does have factors militating against its growth and development in Enugu Urban while 32% are of the contrary opinion.

**4.2.10 Responses to if No, how can it be possible?**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Lack of Information | 63 | 41.72 |
| Poor Infrastructure | 29 | 19.21 |
| Insufficient Fund | 27 | 17.88 |
| Lack of austereness | 23 | 15.23 |
| Illiteracy | 9 | 5.96 |
| **Total** | **151** | **100** |

**4.2.11 Responses to if SMBs are properly managed?**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Yes | 52 | 34.4 |
| No | 99 | 65.6 |
| **Total** | **151** | **100** |

The table above indicates that 34.4% of the respondents are of the opinion that their Company is managed properly while the remaining 65.6% think otherwise

**4.2.12 Responses to factors that influence poor management**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Lack of feasibility study | 31 | 20.52 |
| Lack of government support | 51 | 33.77 |
| Lack of entrepreneurial skill | 40 | 26.49 |
| Illiteracy | 29 | 19.20 |
| **Total** | **151** | **100** |

This table clearly state that a higher number of staff of Hians Technology opine that poor management of the company they work is attributed to lack of government support.

**4.2.13 Responses on if government through its agencies make the environment where small scale business operate conducive and favourable to them**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Yes | 70 | 46.36 |
| No | 81 | 53.64 |
| **Total** | **151** | **100** |

This table clearly state that a 81 of Hians Technology opine that the government through its agencies does not make the environment they operate conducive while the remaining 70 think otherwise.

**4.2.14Responses if entrepreneur have access to loan easily**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Yes | 40 | 26.5 |
| No | 111 | 73.5 |
| **Total** | **151** | **100** |

This table shows that 40 respondents opine that entrepreneurs have easy access to loan while the remaining 111 opine that it is difficult to access loans which make things further difficult for them.

**4.2.15 Reponses to if the interest rate given by banks are business friendly**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Yes | 22 | 14.56 |
| No | 129 | 85.43 |
| **Total** | **151** | **100** |

Table 4.2.15 shows that 22 respondents indicates that interest rate given to owners of small scale business by the bank are business friendly while the remaining respondents indicate otherwise.

**4.2.16Responses to does inability to access loan and high interest rate affect the development of small scale business in Enugu Urban?**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Yes | 126 | 83.44 |
| No | 25 | 16.56 |
| **Total** | **151** | **100** |

83.44% of the respondents strongly believe that inability to access these loans and non-friendly interest rates affect development of small scale business in Enugu Urban while the rest think otherwise.

**4.2.17 Responses to if the growth and development of small scale enterprises are dependent on external influences such as government policies, availability of capital and high skilled manpower in Enugu?**

|  |  |  |
| --- | --- | --- |
| **Response variables** | **No of Respondents** | **%** |
| Yes | 102 | 67.54 |
| No | 49 | 32.5 |
| **Total** | **151** | **100** |

67.54% of the respondents strongly believe that growth and development of small scale business are dependent on government influences while the remaining 32.5% are of contrary opinion.

**4.3 Testing Of Research Hypothesis And Interpretations**

Having analyzed the data collected, it would be necessary to test the hypothesis stated in chapter one, which they will subsequently be accepted or rejected.

In this research work, three hypotheses are being tested using the Chi-square distribution. One question or a maximum of two are used in testing each hypotheses. In using the chi-square method of distribution to test the hypothesis, these questions would be merged together such that only responses common to both are analyzed and tested.

**4.3.1 TEST OF HYPOTHESIS 1**

The hypothesis is re-stated as follows:

H0: Small scale businesses do not have any factor militating against its growth and development in Enugu Urban area.

H1: Small scale businesses do have any factor militating against its growth and development in Enugu Urban area.

**Table 4.3.1**

Analysis of responses earlier tabulated providing data for testing.

|  |  |  |  |
| --- | --- | --- | --- |
| **Tables** | **Yes** | **No** | **Total no of respondents** |
| 4.2.9 | 103 | 48 | 151 |
| 4.2.11 | 52 | 99 | 151 |
| **Total** | **155** | **147** | **302** |

**CONTINGENCY TABLE**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S/NO** | **fo** | **fe** | **fo-fe** | **(fo-fe)2** | **(fo-fe)2**  **fe** |
| 1 | 103 | 77.5 | 25.5 | 650.25 | 8.39 |
| 2 | 48 | 73.5 | -25.5 | 650.25 | 8.39 |
| 3 | 52 | 77.5 | -25.5 | 650.25 | 8.39 |
| 4 | 99 | 73.5 | 25.5 | 650.25 | 8.39 |
|  |  |  |  | X2 | 33.56 |

Calculating Fe= (∑r ×∑c)

n

where ∑r = summation of rows

∑c = summation of respondents

n = total number of respondents

C1= (151 x 155)/302 = 77.5

C2= (151 x 147)/302 = 73.5

C3= (151 x 155)/302 = 77.5

C4= (151 x 147)/302 = 73.5

Degree of freedom; d.f = (c-1) (r-1)

= (2-1) (2-1)

X2=0.95 at 1 d.f = 3.84

*Decision Rule*

Accept Ho: if calculated value is less (<) than tabulated value.

Reject Ho: if calculated value is greater (>) than the tabulated value.

Decision Rule: Since 33.56 > 3.84

**Reject Ho and Accept Hi**

We accept Hi which implies that small scale business do have militating factors against its growth and development in Enugu Urban.

**4.3.2 TEST OF HYPOTHESIS 2**

The hypothesis is re-stated as follows:

H0**:** The growth and development of small scale businesses do not depend on External influences such as government policies/assistance in Enugu.

H1: The growth and development of small scale businesses depend on External influences such as government policies/assistance in Enugu.

**Table 4.3.2**

Analysis of responses earlier tabulated providing data for testing.

|  |  |  |  |
| --- | --- | --- | --- |
| **Tables** | **Yes** | **No** | **Total no of respondents** |
| 4.2.16 | 126 | 25 | 151 |
| 4.2.17 | 102 | 49 | 151 |
| **Total** | **228** | **74** | **302** |

**CONTINGENCY TABLE**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S/NO** | **Fo** | **Fe** | **fo-fe** | **(fo-fe)2** | **(fo-fe)2**  **Fe** |
| 1 | 126 | 114 | 12 | 144 | 1.26 |
| 2 | 25 | 37 | -12 | 144 | 3.89 |
| 3 | 102 | 114 | -12 | 144 | 1.26 |
| 4 | 49 | 37 | 12 | 144 | 3.89 |
|  |  |  |  | **X2** | **10.3** |

Calculating Fe= (∑r ×∑c)

n

where ∑r = summation of rows

∑c = summation of respondents

n = total number of respondents

C1= (151 x 228)/302 = 114

C2= (151 x 74)/302 = 37

C3= (151 x 228)/302 = 114

C4= (151 x 74)/302 = 37

Degree of freedom; d.f = (c-1) (r-1)

= (2-1) (2-1)

X2=0.95 at 1 d.f = 3.84

*Decision Rule*

Accept Ho: if calculated value is less (<) than tabulated value.

Reject Ho: if calculated value is greater (>) than the tabulated value.

Decision Rule: Since 10.3 > 3.84

**Reject Ho and Accept Hi**

We accept Hi which implies the growth and development of small scale businesses depend on External influences such as government policies/assistance in Enugu.

**4.3.3 TEST OF HYPOTHESIS 3**

The hypothesis is re-stated as follows:

H0: Government does not have any position towards assisting, promoting and stabilizing small scale business in other to unlock value chain approaches to Enugu urban economic boom.

H1: Government does have any position towards assisting, promoting and stabilizing small scale business in other to unlock value chain approaches to Enugu urban economic boom.

**Table 4.3.3**

Analysis of responses earlier tabulated providing data for testing.

|  |  |  |  |
| --- | --- | --- | --- |
| **Tables** | **Yes** | **No** | **Total no of respondents** |
| 4.2.8 | 61 | 90 | 151 |
| 4.2.13 | 70 | 81 | 151 |
| **Total** | **131** | **171** | **302** |

**CONTINGENCY TABLE**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S/NO** | **Fo** | **Fe** | **fo-fe** | **(fo-fe)2** | **(fo-fe)2**  **Fe** |
| 1 | 61 | 66.5 | -5.5 | 30.25 | 0.45 |
| 2 | 90 | 85.5 | 4.5 | 20.25 | 0.23 |
| 3 | 70 | 66.5 | 3.5 | 12.25 | 0.18 |
| 4 | 81 | 85.5 | -4.5 | 20.25 | 0.23 |
|  |  |  |  | **X2** | **1.09** |

Calculating Fe= (∑r ×∑c)

n

where ∑r = summation of rows

∑c = summation of respondents

n = total number of respondents

C1= (151 x 131)/302 = 66.5

C2= (151 x 171)/302 = 85.5

C3= (151 x 131)/302 = 66.5

C4= (151 x 171)/302 = 85.5

Degree of freedom; d.f = (c-1) (r-1)

= (2-1) (2-1)

X2=0.95 at 1 d.f = 3.84

*Decision Rule*

Accept Ho: if calculated value is less (<) than tabulated value.

Reject Ho: if calculated value is greater (>) than the tabulated value.

Decision Rule: Since 1.09 < 3.84

**Reject Hi and Accept Ho**

We accept Ho which implies that Government does not have any position towards assisting, promoting and stabilizing small scale business in other to unlock value chain approaches to Enugu urban economic boom.

**CHAPTER FIVE**

**SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS**

**5.1 Introduction**

This chapter discusses the summary of findings, Conclusion and recommendations of the research study.

**5.2 Summary Of Findings**

The researcher has attempted, in the course of this study to discover some revelations and observations as follows:

1. Financial problems have been the major and most serious impediments to small scale enterprises towards buttressing its growth and development in Enugu Urban.

2. That appropriate financial frame work has not been effectively put in place to assist small scale firm establishment, growth and development. The high interest rate, unavailability of credits, poor access to credit and many other factors discourages entrepreneurs from borrowing and as such cripples the business of those who have the business initiatives but lacks the necessary facilities to borrow as collateral.

3. Nigeria policies and programmes towards small scale are not as effective as it supposed to be.

4. Funds have not been made available to banks and other government agencies who are involved in funding small scale firms for onward lending to entrepreneurs because of inadequate liquidity policies of government and Central Bank of Nigeria (CBN).

5. Lack of technical and managerial support skills from agent of government to the intending and existing small scale firms.

6. The researcher equally discovered that the individual operators of business did not recognize the fact that they are part players to the execution of government policies and programme.

7. Lack of provision of infrastructural facilities by government have not helped to stabilize business and as such makes it difficult for small scale firms to operate and survive.

8. Lack of confidence in the products of our small scale firms by the consumers which includes government agents.

Most small business owners are so bitter and discouraged by the numerous levies they are asked to pay be some government agencies (i.e. the local governments where the businesses are located). Such levies include signboard fees, environmental sanitation fees, commodities fess etc, even after they have paid rents for such stores. They also complained of increase in rents by the landlords. All these increase the cost of the businesses and subsequently impacts on the profit of the business.

**5.3 Conclusion**

Everything that has a beginning, they say, must have an end. Therefore, the researcher wishes to draw up some conclusions based on the findings of the research, both through the administrative analysis of such data used. We have already seen some results of these findings; based on these findings, the researcher was able to draw the following conclusions:

1. That small scale firms are not given the desired as well as required attention by government and its agencies.

2. That small scale firms are an integral part of economic growth and development of any nation.

3. That small scale firms should be sufficiently funded by government and its agencies in time to enable them (SME) create a feasible impact.

In addition, entrepreneurship is the key to the successful launch of any business venture. The development of entrepreneurship involves input development which is aimed at increasing the supply of adequately training entrepreneurs who are motivated to make success out of their business ventures. Entrepreneurship development is a frontier for people of some boldness and creativity. Education and training, as well as experience, can increase supply of entrepreneurs by making available more skills that are suitable for their endeavors. The success of any business is supposed to be a reward for innovations, enterprise and good management, as well as for venture and risk-taking. So it is not enough to initiate a new business, certain factors, abilities, motivations, altitude plus favorable conditions (like helpful government policies and adequate supply of capital) are needed for the growth of the business. The success of any business depends on creativity, backed by the managerial ability of the owner. Only properly oriented and strategically-focused enterprises can hope for sustainable growth and profitability.

**5.4 Recommendations**

Based on the present study, the following recommendations are made.

1. There is the need for government support of private initiatives through:

a. Providing funds in the form of soft loans or grants to small scale business;

b. Providing a very conducive environment to enable the small business survive.

c. The need for government to provide social amenities and, infrastructures to facilitate the smooth functioning and operation of small-scale business.

2. Entrepreneurship development should be inculcated in the syllabus of all spheres of education from primary education to university education. This will reduce dependence on paid employment and fast track economic development.

3. There is also the need for proper co-ordination and supervision of small businesses. All the government agencies, ministries, programmes and policies of the government should be in alliance with the directives of the National Association of small scale industries.

4. People with innovative ideas should be encouraged to initiate business ventures. This is because they have better idea of market opportunities, how to make new products new delivery system and locations

**5.5 Recommendation For Further Studies**

I recommend that further research be conducted on impact of information Communications Technology on Entrepreneurial Development. I believe that if this research is carried out, the findings from the study will help entrepreneurs to equip themselves with ICT skills because it will improve their operations and productivity.

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**APPENDIX**

Godfrey Okoye University,

Thinkers Corner,

Enugu State.

4th April, 2018

Dear Respondent,

**RESEARCH QUESTIONNAIRE**

I am a final year student of Godfrey Okoye University, Enugu Campus. I am conducting a research work on the topic: **Development of Small Business in Enugu Urban Area (*A Study of Hians Technology).*** Therefore, your reply to the questions raised is meant for the purpose of enriching the study. All information furnished by you would be treated in strict confidence and utilized exclusively for the study.

Thanks for your cooperation.

Yours faithfully,

**Lewachi Emmanuel Chimuanya**

**QUESTIONNAIRE**

**SECTION A**

Kindly indicate your answer by ticking (\_) in the appropriate box or where necessary complete as precisely as possible.

**1**. **Gender**

a. Male [ ]

b. Female [ ]

**2. Age**

a. Under 20 years [ ]

b. 20-30 years [ ]

c. 31-40 years [ ]

d. 41-50 years [ ]

e. Above 50 years [ ]

**3. Which department are you in?\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**4. How long have you been with this Company?**

a. Under 1 year [ ]

b. 1-3 years [ ]

c. 4-6 years [ ]

d. 7-10 years [ ]

e. Above 10 years [ ]

**5. What is your highest educational qualification?**

a. FSLC [ ]

b. SSCE/OND [ ]

c. HND/B.Sc [ ]

d. MBA/M.Sc/Ph.D [ ]

e. Others specify [ ]

**SECTION B**

**6. Is your employer registered with any trade association/union/organization?**

a. Strongly Agree [ ]

b. Agree [ ]

c. Strongly Disagree [ ]

d. Disagree [ ]

e. Undecided [ ]

**7. Where does the Management source materials and equipment from?**

a. Locally [ ]

b. Internationally [ ]

c. All of the above [ ]

d. None of the above [ ]

**8**. **Do** **government agencies assist in promoting small scale firms in Enugu Urban to unlock value chain approach?**

a. Strongly Agree [ ]

b. Agree [ ]

c. Strongly Disagree [ ]

d. Disagree [ ]

e. Undecided [ ]

**9. Are there any hindrances encountered towards the development of Hian Technology as a small scale business?**

a. Yes [ ]

b. No[ ]

c. No idea [ ]

**10. If Yes in 9 above, how can it be possible?**

a. Lack of Information [ ]

b. Poor Infrastructure [ ]

c. Insufficient Fund [ ]

d. Lack of austereness [ ]

e. Illiteracy [ ]

**11. Do you think Small and Medium Businesses are properly managed?**

a. Yes [ ]

b. No[ ]

c. No idea [ ]

**12. What are the factors that influence poor management?**

a. Lack of feasibility study [ ]

b. Lack of Government support [ ]

c. lack of entrepreneurial skill [ ]

d. Illiteracy [ ]

e. None of the above

**13. Does the Government through its agencies make the environment where small scale business operate conducive and favourable to them?**

a. Yes [ ]

b. No[ ]

c. No idea [ ]

**14. Do you think there is a link between entrepreneurial skill development and growth of small scale industries?**

a. Strongly Agree [ ]

b. Agree [ ]

c. Strongly Disagree [ ]

d. Disagree [ ]

e. Undecided [ ]

**15. Do Entrepreneurs have access to loan easily?**

a. Yes [ ]

b. No[ ]

c. No idea [ ]

**16.** **Are the interest rate given by banks business friendly?**

a. Yes [ ]

b. No[ ]

c. No idea [ ]

**17.** **Does inability to access loan and high interest rate affect the development of small scale business in Enugu Urban?**

a. Yes [ ]

b. No[ ]

c. No idea [ ]

**18. Does the growth and development of small scale enterprises depend on external influences such as government policies, availability of capital and high skilled manpower in Enugu?**

a. Yes [ ]

b. No[ ]

c. No idea [ ]