# Appraisal of Entrepreneurship Capacity Programs and Internationalization of Small and Medium Enterprises in Nigeria

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**Abstract:** The extent to which entrepreneurship capacity programs has assisted SMEs on internationalization has been a subject of controversy in recent time. Also the encouragement of entrepreneurial behavior has been adjudged to enhance the SME growth particularly given its contribution to economic prosperity in economies. The population of the study consisted of randomly selected employees of 20 internationalizing SMEs in Ikeja, Lagos industrial Centre. A total 200 employees were sampled through the instrument of a structured questionnaire. The statistical tools used included cross tabulations, Mean, Multiple Regression and Correlation analysis through the SPSS computer packages. The results showed that entrepreneurship training (ET), has significant relationship on the employment creation of SMEs to internationalize (at P =0.00). It was also found out that information provision (IP) has significant relationship with SMEs' survival rate to internationalize (at P=0.018). Hence, the study recommends that entrepreneurship development organizations affiliated to federal, state, industrial and international organizations need to implement capacity programs that would reposition Nigerian SMEs for Internationalization and team up in strengthening the human capacity of SMEs in 21st as SME owners and employees tend to possess minimal education on entrepreneurship processes to internationalize.

Keywords: Entrepreneurship Capacity; Internationalization; Small and Medium Enterprises

JEL Classification: L26; M1; M19

#### 1. Introduction

The small and medium enterprise (SME) sector plays a fundamental role in generating employment, wealth, innovation and economic development in industrialized and developing countries (Robson & Bennett, 2000). Lack of effective entrepreneurship capacity programs which has resulted in young Africans such as Nigerians to believe significantly less in themselves as business starters, compared

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with similar developing countries of the world has been a major limitation to Nigerian economy (Caroline & James, 2013).

The entrepreneurship development programs in Nigeria is considered to help an individual in enhancing his/her entrepreneurial motivation in acquiring skills needed for performing her entrepreneurial role effectively (Alberti, Sciascia & Poli 2004). The Nigerian government has introduced different development support policy programs since the early 1970s to help improve the performance of small and medium business owners through education. To this goal, the Federal and state government, industrial and international organizations have established some agencies to provide assistance in form of educating, training, provision of business information and the likes to SMEs in Nigeria just like in every other country that has recognized the importance of the growth of SMEs to the development of their economy. Agencies like Small Medium Enterprises Development Agency of Nigeria (SMEDAN), International Labour Organization (ILO) and United Nations Industrial Development Organization (UNIDO) were formalized to provide adequate training and information needed to enhance growth of SMEs in Nigeria.

# 1.2. Statement of Research Problem

Practically, lack of entrepreneurship training has been a great challenge to SMEs internationalization in Nigeria, although Nigerian small business owners are striving hard to thrive in their businesses, they lack the knowledge and training on how to exploit the existing opportunities for further employment creation. According to Olomi (2006), the most serious impediment is the limited capacity of small business owners in terms of exposure, skills and experiences. Different agencies like NACCIMA, SMEDAN and MAN had been established to provide adequate training to SMEs. Nevertheless these services are under-developed, with limited outreach (Olomi, 2006).

Also, another problem facing SME internationalization in Nigeria is lack of adequate business information which has greatly poses challenges on their survival rate. Studies shows that SMEs do not make it to their fifth year, very small percentage survive to between sixth and tenth year and only about five to ten percent of their total thrive, survive and reach their maturity stage (Aremu & Adeyemi, 2011). However, through the availability of adequate information, the knowledge level of business owners about their business environment, the customers they serve and their competitors will be increased and this will help to expand the survival rate of SMEs in Nigeria.

To this effect, this study intends to appraise entrepreneurship capacity programs on Small and Medium Enterprises sustainability in Nigeria.

#### **Hypotheses**

 $H_{01}$ : There is no significant influence of entrepreneurship training on employment creations of SMEs.

 $H_{02}$ : There is no significant effect of provision of information on SMEs' survival rate.

#### 2.1. Review of Literature on Entrepreneurship Capacity and Training

Dated back to early 1960s, an idea called the industrial Campaign erupted, broadening itself over the years to become a countrywide movement presently known as Entrepreneurship Development Program. It is designed to help an individual in enhancing his/her entrepreneurial motivation and in obtaining capabilities necessary for performing her entrepreneurial role effectively. Entrepreneurial training took the form of capacity building programs (Seminars and symposiums), syllabus oriented programs (diploma and certificate) apprenticeship, and on-job training whereas the key training providers are assumed to be the tertiary institutions, non-governmental organizations (such as World Vision), capacity building centres (SMEDAN) and financial institutions such as banks and MFIs (Boniface, 2008). Armstrong (2001) defines training as the formal and systematic alteration of behavior through learning which occurs as a result of instruction, education, and planned experience. Furthermore, Alberti, Sciascia & Poli (2004) defined entrepreneurship education as the structured formal transference of entrepreneurial competencies which in turn refers to the concepts and skills utilized by individuals during the process of starting and developing their growth-oriented enterprises. The Association for Entrepreneurship Education (2004) points out that entrepreneurship education is a life-long learning process and consists of five stages namely, basics, competency awareness, creative application, start-up and growth.

#### 2.1.1. Human Capacity Building

Human capacity building can be defined as a premeditated effort by government and people to offer the right number of workers at the right areas of need and at the right time in an economy (Anyanwu, 2014). It must be appreciated that the survival of a large pool of human population does not decode automatically to a productive resource. Human beings turn out to be productive resource only when they are able and in a position to contribute significantly in achieving organizational goals. Human capacity building exemplifies the inculcation of pertinent general and technical knowledge skills and competencies through inclusive human resource development programmes that will aid the resolution of the set goals.

#### 2.1.2. Insufficient Training Programs

In accordance to Oforegbunam et al. (2010) the performance level of most SMEs in Nigeria has been most disappointing, due to the problems of delay and high cost in

service delivery. The possible reason for this may include, that most of employees may not have received sufficient training and exposure to execute the functions they are assigned to. However in order to realize the objective of employment creation by SMEs, the personnel involved in their operations must be adequately trained to enable them be alert in their responsibilities, more importantly given the overbearing effects of competition from the very large firms and from SMEs operating in Asia, made possible by globalization (Oforegbunam et al., 2010).

# 2.1.3. Concept of Information Provision

The well-defined information analysis services need to be provided to improve decision quality of SME executives and contribute to SME business performances such as revenue growth, cost reduction, survival rate, employment growth, etc. (Kim, Kim, Suh & Zheng, 2016). SME executives can obtain industry and market information, conduct a technology valuation and be given promising business items in SME supporting systems. SME supporting services contribute to decision-making of SME executives, and contribution to decision-making can affect business performances (Wieder, Ossimitz & Chamoni, 2012; Wieder & Ossimitz, 2015).

#### 2.1.4. Issues of Access to Information by the SMEs

Adequate information is needed by SMEs to improve productivity and to facilitate international market access. Also, an active SME sector and effectual utilization of quality business information is important in attaining long-term and sustainable economic growth for developed and developing countries (Corps, 2005). However, the SME sector suffers from inadequacies in the provision of vital business information which is only available from private institutions in most developing countries; (UNIDO, 2005). A study conducted in northern Uganda by Okello-Obura et. tal (2008) shows that the SMEs depend, majorly, on informal institutions as they lack an awareness of availability of business information provision programs. This is uneven with the requirement for effective competition in global markets. The SMEs need tailor-made information solutions i.e. business information services that assess and apply information to certain business problem (Okello-Obura et. tal, 2008).

#### 2.2. Inference to Active Learning Theory

Prince (2004) states that a firm explores its economic environment actively and invests to enhance its growth under competitive pressure from both within and outside the firm. The potential and actual growth changes over time in response to the outcomes of the firm's own investment and those of other actors in the same market. According to this model of learning, owners or managers of SMEs could raise their efficiency through formal education and training that increases their endowments while government may support their activities through the creation of the enabling environment.

Entrepreneurs or managers of SMEs with higher formal education, work experience, training and government assistance would therefore be expected to grow faster than those without these qualities. This implies that SMEs in Nigeria have prospects of experiencing growth and contributing meaningfully to employment generation only when appropriate investments are made into them by all the stakeholders.

# **2.2.1.** Empirical Review on Entrepreneurship Training and Employment Creation of SMEs

Rwamitoga (2011), conducted research on entrepreneurship training and the performance of SMEs and concluded that the fact that these educational programmes are developed to teach and encourage entrepreneurial behaviour has had some effects to many individuals who have chosen self-employment as a career. Thus, there is a positive relationship between entrepreneurship training and employment creation of SMEs. In the same context, Manimala (2006) also assessed SME training needs against current practices in India and found that attention to entrepreneurship is only at the higher education level and government are not always paying attention to further training. The study concluded that SMEs need training organized by government agencies.

# 2.2.2. Empirical Review on Information Provision and SMEs' Survival Rate

Okello-Obura and James (2011) conducted a research on SMEs and Business Information Provision Strategies It was concluded that Managers of business enterprises use information as an integral part of their work and, hence, it is important to be clear about what information is at the level of the individual users of information (Kirk, 1999). The issue of business information provision to SMEs should be taken seriously and given utmost importance in national planning by every government. Also, a study conducted in northern Uganda by Okello-Obura et. tal (2008) proved that that SMEs rely mostly, on informal institutions as they lack an awareness of important business information provision agencies or institutions. This is inconsistent with the requirement for effective competition in global market.

#### 3. Methodology

The methods espoused for carrying out this research include the survey, and ex-post facto. Opinions were gathered by administering questionnaire (survey method) as well as personal interviews. The population of this study included all employees in twenty selected registered SMEs in Ikeja local government, Lagos state. The population of the study is estimated to be around 398 SMEs' employees which constitutes furniture, printing, cyber cafes, technology, supermarkets, pharmacy, manufacturing, courier, e-commerce and web design firms. The twenty firms were selected purposely based on the criteria that: they reflect characteristics of SMEs (none of these firms has above 200 employees), they have interacted with one or

more ESAs in the course of their operations, and they have been into business from more than five years.

Table 3.1. List of the Selected SMEs in Ikeja Local Government, Lagos state, Nigeria

| S/     | Names of organization        | Industry                       | Number of employees | No of samples |
|--------|------------------------------|--------------------------------|---------------------|---------------|
| N<br>1 | Deshabisco printing          | Printing                       | 17                  | 10            |
|        |                              |                                | 17                  | +             |
| 2      | Royal coast technologies ltd | Technology                     | · ·                 | 10            |
| 3      | Jomry Nigeria ltd            | Service                        | 25                  | 10            |
| 4      | Pixe Technologies ltd        | Technology                     | 18                  | 10            |
| 5      | MATS distributions Nig Ltd   | Wholesaler/<br>distributorship | 26                  | 10            |
| 6      | M & G                        | Technology                     | 20                  | 10            |
| 7      | Marquis ltd                  | Courier<br>services            | 21                  | 10            |
| 8      | Sungas Nig ltd               | Gas                            | 24                  | 10            |
| 9      | Tech vaults ltd              | manufacturing                  | 20                  | 10            |
| 10     | Pharmareach pharmacy         | Pharmacy                       | 15                  | 10            |
| 11     | Kara                         | e-commerce                     | 22                  | 10            |
| 12     | King Adeoye ventures         | Furnitures                     | 19                  | 10            |
| 13     | Common sense group           | Service                        | 23                  | 10            |
| 14     | FOD enterprises              | manufacturing                  | 22                  | 10            |
| 15     | Unitoyiel ventures Nig ltd   | Services                       | 22                  | 10            |
| 16     | Zibaha resources ltd         | technology                     | 18                  | 10            |
| 17     | Lord's creation              | Fashion                        | 18                  | 10            |
| 18     | Chyke books enterprise       | Books                          | 15                  | 10            |
| 19     | Xright                       | Retail                         | 20                  | 10            |
| 20     | Kss transportation solution  | Service                        | 16                  | 10            |
| To     |                              |                                | 398                 | 200           |
| tal    |                              |                                |                     |               |

Source: Researchers Compilation, (2018)

# Sample and Sampling Techniques

The technique that was used for selection is the simple random sampling techniques. To determine the sample size, this study used Slovin Sample size determination formula.

It is expressed below:

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

Where:

**Stage 1:** n= Sample size

N= Total population

e= Error Margin (5%)

Stage 2: 
$$n = \frac{398}{1+398(o.o5)^2}$$
  
 $n = \frac{398}{1+(398\times0.0025)}$   
 $n = 199.499$ 

#### n = approximately 200 employees

Hence, Sample size of approximately two hundred (200) out of three hundred and ninety-eight (398) employees were surveyed by means of questionnaire across the twenty (20) selected SMEs representing ten (10) employees per organization in order to gather relevant information that was needed to answer the research questions in this study.

#### 4. Data Presentation

The research questionnaire was administered to two hundred (200) employees which is the sample size representing the chosen study population of the selected 20 small and medium enterprises in Ikeja local government area of Lagos state. Of this lot, one hundred and seventy four (174) questionnaires representing 87% were returned, and twenty-six (26) questionnaires representing 13% were not returned.

# Frequency Distribution of the Respondents' Demographic Characteristics

The frequency distribution of the respondents' demographic characteristics is presented in table 4.1 below. The table shows that out of the two hundred and seventy four (274) respondents, 105 (60.3%) are male, while 69 (39.7%) are female. By implication, we have more male respondents to female respondents in the sample. In addition, out of the two hundred and seventy four (274) respondents, 81(46.6%) are single while 83 (47.7%) are married and 10(5.7%) are neither married nor single. By implication, most of the respondents are married. More so, 77 (44.3%) of the 274 respondents have 1-5 years' work experience, 76 (43.7%) have 6-10 years' work experience, 14 (8.0%) have 11-15 years' work experience and, 7(4.0%) have over 15 years work experience. By implications, most of the respondents have between 1-5years of work experience. Also, there are 34 M.SC and M.BA holders (19.5per cent), 89 HND/BSc holders (51.1per cent), 44 are SSCE holders (25.3 per cent), in the sample and 7 have other qualifications (4.0). By implication, the respondents have high HND/BSceducational qualifications. Again, out of the two hundred and seventy four (274) respondents, 6 (3.4%) are 51 years and above, 25 (14.4%) are between 41 and 50 years of age, 61(35.1%) are between 31 and 40 years, and 82 (47.1) are between 21 and 30 years. By implication most of the respondents are between the age of 21 and 30 years. More importantly, out of the 274 respondents,

60 (34.5%) are employees in the artisan industry; 69 (39.7%) are employees in the service industry; 25 (14.4%) are employees in manufacturing industry while 20(11.5%) do not specify their industry. By implication, we have more of service industry employees as respondents in the sample.

Table 4.1. Frequency Distribution of the Respondents' Demographic Characteristics

| Characteristics           | Category       | Frequency | Percent | Cumulative percent |
|---------------------------|----------------|-----------|---------|--------------------|
| Sex                       | Male           | 105       | 60.3    | 60.3               |
|                           | Female         | 69        | 39.7    | 100.0              |
| Marital status            | Married        | 83        | 47.7    | 47.7               |
|                           | Single         | 81        | 46.6    | 94.3               |
|                           | Others         | 10        | 5.7     | 100.0              |
| Work experience           | 1-5years       | 77        | 44.3    | 44.3               |
| -                         | 6-10years      | 76        | 43.7    | 87.9               |
|                           | 11-15years     | 14        | 8.0     | 96.0               |
|                           | Over 15years   | 7         | 4.0     | 100.0              |
| Industry                  | Manufacturing  | 25        | 14.4    | 14.4               |
|                           | Service        | 69        | 39.7    | 48.9               |
|                           | Artisan        | 60        | 34.5    | 60.3               |
|                           | Others         | 20        | 11.5    | 100.0              |
| Educational qualification | SSCE           | 44        | 25.3    | 25.3               |
| -                         | HND/BSc        | 89        | 51.1    | 76.4               |
|                           | MSc/MBA        | 34        | 19.5    | 96.0               |
|                           | Others         | 7         | 4.0     | 100.0              |
| Age                       | 21-30          | 82        | 47.1    | 47.1               |
|                           | 31-40          | 61        | 35.1    | 82.2               |
|                           | 41-50          | 25        | 14.4    | 96.6               |
|                           | 51 years above | 6         | 3.4     | 100.0              |

Source: Author's Fieldwork Computation, 2018

#### **Descriptive Statistics of the Respondents' Perceptions**

The Descriptive Statistics of the Respondents' Perceptions is presented in table 4.2 below. Concerning. Concerning entrepreneurship training, we have information from 274 respondents; the range of entrepreneurship training is from 2 to 5 points, with a mean of 3.53 and standard deviation of 0.65. By implication, the respondents, on average, agreed with questions onentrepreneurship training. Concerning information provision we have information from 274respondents; the range of information provisionis from 2 to 5 points, with a mean of 3.24 and standard deviation of 0.73. By implication, the respondents are, on average, agreed with questions on information provision. Concerning, employment creation capacity we have information from 274respondents; the range of employment creation capacity is from 3 to 5 points, with a mean of 4.07 and standard deviation of 0.54. By implication, the respondents, on average, strongly agreed with questions on employment creation capacity. Concerning, survival rate we have information from 274respondents; the range of survival rate is from 3to 5 points, with a mean of 4.29 and standard deviation of 0.49. By implication, the respondents, on average, strongly agreed with the questions on survival rate.

**Table 4.2. Descriptive Statistics** 

|                              | N   | Minimum | Maximum | Mean   | Std. Deviation |
|------------------------------|-----|---------|---------|--------|----------------|
| Entrepreneurship<br>Training | 174 | 2.00    | 5.00    | 3.5359 | 0.65109        |
| Information provision        | 174 | 2.00    | 5.00    | 3.2385 | 0.72617        |
| Employment creation          | 174 | 3.00    | 5.00    | 4.0718 | 0.54283        |
| Survival rate                | 174 | 3.00    | 5.00    | 4.2945 | 0.49180        |
| Valid N (listwise)           | 174 |         |         |        |                |

Source: Author's Fieldwork Computation, 2018

# 4.4. Data Analysis Based on Hypotheses

The hypotheses of the study are: (1) There is no significant effect of Entrepreneurship and Information provision on SMEs' employment creation capacity (2) There is no significant effect of, Entrepreneurship training, and Information provision on SMEs' survival rate. To test these hypotheses and achieve the objectives of the study, multiple regression analysis was used. Multiple regression is based on correlation but allows a more sophisticated exploration of the interrelationship among a set of variables. It makes a number of assumptions about the data which are normality that assumed that the dependent variable is normally distributed (i.e. Small and Medium Enterprises' performance), multicollinearity that assumed that the independent variables (Entrepreneurship capacity programs i.e Entrepreneurship training and Information provision) are not highly correlated, also Homoscedasticity which assumed that the variation among observations is even and linearity which assumed that the relationship between dependent and independent variables is linear.

#### 4.4.1. Test of Normality

A normal curve could be drawn to test for normality of the dependent variable (i.e. Employment creation and Survival rate). Fig 4.4.1.1 to 4.4.1.2 presents a normal curve of SMEs performance scores. Many of the parametric statistics assume that the scores on each of the variables are normally distributed (i.e. follow the shape of the normal curve). In this study, the scores are reasonably normally distributed, with most scores occurring in the centre, tapering out towards the extremes.

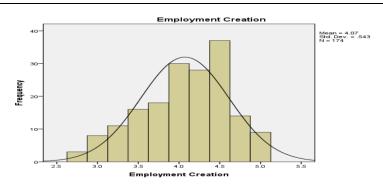


Figure 4.4.1.1. Histogram of Perceived employment creation scores

Source: Author's Fieldwork Computation, 2018

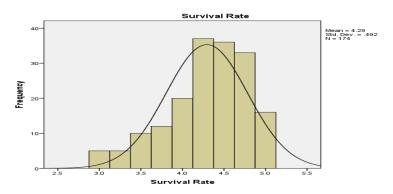


Figure 4.4.1.2. Histogram of Perceived survival rate scores

Source: Author's Fieldwork Computation, 2018

#### 4.4.2. Test of Multicollinearity

To check for multicollinearity, bivariate correlation was conducted in Table 4.4.2.1 below. In the table, the highest correlation was 0.144. It shows low multicollinearity problem among Entrepreneurship capacity programs variables (Entrepreneurship training and Information provision). Therefore, all the variables are retained.

Table 4.4.2.1. Correlations among Entrepreneurship Supporting Agencies' variables

| Tubic in inzeri. Conficiation | s among Enticpicheursm | p Supporting riger | icics variables |
|-------------------------------|------------------------|--------------------|-----------------|
|                               |                        | Entrepreneurship   | Information     |
|                               |                        | Training           | Provision       |
| Entrepreneurship Training     | Pearson Correlation    | 1                  |                 |
|                               | Sig. (2-tailed)        |                    |                 |
|                               | N                      | 174                |                 |
| Information Provision         | Pearson Correlation    | .077**             | 1               |
|                               | Sig. (2-tailed)        | .311               |                 |
|                               | N                      | 174                | 174             |

Source: Author's Fieldwork Computation, 2018

# 4.4.3. Test of Homoscedasticity and Linearity for Hypothesis One

A scatter plot could be drawn to test for homoscedasticity and linearity of the relationship between dependent variables (i.e. Employment creation and Survival rate) and independent variables (i.e. Entrepreneurship training, and Information provision). Fig 4.4.3.1 and 4.4.3.2, present the output of scatter plots. From the output below, there appears to be a moderate, positive correlation among the variables.

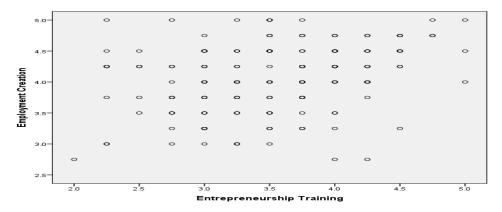
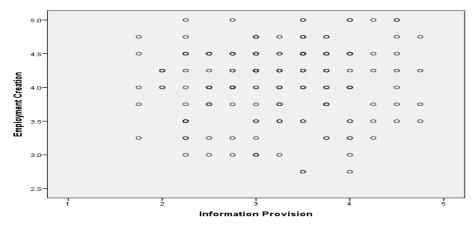


Figure 4.4.4.1. Scatter Plot of Perceived entrepreneurship training and employment creation Score



Source: Author's Fieldwork Computation, 2018

Figure 4.4.4.2. Scatter Plot of Perceived information provision and employment creation Scores

Source: Author's Fieldwork Computation, 2018

# Test of Hypothesis One

Ho<sub>1</sub>: Entrepreneurship training, and information provision does not significantly affect SMEs' employment creation capacity.

Standard multiple regression was used to explore the effects of entrepreneurship training, and information provision on employment creation capacity. Preliminary analyses were performed to ensure no violation of the assumptions of normality, Multicollinearity, homoscedasticity and linearity. The result of regression as contained in Table 4.4.4.1: ANOVA, shows that the F-test was 5.717, significant at 1 percent [p<.000]. This showed that the model was well specified.

ANOVA Sum of Squares Mean Square Model F Df Sig. Regression 97.214 24.303 5.717  $.000^{b}$ 718.418 169 4.251 Residual 815.632 Total 173 a. Dependent Variable: Employment Creation b. Predictors: (Constant), Information Provision, , Entrepreneurship Training

**Table 4.4.4.1** 

Source: Author's Fieldwork Computation, 2018

Also, the result of regression as contained in Table 4.4.4.2. Model Summary, shows that the R Square gave a value of 11.9 per cent. This means that the model (entrepreneurship training, and information provision) explained about 11.9 per cent of the variance in perceived employment creation capacity.

**Table 4.4.4.2** 

| Model Summary |   |                 |                         |                      |  |  |  |
|---------------|---|-----------------|-------------------------|----------------------|--|--|--|
| Model         | Model R R Square Adjusted R Square Std. Error of the Estimate |                 |                         |                      |  |  |  |
| 1             | .345ª   | .119            | .098                    | 2.062                |  |  |  |
| a. Predic     | tors: (Co   | nstant), Inform | nation Provision, Entre | preneurship Training |  |  |  |

Source: Author's Fieldwork Computation, 2018

Specifically, the result of regression as contained in Table 4.4.4.3 Regression Coefficients, tests the first hypothesis of this study. From the output below, there was positive relationship between perceived entrepreneurship training and perceived employment creation such that a unit rise in perceived entrepreneurship training scores induced about 27.8 unit increase in perceived SMEs' employment creation scores which was statistically significant at 1 per cent going by the p value (0.000). Based on the result, the null hypothesis is rejected; thus, SMEs' employment creation is affected by entrepreneurship training. Lastly, there was negative relationship between perceived information provision and perceived SMEs' employment creation such that a unit rise in perceived government financial incentive scores

induced about 0.086 unit decrease in perceived SMEs' employment creation scores which is statistically not significant at 1 per cent going by the p value (0.203). Based the result, the null hypothesis is accepted; thus, there was no relationship between information provision and employment creation.

**Table 4.4.4.3** 

|       |                              | C                           | Coefficients <sup>a</sup> |                              |        |      |
|-------|------------------------------|-----------------------------|---------------------------|------------------------------|--------|------|
| Model |                              | Unstandardized Coefficients |                           | Standardized<br>Coefficients | T      | Sig. |
|       |                              | В                           | Std. Error                | Beta                         |        |      |
| 1     | (Constant)                   | 12.912                      | 1.566                     |                              | 8.244  | .000 |
|       | Entrepreneurship<br>Training | .278                        | .061                      | .334                         | 4.566  | .000 |
|       | Information Provision        | 086                         | .067                      | 094                          | -1.278 | .203 |
| a. D  | ependent Variable: Employ    | ment Creation               |                           |                              |        |      |

Source: Author's Fieldwork Computation, 2018

# 4.4.6. Test of Homoscedasticity and Linearity for Hypothesis Two

From the output below, there appears to be a moderate, positive correlation among the variables. Respondents that are highly affected by Entrepreneurship training and Information provision experience low levels of survival factors. There is no indication of a curvilinear relationship (test of linearity) and the scatter plot shows a fairly even cigar shape along its length (test of Homoscedasticity).



Figure 4.4.6.1. Scatter Plot of entrepreneurship training and SMEs' survival rate Scores

Source: Author's Fieldwork Computation, 2018

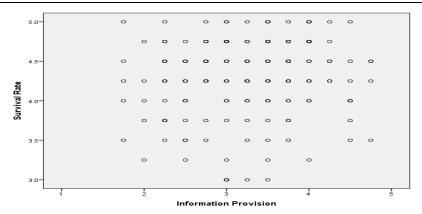


Figure 4.4.6.2. Scatter Plot of information provision and SMEs' survival rate Scores

Source: Author's Fieldwork Computation, 2018

# **Test for Hypothesis Two**

Ho<sub>2</sub>: entrepreneurship training, and information provision does not significantly affect SMEs' survival rate.

Standard multiple regression was used to explore the effects of entrepreneurship training, and information provision on SMEs' survival rate. Preliminary analyses were performed to ensure no violation of the assumptions of normality, Multicollinearity, homoscedasticity and linearity. The result of regression as contained in Table 4.4.6.1: ANOVA, shows that the F-test was 2.049, significant at 1 percent [p<.040]. This showed that the model was well specified.

**Table 4.4.6.1** 

|      | ANOVA <sup>a</sup>                   |                          |             |                     |       |                   |  |  |
|------|--------------------------------------|--------------------------|-------------|---------------------|-------|-------------------|--|--|
| Mo   | odel                                 | Sum of Squares           | Df          | Mean Square         | F     | Sig.              |  |  |
| 1    | Regression                           | 30.962                   | 4           | 7.741               | 2.049 | .040 <sup>b</sup> |  |  |
|      | Residual                             | 638.515                  | 169         | 3.778               |       |                   |  |  |
|      | Total                                | 669.477                  | 173         |                     |       |                   |  |  |
| a. I | a. Dependent Variable: Survival rate |                          |             |                     |       |                   |  |  |
| b. I | Predictors: (Const                   | ant), Information Provis | sion, Entre | preneurship Trainir | ng    |                   |  |  |

Source: Author's Fieldwork Computation, 2018

Also, the result of regression as contained in Table 4.4.6.2: Model Summary, shows that the R Square gave a small value of 0.046 per cent. This means that the model explained about .046 per cent of the variance in perceived SMEs' survival rate.

**Table 4.4.6.2** 

| Model Summary                       |   |  |  |  |  |  |  |  |
|-------------------------------------|---|--|--|--|--|--|--|--|
| Model                               | Model R R Square Adjusted R Square Std. Error of the Estimate                 |  |  |  |  |  |  |  |
| 1 .215 <sup>a</sup> .046 .024 1.944 |   |  |  |  |  |  |  |  |
| a. Predicto                         | a. Predictors: (Constant), Information Provision, , Entrepreneurship Training |  |  |  |  |  |  |  |

Source: Author's Fieldwork Computation, 2018

Specifically ,there was positive relationship between perceived entrepreneurship training and perceived survival rate such that a unit rise in perceived entrepreneurship training scores induced about 0.002 unit increase in perceived SMEs' survival rate scores which was statistically not significant at 1 per cent going by the p value (0.968). Based on the result, the null hypothesis is accepted; thus, SMEs' survival rate is not affected by entrepreneurship training.

Lastly, there was positive relationship between perceived information provision and perceived SMEs' survival rate such that a unit rise in perceived information provision scores induced about 0.185 unit increase in perceived SMEs'survival rate scores which is statistically significant at 1 per cent going by the p value (0.018). Based on the result, the null hypothesis is rejected; thus, there was positive relationship between information provision and survival rate.

**Table 4.4.6.3** 

|                              | C                           | oefficients <sup>a</sup> |                              |       |      |
|------------------------------|-----------------------------|--------------------------|------------------------------|-------|------|
| Model                        | Unstandardized Coefficients |                          | Standardized<br>Coefficients | T     | Sig. |
|                              | В                           | Std. Error               | Beta                         |       |      |
| 1 (Constant)                 | 13.526                      | 1.477                    |                              | 9.161 | .000 |
| Entrepreneurship<br>Training | .002                        | .057                     | .003                         | .041  | .968 |
| Information Provision        | .105                        | .063                     | .127                         | 1.662 | .018 |

Source: Author's Fieldwork Computation, 2018

## 4.5.1. Discussion of Findings of Hypothesis One

The nature of entrepreneurship training as it affects the employment creation capacity of SMEs is designed to enhance small businesses to generate jobs for individuals in the country and thus integrate the SMEs performance to be able to have significant effects on Nigeria's economy. However, this study is in line with Rwamitoga (2011), conducted research on entrepreneurship training and employment creation capacity of SMEs and concluded that the fact that these educational programmes are developed to teach and encourage entrepreneurial behaviour has had some effects to many individuals who have chosen self-

employment as a career. Thus, there is a positive relationship between entrepreneurship training and employment creation of SMEs.

# 4.5.2. Discussion of Findings of Hypothesis Two

The outcome of this study resonates with the views of Olomi and Urassa (2008) who attempt to measure the impact of changes in quality of information provision on SMEs survival rate. Manimala (2006), identified why it is imperative for the country to invest more on acquiring and providing necessary economic and environmental information and try to make the information reach the firm whenever they are needed in order for them to always prepare ahead of uncertainties. Marus and Charles (2017) pointed the extent to which SMEs contributes to growth depends on the economic and social conditions in the recipient country, when SMEs in a particular environ are provided with adequate and sufficient information, the economic conditions of such region will be greatly enhanced because the firms will have a longer life span. Also in line is the finding of Shittu (2012) who showed that information provision and SMEs' survival are complementary.

# **Empirical Findings from the Study**

This study discovered that there is a significant relationship between provision of entrepreneurship training and employment creation capacity of SMEs in tangential to past findings by Manimala (2006) who assessed SME training needs against current practices in India and found that attention to entrepreneurship is only at the higher education level and these institutions are doing great even without the interventions of government. Shittu (2012) also posited that apart from the workshop and seminar training organized by these firms on their own, that prospective entrepreneurs are in need of other attributes (non-academic skill requirements) which employers emphasize, such as good personal and social skills, analytical skills, good communication skills, technical and managerial skills, etc.

# Conclusion

In the light of existing literature on roles of Entrepreneurship capacity programs and performance of SMEs issues captured in this study; and the analyses of collated primary data; the study found that identifiable roles of ECPs had significant effects on the SMEs performance as captured in this descriptive study. The objective of the study was also achieved as it found in specific respects that roles of ECPs effects within the surveyed firms were significant although in minimum aspect related to SMEs performance. It is however worth mentioning, that there were similarities amongst the sampled organization.

#### **Policy Recommendations**

Traditionally, entrepreneurship development is obsessed by top-down programs mainly through entrepreneurship capacity programs (ECPs) and educational institutions. It is progressively acknowledged, predominantly that there is a gap in these support services to Nigerian SMEs particularly internationalizing entrepreneurs. Hence, capacity building should be designed and implemented taking into contemplation the needs of the targeted groups, particularly, the rural communities. In addition, ECPs need to be tailored towards in strengthening the human capacity of SMEs. The business community (the SMEs) has unique information needs that need to be addressed with a specifically designed information system. A multi-faceted approach to information provision is necessary because of the variation in needs, literacy and business prospects. Finally, there is a need to broaden both the acquisition level of information going into the system and the distribution/dissemination points to ensure that quality business information from various sources is accessed by the different internationalizing SMEs.

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