

Determinants of Small and Medium Enterprises (SMEs) Performance in Ekiti State, Nigeria: A Business Survey Approach

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Determinants of Small and Medium Enterprises (SMEs) Performance in Ekiti State, Nigeria: A Business Survey Approach

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Abstract

The objective of the study is to access determinant of small and Medium Enterprises (SMEs) Performance in Ekiti State. Survey method was used for the study while purposive sampling technique was adopted and regression analysis via Statistical Package for Social Science (SPSS) version 20 was used to analyse the data. Findings show that funds, managerial skills, government policy, education and facilities were significant related with performance at 5% significantly level. By ranking, funds were considered most significant follow by education, government policy, managerial skill and facilities. The conclusion drawn from the studies was that for business to continue achieving it expected performance all determinants must be readily available to complement each other. It equally shows that 78.7% of the explanatory variables are significantly related to small and medium enterprise performance in the state. The study recommended that government focus should be on provision of all determinants that will enhance the thriving of SMEs performance, creates avenue that will give room for sharing experience among business owners finally, adequate information should be made to create awareness and need to patronize the home made product.

Keywords: Small and Medium Enterprise, Performance, Funds, education, government policy, facilities political, raw material and competency

1.0 INTRODUCTION

Enterprises according to Oladele and Akeke (2010) can be described as an organization established for the purpose of providing goods and services that meet customers' needs. With the current inclination of economic activities in Ekiti State, Small and Medium Enterprises (SMEs) are undoubtedly recognized by the government, private individual and developmental expert as the main engine room for any nation's growth and development which can be summarily referred to as the bedrock of the nation Ariyo, (2009). It will be recalled that in recent years, especially since the era of democracy in Nigeria (1999), Ekiti state has been witnessing changing trends in the performance of SMES; this came as a result of some determinant factors. Generally, performance is measured using diverse parameters by different organizations, while some firms measure it through growth, survival, numbers of employees, capital employed and development to mention but a few. Others do so through profit margin they were able to record, sales volume, number of branches established and so on.

According to Sandberg, Vinberg and Pan (2002), performance of SMEs is their ability to contribute to job and wealth creation through Enterprises start-up, survival and growth. SMEs performance can be termed to be the firm's success in the market, which may have different outcomes and can be referred to

as the focal phenomenon in Enterprises studies which invariably can be characterized as the firm's ability to create acceptable outcomes and actions (Chittithaworm, Islam, Keawchanai and Yusuf, 2011).

SMEs performances according to Komppula (2004) are constrained by two major factors: internal factor such as entrepreneur competencies, commitment, resource, strategic choice and external factor like competitors, culture, technology, infrastructure and government policy. Understanding determinant factors of SMEs performance is considered an important area of focus in Enterprises (Rosli, 2011). The little explosive and growth of SMEs undoubtedly had positively affected bottom-line of the state economic activities. Without iota of doubt, the upward economy booming of the state started shortly after its creation in 1996 by Late Gen. Sani Abacha, which had since then attracted both local and foreign investors to establish small and medium enterprises.

The emergency of which has led to the creation of employment, alleviate poverty, improve standard of living, generate more revenue for government, enhance the use of local raw material, creating viable market, act as a training ground for future entrepreneur and reduction in crime rate to mention but few. Considerable numbers of researchers have worked on the subject matter in the years past but

little or no effort geared towards assessing the determinant factors of small and medium enterprise performance in Ekiti State especially since 2003-2012. A previous study shows that many factors are responsible for SMEs performance which include but not limited to: educational background, Political stability, government policy, infrastructure, funds, competencies of expert and market.

The reasons for identification of SMEs performance include: provision of knowledge about the present characteristics of SMEs performance while the knowledge gained would assist the SMEs to track their position, verify priorities as well as communicate and improve performance Neely, (1998) cited in (Rosli, 2011). Therefore, the research study aims at examining if determinant factors such as: Education, Political, policy, Infrastructure, Funding, Entrepreneur competencies, Raw material, Technology, Channel of distribution and Customer patronage actually enhance the SMEs performance and the most effective among the factors in Ekiti state.

2.0 LITERATURE REVIEW

Globally, there is no unified agreement as regards to specific definition of Small and Medium Enterprise (SMEs). This is consistent with the study from International labour Organization (ILO 2005) which shows that over 50 definitions was identified in 75 countries. Each definition was made to suit specific

criterion of Enterprises and the stage of its industrial development of a particular country or state. Small enterprises from Nigeria context can be described as Enterprises employing between 1-35 people. However, Federal Ministry of Industry, who happens to be the custodian of SMEs gave a flexible definition of SMEs as to the values of installed fixed cost. Since 1971-2001 there have been consistent upward review as to how Small and Medium Enterprises should be defined in line with the movement in the exchange value of the nation currency (Ibrahim, 2008). While Australian Bureau of Statistics (2002) cited in Sen, (2012) defines SMEs as a firm with less than 200 employees. Despite the variance in definition, yet there are some common attribute possessed by various definitions, this include; the number of employees, asset or a combination of the two Jasra, Khan, Hunjra, Rehman and Azam (2011).

This shows that various bodies, organizations, states and nations have variously defined SMEs to serve their specific needs. Olabisi, Olagbemi and Atere (2011) study on Factors Affecting SME Performance in Informal Economy in Lagos State Nigeria: A Gendered Based Analysis indicate that in defining SMEs reference is usually made to some quantifiable measures such as number of people employed by the enterprise, investment outlay, the annual turnover (sales) and the asset value of the enterprise or the combination of the two measures.

This was consistent with the European Commission (2005) which stated 3 criteria for defining SMEs such as: staff head count, annual turnover and annual balance sheet. Hence, from Nigeria context, Federal Ministry of Commerce and Industry described SMEs as firms with a total investment N750,000 with the capital but excluding cost of land, and paid employment of up to fifty (50) persons cited in Osamwonyi (2010).

On the other hand, Okorie (1989) described small-scale industry as those absolutely owned by indigenous with less than fifty full time employees. While CBN defined SME as those Enterprises with turnover of up to N500,000 only. Their findings shows that age of Enterprises, Enterprises oriented, parent entrepreneurial role-model are positively correlated with performance while inadequate funds declined the SME performance. According to Jamil and Mohamed (2011) in their research study that focused on performance of measurement system in small medium enterprises (SMES): A practical modified framework indicates that developed countries like the USA and the UK have been using both quantitative and qualitative criteria to define SME. Ministry of International Trade and Industry (2005) cited in Jamil and Mohamed (2011) redefined SMEs in the manufacturing sector to include companies with larger operating capacity, firms with less than 50 full-time employees and annual turnover of not more than RM10 million.

The review of the literature shows that number of employees working in an organization is considered as the main criteria used to measure size of SMEs aside the nature, structure and strategic measurement. The findings of the research show that Performance Measurement System (PMS) criteria vary from Enterprises to Enterprises, state to state and country to country. Consequently, PMS must be aligned with strategy and consist of multi-dimensional measure.

In the same vein, SMEs according to Jasra, Khan, Hunjra, Rehman and Zam (2011) can be defined as those enterprises that employ not more than 250 employees and work on small scale. He goes further to show that the technical definition varies from country to country but is usually based on employment, assets, or a combination of the two. The definition is consistent with Olabisi *et al* (2011) and European Commission (2005). Their research study centered on determinants of Enterprises success of small medium enterprises; their discussion revealed that consequent to the important role played by SMEs in accelerating the economic development of a country hence, SMEs have been on daily basis become an area of special focus in order to ensure holistic development. The study examines factors that are contributing to the success of SMEs in Pakistan. Factors identified include: funds, marketing strategy, technology, government support and entrepreneurial skill. Findings show that

all the aforementioned factors have positive and significant impact on Enterprises success.

2.1 Performance: Performance according to Hornby (2000) is described as an action or achievement considered in relation to how successful it is. Performances are variously measured and the perspective are tied together and consistently monitored from the organization context (Jamil and Mohamed 2012). Looking from the Hornby (2000) definition, it can be reasonably concluded that performance is synonymous to success. What connotes performance varies from one organization to another. Prior to 1980s, financial indicators were the sole measurement rod of performance such as: profit, return on investment, sales per employees and productivity. Short after 1980s till date, attentions have been shifted from financial to less tangible and non financial measure. This include: Just in-time delivery (JITD) total quality management (TQM), Communication, trust, stakeholder satisfaction, competitive position and quality of product Saad and Patel (2006) and Rosli, (2011). Garrigos-Simon, Marques and Narangajavana (2005) also categorised performance measurement into four, namely: (1) Profit which include: return on assets, return on investment and return on sales (2) Growth in term of: sales, market share and wealth creation (3) Stakeholder satisfaction which include customer satisfaction and employees satisfaction and (4) competitive position

which include: overall competitive position and success rate in launching new product. The research study was based on competitive strategies and performance in Spanish hospitality firms. The finding shows that there is no consensus agreement as to how performance should be measured in all organization.

According to Kompula, (2004), performance of Small Enterprises was viewed as their ability to contribute to job and wealth creation through Enterprises start-up, survival and growth. The research study was focused on Success factors in small and micro Enterprises. The results of the study show that there are no statistically significant differences in the views held by slowly or fast growing enterprises regarding the importance of the success factors. The same factors are considered important and less important in both slowly and fast growing enterprises in each branch of industry. Arising from the findings, it shows that the effectiveness of a particular factor on a business hang on the support of other determinant factors.

2.2 FACTORS DETERMINING THE PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES

Financial: Funds can be termed to be blood stream of any established enterprises. It determines substantial part of the enterprises performance. The effective and efficient utilization of fund bring into

manifestation of other determinant factors. According to Ogunjuiba, Ohuche and Adenuga(2004) empirical research work indicates that finance contributes to the tune of 25% SMEs success among the determinant factors. Most SMEs failed in Nigeria, particularly in Ekiti because of their inability to gain access to credit facilities. Uduak,(2009) in Banabo and Koroye (2011) shed more light on these by revealing that through lending activities, financial inject funds into the economy which if it is effective utilized will improve the standard of living, enhance enterprises performance and invariably add value to the bottom line of the economic development. It can be reasonably agreed upon that the inability of enterprises owners' to have easy access to funds in financial institutions constitute a great problem both on the enterprises and the owners. Consequently, it has pushed most enterprises owners' to alternative source of finance which in most cases cannot sustain the long-term growth which the Enterprises need to survive.

Political: It is not a gain say that "whosoever controls political power also controls economy power" The hand writing for many years of past administrations have been seen on the wall. This according to Awe (2008) include: nationalization, expropriation, fundamental change in government policy and in government. For instance where government encourage private initiative, foreign

investment and non-oil export will indeed yield various incentives that can enhance the performance of SME through the creation of conducive environment. Again, continuity and stability in government that will ensure the consistent implementation of good policy is another area through which politics affect SME performance. Political instability declined performance of SME. Southwestern Nigeria political war of (1983) was a good example.

Education: Acquiring education is in two dimension: formal or informal. The knowledge of the two forms of education can be blended together to give customer satisfaction in the firm. The effectiveness of introduction of management education by Richardson (1940) cited in Wanger, (2010) a programme in real estate management taught at Oxford University in the UK in the mid 13,00s and in the USA has become an eye opener for many universities academics and other institutions world-wide to adopt same. Government must intensified efforts to ensure the introducing entrepreneurial as a compulsory course at all level of the educational system while putting all apparatus in place for effective functioning of Technical and vocational schools in the state where pupil can be trained with various skills. To achieve this, necessary facilities must be put in place with financial start up after graduation by the government with effective monitoring to see how the Enterprises

have been performing. This will not only prepare the pupils' mind to see the reasoning why they will not only depend on white collar jobs that may not be available but also increase SMES activities that will positively affect the bottom line of the state economy.

Infrastructure: The important role it plays in performance of SME in Ekiti state cannot be overlooked because infrastructure such as: power, good road network, steady water supply, effective communication system and market are referred to as flavour on performance of SME. The absent of the aforementioned facilities in the life of Enterprises act as a catalyst to some of the Enterprises less performance which invariably can result to winding-up if urgent step is not taken on time. In fact, the problem of erratic power supply alone is causing a lot of havoc in performing of SME in the state such as: reduction in quality of product, decline in production, cause inflation, labour turnover, and unemployment to mention but a few. The same can be traced to lack of drinkable water which has brought untold hardship to the people in the state. Also, the absent of motorable roads network has gradually increased cost of production. All the inadequate facilities have directly or indirectly affected the performance of SME in Ekiti State. However, the state Governor, Kayode Fayemi reiterated his commitment to construct roads, electricity, making water dams functional to

increase water supply by 80% and allied infrastructure to create a conducive environment for the growth of the economy, and most specifically for small Enterprises to thrive. He goes further that doing this will improve citizens' lives and attract investment, by 2014 (Ogunmola, 2012).

Government Policies: These are tools in the hand of government to create enabling environment for the SMES to thrive. Government creates rules and frameworks in which Enterprises are able to compete against each other favourably from time to time. Government changes the rules and frameworks forcing Enterprises to change the way they operate. The government policy formulation system and upgrading strategic planning are capable of promote innovation and new Enterprises start-up. As part of government policy to boost the performance of SME, policy must be established to strengthen the financial support mechanisms of the Enterprises from the financial institution. According to Bodunrin (2012), the Commissioner for Economic Industry and Cooperative in Ekiti State, stated that the state government has come up with internal economic policy as a reliable tool for rapid development thereby reiterated the commitment of the Governor, Kayode Fayemi's administration to make Ekiti an industrial corridor public private partnership policy. The statement was made when Nigeria Association of Small and Medium Enterprises (NASME) representative led by

chairman, Femi Famuagun paid the commissioner a courtesy visit in his office at Ado-Ekiti.

Raw Materials: This is the input that the firm works with to produce output. The absent or the low supply of these raw materials increase cost of production. Manufacturers Association of Nigeria cited in (Ibrahim, 2008) in its assessment observed that inadequate supplies of raw materials cause stagnation, low quality of products, and poor performance among others. This shows that adequate supplies of raw materials ensure the good performance of the Enterprises.

Entrepreneur Competencies: Awe (2008) viewed entrepreneur as a person who organizes and manages a commercial undertaking with the ultimate purpose of profit making as a return on investment. Entrepreneur can be described as an innovating man, path-breaker and a pacesetter of economic and industrial growth. Their capabilities in term of systematic ways of handling the available resources with the right knowledge of what it takes to make Enterprises to perform indicate his competency. Therefore, entrepreneur from SMES perspective can be described as a person breaking away from the traditional base of his economic activity and catching on to a relatively new line of Enterprises, service or manufacturing. Hence, the hallmark of an entrepreneur has been the ability to identify, exploit and make a success of

opportunities. The description attributes actually shows who an entrepreneur is and why he must be competent. The implication of having wrong manager or management skills in the right places tends toward making wrong decision.

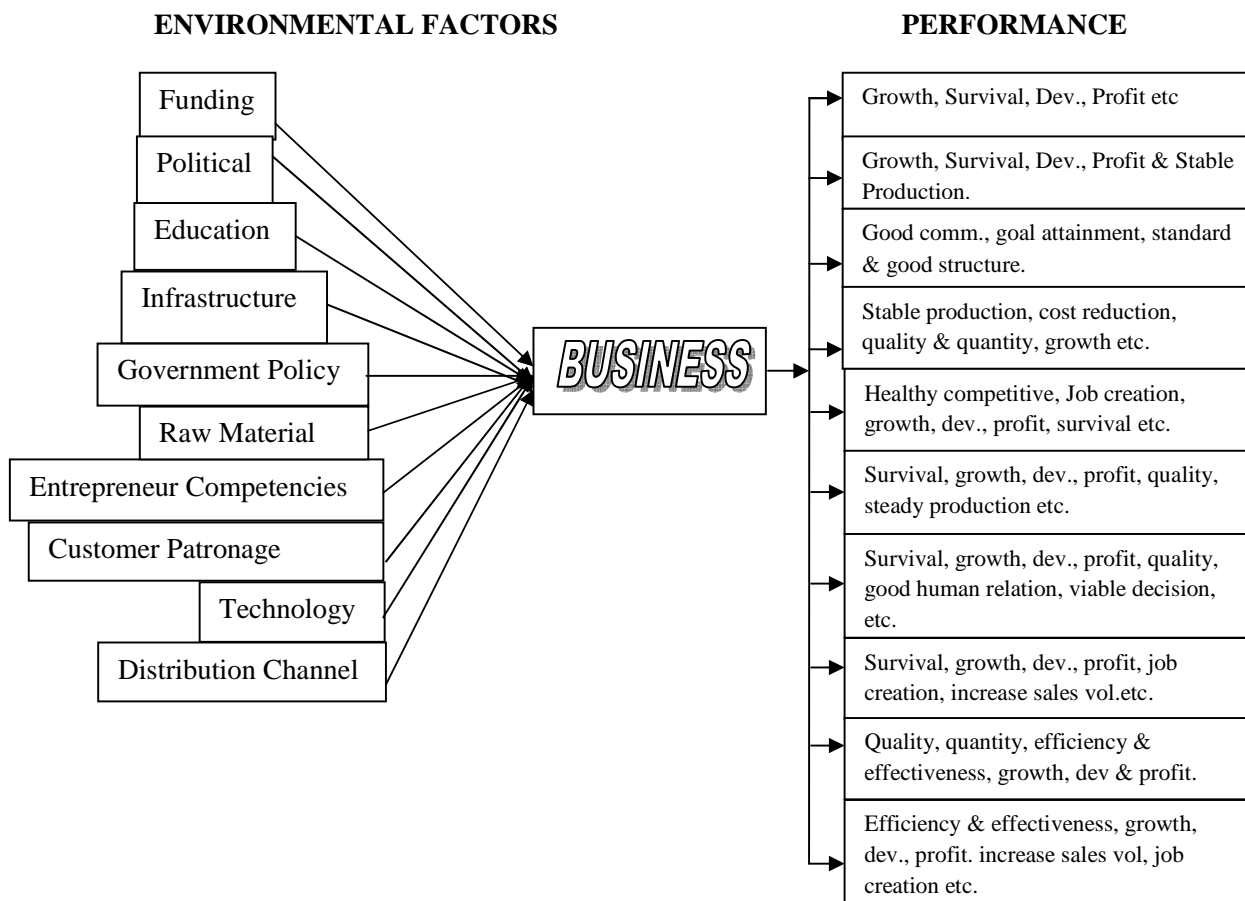
Patronage: This describes the support Enterprises enjoy from the customers, or a sharing of earnings with eligible customer-owner. The level at which customers patronise Enterprises with the demand that backup with ability to pay determine the performance of the Enterprises. Performance here can be viewed as whether the Enterprises are surviving, developing, growing and making profit. It is an undisputable fact from all indicators that the population of Ado-Ekiti, the state capital has witnessed tremendous increase since the creation and this has in no measure affected the economic activities in the state which have resulted to a lot of developmental projects from both the government, public and private individuals.

Technology: The part taking by technology in regards to the Enterprises performance in the stiff competitive environment is inevitable. Technology changes in dynamic manner with the potentiality of impacting negatively on the firm's competitive position. Looking from the state SME performance, it can be reasonably gathered that the emergent of technology and it uses such as digital camera in lieu of pinhole camera, computer instead of manual

typewriter and others presence of new modern technology have changed the face of Enterprises activities in the state. However, Oghojafor (2000) shows that technology possesses both opportunities and hazards, hence, there is need for proper and careful monitoring of the environment to pick out the various technology that will best enhance individual SME performance and firm who failed to

accentuate these will gradually lose out and invariably can lead to it extinction. The finding shows that performance of Enterprises can be improved by using new technology; it saves cost and ensures Enterprises success. This is consistent to the literature in Jasra, *et al* (2010).

CONCEPTUAL MODEL OF SMES



Source: Author's Conceptual Framework 2013

Channel of Distribution: This can be described as a process through which goods or services get to right consumers. Gone are the days, before the creation of

the state when Enterprises were operating based on traditional means with the Enterprises owners sitting on arm chair awaiting their customer who without

options to come and purchase, hence, there is no cause to be agitating for distribution channel. Since the creation of Ekiti state, it has been attracted investors from far and near to establish Enterprises of various kind which have necessitated effective distribution channel. It is not a gain saying that if SME operating in the state is to survive and remain competitive in the market, there is need to adopt effective strategy channel to network their product to the end users while working assiduously to retain potential customers.

3.0 METHODOLOGY

This study adopted a survey research design, to have a comprehensive overview of the variables under examination. In this study, Small and Medium Enterprises Performance such as: Survival, Sales volume, growth, profit margin, capital employed, numbers of employees and so on represents the dependent variables (y); while the determinant factors such as: political, finance, entrepreneur competencies, infrastructure, education, technology, raw material, and so on, indicate the independent variables (x). Primary source of data collection was used. Four (4) point Likert scales (ranging from 1: strongly disagreed, 2: disagreed, 3: agreed and 4: strongly agreed), were used to measure responses from respondent. The choice of four Likert scale was borne out of the fact that owner or authority of the enterprises were contacted, since they are better

informants of the effects of environmental factors on firms performance. A total of 160 questionnaires were distributed. To measure validity of the study instrument, face and content validity methods was used; while test-retest method were used to ensure internal consistency (reliability).The average of Cronbach alpha of all the construct was 0.81, meaning that the constructs adequately measured what was intended. Regression was used to analyse the effect of determinant factors on small and medium enterprises performance.

SAMPLE SIZE AND SAMPLING TECHNIQUES

Given a population of 160, a sample size of 80 respondents was selected from 20 Small and Medium Enterprises operating in the state capital (Ado-Ekiti Metropolis), using purposive sampling technique. Four respondents were selected from each of the groups: Photography, Publishers, GSM Business, Professional practice (Lawyer, Doctors, Educationist) Tailoring, mechanics, Meat retailing, Barbing and hairdressing saloon, Concrete Block industries, Ice block production, Big time rental service, Pure water producers, Restaurants, Filling station, Sawmills, Sign Writing, Bakery, Car washing and Computer engineer. Since the owners or key officers were purposely sampled due to the information in their possession by virtue of the position they hold, they constitute the greatest

informants to give a sound opinion about the questions contained in the research instrument.

4.0 FINDINGS AND DISCUSSION

The **findings** of the result through the analysis show that **funds** and performance in SMEs are significantly related with 0.000 at 5% significant level. This further stressed that intending business owners must have a means of generating funds before they dabble into the business because funds enhance the effectiveness of other determinants contribution. This is consistent with the findings of earlier empirical studies (Banabo, *et al.*, 2011, Olabisi, *et al.*, 2011 and European Commission, 2005).

Another related factor with performance is **infrastructure** with significant level of 0.001, it shows that with absence of amenities like; power, good road network, effective communication system and readily available market that can absorb the finishing products business may not survive. The importance of facilities was unfolded to the Ekiti State Government when the Governor, Dr. Fayemi, Kayode reiterated the commitment of his administration to providing infrastructure up to 80% by 2014 as this will create a conducive environment for the growth of the state economy, improve citizens' live and attract more investment Ogunmola (2012).

Similarly, from table 1, **Raw material** was found to be insignificant with performance i.e 0.172 which is greater than 0.05 level of significant. One can deduce that firm performance cannot alone hang on raw material without the readily availability of other determinant factors.

Furthermore, **competencies of entrepreneur** ability to manage and channel other resources in a systematic manner go a long way to determine the success or otherwise of the business. This was found to be significantly related with the performance with 0.05 level of significant. This findings was consistent with the views of Awe (2008), Olabisi, *et al.*,(2011) and European Commission (2005).

In the case of **Patronage** which is the relationship the organisation enjoy with customers, result from table 1 show insignificant relationship with the performance with the value of 0.119 which is greater than 0.05 level of significant. It can be deduced that firm can only enjoy customer patronage with the effective support of other determinant factors.

In addition to this is **channel of distribution**, with the value of 0.537 which is greater than 5% level of significant, this shows that there is no significant relationship between distribution channel and performance. The reason for this may be due to the deficiency of other determinant factors. Moreover, the stability in the **political** environment of the state

did not actually give room to know whether it has effect or not on the SMEs performance. From the regression result, it shows that there is no significant effect of politics on business performance of the state with the value of 0.803 which is greater than 5% level of significant. The implication of this is that even when there is no political crisis, business may not perform. It also implies that performance in business can only be felt in good atmospheric political environment if other factors are in good condition. Therefore, it can be reasonably concluded that political stability cannot alone enhance firm performance in the state.

In the case of **Education**, the result of table 1 demonstrates positive significant relationship between education and performance with the value of 0.000 at 5% level of significant. One can deduce that with the presence of formal education and the passion Ekiti state citizens have towards education, it gives most of the small and medium business owners to acquire a reasonable basic education that they need for the performance of their business.

Another factor to be considered from table 1, is **Government policy**. This was significantly related with the firm performance with the value of 0.000 at 5% level of significant. Since policy is a tool in the hand of government to create enabling environment for the SMES to thrive. It implies that when Government has good policy and it is well

implemented, it will impact positively on the firm's success.

Finally, **Technology** from table 1 was considered not significant with the business performance with the value of 0.785 at 5% significant level. The reason for this may be because the rate at which business is growing in the state has not actually given room for stiff competition hence, the need to acquire new technology was not an issue at the moment of the research. Again, it may be due to the deficiency of other factors. However, from the literature, it shows that technology was germane to the success of the firm performance. This is consistent with (Oghojafor, 2000 and Jasra, *et al.*, 2011).

5.0 CONCLUSION, IMPLICATIONS AND RECOMMENDATIONS OF THE STUDY.

5.1 Conclusion: From the findings of the research studies, it shows that 78.7% of the explanatory variables are significantly related to small and medium enterprise performance. It equally stressed further that a single determinant factor cannot enhance the expected performance of the business. This is consistent with to Sandberg, Vinberg, and Pan, (2002) cited in Komppula (2004). Therefore, all determinant factors must work as a system and concerted effort must be geared by government towards making the determinant factors readily available if the state will continue in the

trend of its growth in small and medium enterprise performance.

5.2 Implications of the study.

The implications of this study to individual, business and government are as follow:

- i. Individual: is that performance in business gives room for meeting one obligation either to the immediate family or otherwise and instill confident of better future
- ii. The business: it will ensure performance in all ramifications in terms of growth, survival, profit making, quality and quantity product and so on.
- iii. The government: it will enhance the revenue generate, reduce crime in the society, create more job opportunities and improve other economy activities.

5.3 Recommendations

From the research findings, following recommendations should be considered:

- i. Government should not concentrate on particular determinant factor of small and medium enterprise performance. They should as well touch other determinant hence the total performance of business is not hang on a particular determinant factors.
- ii. Government should create an avenue where the business owners can share their experience as this will reduce the gap between business failure and success.

Adequate information should be made to create awareness and the need to patronise the home made product.

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APPENDIX 1

Table 1 **Coefficients(a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	.882	.307		2.873	.005
	POLITICAL	.007	.028	.022	.251	.803
	FUNDS	.177	.028	.547	6.314	.000
	MGRSKILL	.119	.026	.369	4.651	.000
	GOVTPOLICY	.130	.027	.400	4.825	.000
	TECH	.007	.027	.022	.274	.785
	DISTCHANNEL	.016	.026	.051	.620	.537
	RAWMAT	.037	.027	.114	1.380	.172
	EDU	.142	.026	.471	5.492	.000
	FACILITIES	.089	.027	.282	3.330	.001
	PATRONAGE	-.042	.026	-.133	-1.577	.119

a Dependent Variable: BUS PERFORMANCE Sig. at 5%

Source: Author's computation from SPSS output.

Table 2: Distribution of Population by Sex.

Sex	Frequency	Percentage (%)
Male	55	68.75
Female	25	31.25
Total	80	100

Source: Field Survey 2013

Table 2 shows that 68.75% of the respondents were males while 31.25% were female. It implies that male engage more in SMBs than female.

Table 3: Distribution of Population by Business

Job	Frequency	Percentage %
Professional	7	8.75
Photographer	4	5
Publisher	5	6.25
Pure water producer	15	18.75
Filling station	10	12.5
Restaurant/Hotel	22	27.5
Sawmills	5	6.25
Rental service	5	6.25
Others	7	8.75
Total	80	100

Source: Field Survey 2013

Table 3 shows restaurant 27.5% and pure water producer 18.75% respectively. This implies that there is a high growth rate of Hotel and pure water producer in the state than other business.