

MANAGERS' RATING OF MANAGERIAL SKILLS CONSIDERED NECESSARY FOR SUCCESS OF SMALL AND MEDIUM ENTERPRISES FOR CURBING SOCIAL VICIES IN RIVERS AND BAYELSA STATES

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Abstract

This study aimed at finding out the managerial skills considered necessary for the success of Small and Medium Enterprises (SMEs,) for curbing social vices in Rivers and Bayelsa States of Nigeria. Undertaking this study became eminent considering the failure rate of SMEs which directly or indirectly has led to increase in social vices in the area of study. The study adopts descriptive survey design. 149 managers of SME's in Rivers and Bayelsa States were purposively sampled. One research question guided the study and one null hypothesis was tested at 0.05 level of significance. A validated structured questionnaire with reliability co-efficient of 0.87 was used for data collection. The data collected were analyzed using mean scores and standard deviation to answer the research question; while ANOVA was used to test the null hypothesis. The findings of the study revealed that all the identified managerial skills were considered highly necessary by the managers for the success of SMEs for curbing social vices. Also, the managers' years of working experiences had no effect on their responses. It was recommended among others that the SME unit of Ministry of Commerce and Industry should constantly organize seminars and conferences in collaboration with business and entrepreneurial education departments of tertiary institutions, to provide management skills to business owners and managers in the states.

Keywords: Entrepreneurship, managerial skills, Small & Medium Enterprises

1.Introduction

Social vices are practices, behaviours or habits in the society that are generally considered immoral, degrading and sinful (Edwin 2017). He further added that they are negative characters traits which are bad and unhealthy in the society. Social vices include arm robbery, prostitution, drug abuse and trafficking, cultism, examination malpractices, indecent dressing, rape, sexual harassment, hired assassination etc. These social vices adversely impact the progress of any society. The rate of emergence of these social vices in Nigeria, like other parts of the world in the recent times has been alarming and rampant among the youths (National Bureau of Statistics, 2009). This has been attributed to such factors as, high demand for tertiary education, poor educational curriculum, and misdirection of priorities by the government, unemployment and poverty in the society among others (Ndu 2000 & Okafor 2011).

There is a close relationship between unemployment and social vices in the society. Okafor (2011) noted that massive youth unemployment is a signal for more complicated social and economic problems in a society. Ajufor (2013) noted that unemployment has become a major problem bedeviling the lives of Nigerian Youths causing frustration dejection thereby contributing to high rate of poverty and insecurity in the country. These able bodied men and women who are willing and able to work, allowed by law to work but unable to find jobs are tempted to do evil and dishonest acts to make ends meet. Ezenwafor and Okoli (2014) observed that some of these unemployed persons do not have saleable skills to enable them get paid jobs or establish their own enterprise. Even when they setup their own businesses, such businesses fail prematurely, leading to further retrenchment of other employees. This could be accredited to lack entrepreneurial management skills required to run such enterprises. The acquisition of these managerial skills for success of these businesses therefore becomes imperative.

Small and Medium Enterprises have been variedly defined by different nations based on level of development and periods in question. Central Bank of Nigeria (2010) defined SME's as any enterprise that has account base (excluding land) of between N5 million to N500 million; and labour force between 11 and 300. In Nigeria SME's abound representing about 90 percent of the manufacturing/industrial sectors and contribute approximately one percent of the National Cross Domestic Product (Oyeyinlca, 2014), These enterprises like other businesses are established as product of entrepreneurship, producing goods and services to improve the wellbeing of their owners and the societal standard of living in general (Okoli, 2014). SME's are usually the personification of their owners who are usually their managers. This means that the success or failure of these enterprises depend on the managerial skills possessed by these managers viz avis entrepreneurs. A business is successful if it is effective that is, achieving its intended objectives; also efficient by achieving objectives at a minimum cost thereby making profits (Pickle in Okoli 2008). However, this could be achieved if the managers posses the necessary entrepreneurial management skills. Robinson and Davidson cited in Ezenwa (2014) defined skills as aptitudes and abilities appropriate for specific job. Entrepreneurial skills are life survival skills, which develops in a person the abilities and competences needed for effective performance in business and success as an entrepreneur. These skills are broadly categorized as productive and distributive skills as management, technical, marketing and capability skills (Okoli, 2010, Ekpenyong & Ojo, 2008 and Eshenake, 2007).

Managerial skills as entrepreneurial skills are competencies and abilities that enable managers to effectively perform management tasks. Such skills identified for effective performance of business tasks includes the ability to plan, organize and supervise, good leadership abilities, information and communication skills, environmental change and time management abilities, product management, technology management skills etc. (Ezenwafor, 2014 and Okoli, 2010). Managers as used in this study are persons responsible for the planning, organizing, directing, control and coordination of organizational resources; they work through workers in their businesses to achieve objectives (Nwachukwu, 2010). In SME's there are usually the business owners or employees engaged to perform the management tasks in the organizations.

The opinions of these Managers were considered crucial in the study as they are experts in the business field, and enterprises where business undergraduates are required to have occupational practices during training. Also the business graduates are expected to work in these enterprises after graduation either for self or paid employment.

It is against this background that this study is conceived, to find out from the managers of SME's; in their own opinion the managerial skills considered necessary for success of SME's, for curbing social vices in Rivers and Bayelsa State of Nigeria. Also to find out if their opinion will differ based on their years of working experiences.

2. Statement of the Problem

Small and Medium Enterprises worldwide had remained a catalyst in social and economic development. These enterprises have been used by Nigerian government over the years for achievement of National Economic Empowerment Development Strategies (NEEDs) objectives of wealth creation, job generation, value reorientation and poverty reduction (NPC, 2004).

Unfortunately SME's in Nigeria have not made any appreciable contributions to the National Gross Domestic Product (GDP) as observed in other countries at the same level of development (Banji, 2010). Instead of generating jobs and reducing poverty, the high rate of failures among these enterprises has increased social vices as arm robbery, prostitution, kidnapping, 419 business etc in Nigeria. This has been attributed to some challenges as poor funding, inadequate infrastructural facilities, poor economic policies and poor managerial skills among its owners (Ezenwefor, 2014). The problem of this study therefore is that SME's in Nigeria seems not to be achieving the objectives for which they were established, as its owners appears to be deficient of some necessary managerial skills for business success.

3. Theoretical Framework

This study is substantiated by contingency theory of management, propounded by Thompson in 1963. Thompson believes that management is an art of organizational design, a function of the environment in which an organization exists and the technology employed. Organizations seek to attain efficiency by coordination of resources through skillful manipulation of existing technologies to bring out products and to satisfy the needs of the consumers (Onwuchekwa, 1993).

Thompson (1963) postulated that there is no best way to manage. Any organization in any business environment has its own peculiar problems (internal and external factors combined). The justification of the existence of these businesses is in the ability of their managers to apply relevant managerial skills to ensure continuous provision of services to the communities where they operate. Therefore the managers of small and medium enterprises in the said areas of study is expected to acquire and exhibit skills necessary for good product development, good use of available financial resources, good customer care and marketing strategies to satisfy the needs of the society. They should also know that the knowledge of technology is not absolute and should be applied in response to environmental changes.

3.1 Managerial Skills Required for Success of SME's

Managerial skills acquired by a manager/or entrepreneur enable him to scout for a good business, set business objectives and formulate guidelines to achieve them. He is enabled to establish a good organizational structure, well coordinated with well established functional relationship among the workers; establishing responsibilities and authorities with proper control of the available resources to attain set objectives (Onwuchekwa in Okoli, 2008). The following managerial skills were identified as required for success of SME's in Rivers and Bayelsa States.

i. Risk Management Skills

Risks in business are uncertainties resulting from business environmental factors, production, marketing, financial and technological changes. Management of such risks entails proper identification, evaluation and prioritizing taking into cognizance of its positive and negative consequences based on cost benefit approach (Info. entrepreneur's n.d).

ii. Financial Management Skills

These are abilities required for proper planning, directing, monitoring and control of organizational financial resources. This ability is associated with proper recording and accounting of business activities (Pandy, 2009).

iii. Time and Change Management

These are managerial skills for proper economic forecasts and good usage of time in business (Oraka, 2014). This skill enables managers to timely adapt to changes in the environment and technology advancement.

iv. Environmental Management Skills

Business environment are external factors that impinge on the activities of a business without their control (Okoli, 2014). This business environment is dynamic and turbulent resulting from constant competition, government policies, changes in demand of products, perennial power problems etc. The SME manager requires environment management skills to enable him cope with the environmental influences.

v. Employee and Customer Management Skills (Human Relation Skills)

Human resources have remained the most important asset to any business and critical factors in management. Managers work through their workers to make other material resources functional. The materials available could be put to effective use if the workers are motivated and working towards achievement of organizational objectives. Also, the customers should be regarded as supreme; their level of purchases determines the organizational existence and survival. The managers should possess the skills to harness these human resources to achieve business success.

vi. Technology Management Skills

Thompson in Onwuchekwa (2002) described technology as given a desire, the ability of mans knowledge at any point in time in manipulating of available resources to achieve objectives. Technology Management entails choosing appropriate technology and its adaptation to the demands of the environment to achieve success in business. Other skills include product management, customer management etc (Ezenwafor, 2014; Ekpenyong & Ojo, 2008). The acquisition of these skills and its application in business is the rationality for success of small and medium enterprises in Nigeria.

4. Research Questions

In the opinion of managers of SME's in Rivers and Bayelsa States of Nigeria; what are the managerial skills considered necessary for success of SME's for curbing social vices.

5. Research Hypothesis

There is no significant difference in the mean ratings of managers of SME's regarding managerial skills considered necessary for their success in Rivers and Bayelsa States for curbing social vices based on their years of working experience (0-5years, 6-10 years and 11 years and above).

6. Method

The study was a descriptive survey design, conducted with 149 managers of viable SME's in Rivers and Bayelsa States of Nigeria. These managers were purposively sampled from over 300 SMEs registered in the Ministry, of Commerce and Industries of the two states. These managers were selected on the justification that they have learnt secrets of business success in their enterprises which contributed to their successes.

One research question guided the conduct of the study and one hypothesis tested at 0.05 level of significance A validated, structured questionnaire on five point response categories of Very Highly Necessary (VHN), Highly Necessary (RN), Fairly Necessary (FN), Unnecessary (UN) and Highly Unnecessary (HUN) were used to collect

data. A reliability co-efficient of 0.87 was established using Cronback Alpha Co-efficient formular. 149 copies of questionnaire were distributed personally by the researcher with the help of research assistants, out of which 122 copies were retrieved and were all found usable.

The data collected were analyzed using arithmetic mean and Analysis of Variance (ANOVA) statistics. In determining the managerial skills considered necessary, the responses obtained were weighted as follows:

- Very Highly Necessary - 4.50-5.00
- Highly Necessary - 3.50-4.49
- Fairly Necessary - 2.50-3.49
- Barely Necessary - 1.50-2.49
- Not Necessary - 0.50-1.49

The null hypothesis will be accepted if the calculated f-ratio is equal or greater than the critical value at 0.05 level of significance.

7. Results

Table 1: Respondents' mean rating on managerial skills

Necessary for success of SME's for curbing social vices

(N = 122)

Times	Managerial skills	Mean X	SD	Decision
1	Risk Management	4.54	0.70	HN
2	Change Management	4.10	0.96	RN
3	Product Management	3.49	0.73	HN
4	Time Management	4.63	0.67	UN
5	Employee Management	4.26	0.81	FIN
6	Customer Management	4.32	0.82	FIN
7	Technology Management	4.28	0.85	FIN
8	Records Management	4.57	0.75	FIN
9	Bus Management	4.36	0.84	FIN
10	Environment Management	4.10	0.97	RN
11	Grand Mean	4.37	0.49	UN

Data in Table I shows that all the managerial skills were rated as highly necessary; between (4.57-4.10) by the respondents. Rated most among the managerial skills is Time Management Skill (4.63). The grand mean of 4.37 confirmed that the managerial skills are considered as highly necessary for the success of SME's for curbing social vices. The standard deviation ranging from 0.67 to 0.97 indicates that the respondents were homogenous in their opinions.

8. Hypothesis: Years of working experiences has no significant effect on the mean ratings of the managers regarding managerial skills considered necessary for the success of SME's for curbing social vices.

Table 2: Analyses of Variance for the responses of Managers on managerial skills considered Necessary for the success of SME's based on years of working experience

(N=122)

Descriptive		One-Way Anova					
Years of experience	N	Sum of	Year of	df	F-cal	F. crit	Decision
		Mean Scores	Working				
0-5yrs	2	1.29	Experience	2	2.74	1.96	Accept
		29.28	Between				
			Groups				
16-10yrs	35	28.10	Within	119			
			Groups				
11yrs and above	66	29.28	Total	121			

Data in Table 2 shows that the calculated f-value (2.74) is greater than its critical value at 0.05 level of significance. This indicates that years of working experience has no significant effect on the respondents rating of the managerial skills they considered necessary for the success of SME's for curbing social vices. The hypothesis is therefore accepted.

9. Discussion of Results and Implications

The findings of the study revealed that all the managerial skills were considered as highly necessary for the success of SMEs for curbing social vices by their managers. These managerial skills ranked from the highest in the opinion of the managers are; time management skill, record management, risk management, financial management, product management, business management, customer management, technology management, employee management. Change management and environment management skills were lastly ranked with equal mean scores of 4.10 respectively. This is in line with the observations of Onwuchekwa 2002, Okoli 2014, Ezenwafor 2014 and Oraka 2014 that time management is a crucial aspect of management which cuts across other aspect of managerial activities such as; change and environmental management, risks, financial, technology, product management etc. The ability of the manager to plan and exercise conscious control over his time for effective and efficient business performance earns him success. External elements of business are very dynamic and timely accomplishment of tasks calls for these managerial skills.

Employee management skill was also considered by the managers as highly necessary. Managers perform tasks through their workers and which are regarded as the most sensitive and critical aspects of management. Good leadership skills through proper motivation and communication earn managers workers loyalty which is important for attainment of organizational objectives. Each worker comes to work with his own personal interests and these interests need to be aligned with that of the organization to achieve success in business Employee Management skills developed among the managers and business owners enable them to put the material resources of their organizations into effective use.

The finding of this study also confirms the assertion of Okoli (2008) that what small and business owners regard as inadequate capital could mean poor financial management. Most Nigerian business owners are unable to distinguish between profits and losses in their businesses due to poor financial records and accounting. This have often led to premature deaths of these businesses as some remain ailing. Financial management skills were considered very necessary for success of SME's.

The findings of this study also discovered that years of working experience have no effect on the opinions of the managers, regarding management skills considered necessary for the success of the SME's in curbing social vices. This must have been in the managers' closeness in ranking as they all rated the skills as highly necessary.

The findings of this study have implications for managers and entrepreneurs of SMEs in Nigeria on the need to improve on theft managerial skills and to move in pace with changes in technology; to meet the demands of the dynamic business environment that is equally turbulent. It is not enough for Nigerian governments to pump in finds into the account of SME business owners as a measure to create wealth and generate jobs to curb social vices and insecurity in the country but also to set up a good development mechanism to meet the training needs of their mangers for proper use of finds to achieve objectives.

The findings of this study also have implications for curriculum planners in business education programme especially at secondary and tertiary levels of education. Emphasis should be on entrepreneurial education for inculcation of managerial skills among their students who are expected to work in business outfits or be self employed and own businesses after graduation. When these skills are acquired the high rate of ailing and premature closure of businesses will be reduced to check retrenchments, unemployment and multiplication of social vices in Nigeria.

10. Conclusion

Based on the findings of this study, one can conclude that the managerial skills of time management, risk, environment, change, technology, customer and product management skills were considered by managers as highly necessary for the success of SMEs in curbing social vices in Rivers and Bayelsa State of Nigeria. Also, the years of working experience of the managers of the SMEs have no effect on their mean responses of the managerial skills.

11. Recommendations

Based on the findings of the study the following recommendations are made;

1. The government of Nigeria at all level (Federal, State and Local Governments should establish Entrepreneurial Development Centres for the inculcation of Managerial Skills among the small and medium business owners/managers for success of their businesses to curb social vices.
2. The SME Unit of the Ministry of Commerce and Industry in all the states should constantly organize seminars and Conferences in Collaboration with Entrepreneurial Education Departments of tertiary institutions, to provide managerial skills to business owners/managers in the states.
3. Some percentage of funds mapped out for SMEs in the country should be used in developing managerial skills among the recipients, to ensure adequate use of the fund to achieve objectives and curb unemployment and social vices.
4. Business incubation centers should be established in Business education Departments of tertiary institutions and students involving as apprentices for acquisition of practical managerial skills for success in their businesses after graduation.

12. Suggestion for further study

This study focus was on managerial skills necessary for success of SMEs for curbing social vices, the study did not put into consideration other elements such as government supports, value system etc., that could moderate the relationship between managerial skills and social vices which could be a direction for further research.

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