

Economic Analysis of the Factors Influencing the Performance of Small Scale Entrepreneurship in Kwara State, Nigeria

Aworemi, J.R., (Ph.D) *

Transport Management Department, Ladoke Akintola University of Technology, P.M.B. 4000, Ogbomosho, Nigeria

E-Mail: aworemi_remi@yahoo.com

Akanbi, T.A. & Ayeni, W.O.

Faculty of Management Sciences, Ladoke Akintola University of Technology, P.M.B. 4000, Ogbomosho, Nigeria

Abstract

This study economically analysed factors influencing the performance of small scale entrepreneurship in Ilorin, Kwara State, Nigeria. The study was carried out in Ilorin, Kwara State, which is one of the prominent entrepreneurial states in the middle belt of Nigeria. This study covered three Local Government Areas that are within Ilorin metropolis. A total of 245 respondents were randomly selected in the study area whereby copies of well-structured questionnaire were randomly administered on the Proprietors or Managing Directors and /or Management Staff members of the selected small-scale enterprises within the capital city of Kwara state. The study revealed that power supply (POS), labour (LAB), the patent laws (PAL); State and Local Government Policies (SLG) and the financial constraints (FIN) are highly correlated with the dependent variable. This implies that, these variables are the salient factors that influence the performance of entrepreneurs most in the study area and this is significant at 0.00 levels.

Keywords: Economic, Factors, Performance, Small Scale, Entrepreneurs, Entrepreneurship.

INTRODUCTION

Entrepreneurship has been seen over the years as the act of assuming responsibility and the risk for a business operation with the expectation of making profit.

Entrepreneurship is not just about establishing a business or doing business; it is not just about buying and selling; it is not just about short-changing others to make money, it is not just about being a business man seeking for contracts. It is about having the ability and willingness to take risks and to combine factors of production in order to produce goods and services that can satisfy human wants and create wealth (Mike, 2011).

Arumah (2009) reported that an economist views entrepreneurship in the context of the combination of resources, labour, materials, and other assets such that their value is greater than individually. This implies that an entrepreneur combines efforts of factors of production to achieve their aims. To corroborate this view, online business dictionary holds the position that in economics, entrepreneurship is regarded as a factor of production together with land, labour, natural resources and capital. Furthermore, it states that entrepreneurial spirit is characterized by innovation and risk-taking, and an essential component of a nation's ability to succeed in a dynamic and competitive global market. The whole idea about entrepreneurship is about self-employment which will generate employment opportunities to others that must work with him (entrepreneur) as he cannot work alone (Mike, 2011).

There is no generally accepted definition of small business because the classification of business into large scale or small scale is subjective and based on qualitative judgement (Ekpeyong and Nyang, 1992). However, entrepreneurship comes in these classifications depending on certain characteristics of the business. Countries do not use the same definition for classifying their small and medium scale enterprises (SMEs) sector nor does a universal definition appear to be necessary. The definitions in use depend on the purpose, those definitions are required to serve and the policies which govern the SMEs sector (Aremu and Adeyemi, 2011). This paper focuses mainly on the small scale entrepreneurship and it shall be given more focus.

In Nigeria, there is no clear-cut definition that distinguishes a purely small-scale enterprise from a medium scale enterprise (Ekpeyong and Nyang, 1992). They further revealed in their finding that the central bank of Nigeria, in its monetary policy circular No 22 of 1998, defined small-scale enterprises as having an annual turnover not exceeding 500,000 naira. However, they cleared a misconception about their claim by saying that the definition does not reflect the characteristics of a typical Nigeria small scale enterprise in terms of their capital base and number of employees.

Muritala *et al* (2012) reported that the Third National Development Plan (1957-1980) defines small businesses as a manufacturing or service organization whose employee is not more than 10, they also revealed that the individual research unit of O.A.U (1987) define small enterprises of Nigeria as one whose total assets or capital is less than ₦50, 000 and employee fewer than 50 full time workers. Adebisi (1994) classified small-scale enterprises in Ilorin the Kwara State capital as four (4) for the purpose of administering questionnaire/field

observation during his research. They are;

- i. Agro –related activities: Food processing, fishing and poultry.
- ii. Manufacturing processes: Leather and footwear, textile and clothing, and furniture
- iii. Repair processes: Metal working, motor and auto-vehicle, and consumer durables.
- iv. Construction: Door and windows making, pottery and clay brick making.

They are often in the lower class of the society which is made up of people whose education is low and employed in the menial, semi-skilled or unskilled labour group (Ojokuku and Ojo, 2010)

One other characteristics that differentiates small-scale enterprises from large scale registration, government intervention, capital investment, ownership, technology, location, management, marketing, training and gestation period.

In Kwara state, it can be said arbitrarily that small-scale entrepreneurs dominate the work force; carrying about 50%. This is due to the unquestionable fact that government jobs are scarce especially for the educationally-disadvantaged. However, the educated and enlightened also find themselves in this class wilfully or otherwise. Nonetheless, there are more less-educated persons in the class of small scale entrepreneurs because they are more classified as un-skilled labour and there is limited place for them in the competitive labour market.

The role of small and medium scale enterprises (SMEs) in national economy cannot be underestimated (Muritala *et al.*, 2012). Small and Medium enterprises have been considered as the engine of economic growth and for promoting equitable development. They are seen as veritable engines for the development of entrepreneurial capabilities and indigenous technology which will generate employment in the country (Aremu and Adeyemi, 2011). Most of the developed countries that gave prime attention to SMEs have been experiencing significant reduction in unemployment, increase in standard of living, reduction in crime rate, increase in per capital income, rapid growth in GDP, substantial local capital formation, high levels of productivity and equitable and sustainable industrial diversion and dispersal (Asaolu, 2004).

In the like manner, Muritala *et al.* (2012) posited that SMEs are of great impact in the areas of utilisation of local raw materials, employment generation, encouragement of rural development, mobilisation of local savings, linkages with bigger industries, provision of regional balance by spreading investments more evenly, provision of avenue for self-employment and provision of opportunity for training managers and semi-skilled workers. Above all, it can be generalized that small-scale enterprises are poised towards alleviation of poverty in any society.

Unfortunately, SMEs have not been able to propel economic growth and development which are the quintessence for mitigating the effect of poverty, hunger, unemployment and low standard of living on the economy (Abiodun, 2010). It is no surprise that in a typical and prominent Nigerian state like Kwara, the said benefits of small-scale entrepreneurship have not been fully harnessed due to certain factors which constitutes challenges to their attainment.

Mike(2011) out listed the challenges of entrepreneurship in Nigeria as lack of knowledge in the basic sciences and technology, lack of strong patent law, high cost of doing business and inappropriate incentive structure. Abiodun (2010) posited that the problems of SMEs in Nigeria are financial problems; lack of infrastructural facilities; government unfavourable fiscal policies and policy inconsistencies; and internal characteristics and problems of SMEs.

This paper therefore attempts to discuss the factors influencing or determining the performance or effectiveness of small-scale enterprises as they act as economic engine of growth in Kwara state. For the purpose of this paper, immediate and noticeable factors affecting small-scale enterprises in Kwara state will be considered as: finance, infrastructure, electricity (power supply), management and accounting practices, government policy and educational and technical-know-how level(s). The purpose of this paper is to come up with propositions that can help manage these factors effectively such that the attendant benefits of small-scale entrepreneurship as an economic propeller can be achieved.

LITERATURE REVIEW

In recognition of the massive importance small-scale enterprises confer to the nation's economy, it is imperative in the case of Kwara state to examine factors that have over the years shaped the look of such enterprises in the state. One salient factor that has had so much magnitude on the performance of small-scale enterprises is finance. To start up and maintain any kind of business, the availability of a reasonable capital base must be justified. Finance is the life blood of a business organisation and no business can function properly in the absence of adequate fund.

Kwara State Government has made remarkable contribution in the area of finance. According to Dotun (2012), the government of Kwara state has flagged-off ₦250 million micro credit intervention schemes for SMEs, designed to strengthen the capacity of cooperative societies to contribute in boosting economic activities in the state. The fund was disbursed through 10 microfinance banks short-listed for the exercise by the state government. However, beneficiaries of the programme have been observed to be indigenous small scale

entrepreneurs and this precludes immigrants from benefitting from the programme and hence most of them resolve to sourcing fund from unfavourable means – the commonest means being local cooperatives, lenders (who impose high interest rate).

The development of small businesses in Nigeria has largely been impeded by financial constraint; access to favourable terms in sourcing capital required for the development of project has not been to the advantage of this sector (Akanbi *et al.*, 2011). Kwara state is no exception and thus most small scale business operators find it difficult to run their businesses.

Another crucial influencer for the performance of small scale business is infrastructure. Sufficient qualitative and quantitative transportation, communication and other basic services are requisite for effective operation of small scale entrepreneurs.

Olanrewaju (2011), held that one cannot separate infrastructure from small and medium scale enterprises simply because without infrastructure, SMEs or even large companies will find it hard to survive. He further enumerated the types of infrastructure relevant to small scale entrepreneurs viz; transportation, energy, water management, communication, solid waste and earth monitoring and measurement networks infrastructure.

Adekunle (2011) highlighted some of the efforts made by the erstwhile government of Kwara state towards infrastructural development, inter alia; construction of two – kilometre: Coca-cola road in Ilorin international market, Rehabilitation of 3.25 kilometres Offa township road, the Ajenipa-San-mora road through private-public partnership (PPP). Some others include; rehabilitation of River Basin – Sango road, at a sum of ₦136m, Lanwa – Bode – saadu road (₦375m), 1.6 kilometres Sobi specialist hospital road (₦85.236m), 6.5 kilometres Adangba – Alayawo road, 3.5 kilometres Oloje housing estate road (₦198m), 35.3 kilometre Ita – Amo – Madi – Eyekorin road (₦235m), 7.1 kilometres Lubcon – Wara road (₦266.7m). Some more are 36km Bale – Alapa road (₦500m), 12km Afon – Eyekorin road (₦329m), Asa-dam – Dangote road (₦1.8m), 14km Idofihan – Fufu road (₦230m), Ero – Omoh – Kilanko road (₦103m) and dualization of Ola-olu – Ajase-Ipo road (₦535m) among other projects.

The fore-going has been a tremendous performance, however, infrastructure can never be enough especially while coming down to the grass roots, more importantly in an attempt to facilitate the activities of such small scale entrepreneurs.

Electricity service is one factor which may have both direct and indirect impact on small micro-enterprises development (Godwin 2005). Electricity is also one of the earlier discussed infrastructures, perhaps, it is considered separately because of its magnitude on entrepreneurial development. Small scale entrepreneurs, most especially artisans like fashion designers, saw-millers and carpenters, hair dressers, barbers, shoemakers etc. have high use for electricity in their businesses. In this regard, adequate supply and distribution of electricity is a central developmental issue which cannot be over-emphasized (Ayodele, 2003).

Unfortunately, the epileptic power supply in the country has limited income-generating opportunities of the informal sector and led to increase in the cost of doing business (Alexander, 2012).

The Kwara state government has however made frantic effort in the field of power generation in the past few years. In the course of 2009, the renovate Ganmo sub-station was completed and given the national seal of approval. In spite of this and some other efforts like installation of step-down transformers, the state of power supply has not been adequate as hitherto power outages are still being experienced and this has continued to mar the efforts of small scale entrepreneurs.

Ekpeyong and Nyang (1992) noted that the one-man type of enterprise encountered problems including lack of trained personnel with appropriate skills and expertise and would not be able to compete in a free market economy. Most small and medium scale enterprises in Nigeria are battling with serious internal problems range from poor management practice, poor accounting standards, shortage of man power, financial discipline and corruption (Abiodun, 2010). Also, although there are several studies in Nigeria, but little or no focus has been given to accounting practices at SMEs level. (Yahaya *et al.*, 2011). In Kwara state of Nigeria in particular, reports indicate that owners of SMEs adopt different accounting procedures in transacting their businesses with little or no consideration for the basic principles of accounting (Idowu, 2004) It is therefore apt to say that these said in scrupulous way in management and accounting procedures of small scale enterprises in Kwara state has been inimical to the growth of the sector.

Most SMEs have continued to blame their failure in business on one government policy or another. Government control of business is ideal but at the same time should be in interest of the stakeholders (Chukuemeka, 2010)

According to Emmanuel and Daniya (2012), the government in Nigeria have put in place various schemes that have contributed to the growth of SMEs, inter Nigeria Bank for Commerce and Industry (NBCI) established in 1978, the central Bank of Nigeria special credit programme for SMEs, World Bank facilities for small and medium Enterprises etc. These were basically aimed at making acquisition of fund easier to entrepreneurs.

The Kwara state ministry of commerce and cooperative also formulate two (2) major policy thrusts that

will sponsor entrepreneurship with a time frame of 2011-2015, they are; Encouragement of production and distribution of goods and service to satisfy domestic and global markets in order to achieve economic growth and development in Kwara state and Repositioning of cooperative schemes in the state for more positive impact on the economy.

The inability of government to execute favourable fiscal policies and policy inconsistencies has undermined the capacity of small and medium scale enterprises (Abiodun, 2010). Chukwuemeka (2010) posits that there is poor implementation of policy measure and incentives. He further mentioned that the government poses obstacles to entrepreneurship in Nigeria through high tariff chargeable which weighs down new entrepreneurs, tax burden and excessive charges from local government, ministry of commerce and industry, environmental protection agencies and circulation of high rated bill by the power authority in charge of epileptic electricity supply notwithstanding the inadequacy.

Most of the small entrepreneurs depend upon old techniques and equipment and due to this fact they find it very difficult to improve on their methods because of limited education background. Adebisi (1994) disclosed in his findings that majority of in Ilorin, the Kwara state capital have little or no formal education on entrepreneurship except from being retired or retrenched from the organized sector and start scrambling. The survey results of Ekpeyong and Nyong (1992) showed that few respondents (entrepreneurs) had tertiary education (16 per cent) while the majority had primary and secondary education (84 per cent). Without mincing words, the situation has been developmental to small scale business.

Technical-Know-How is however not limited to machines and improved technology, it also has to do with management skills, accounting practices and dexterity in handling jobs.

The reasons why most SMEs have not been able to improve are due to poor management knowledge and practices, transparent organization set up, succession plan, entrepreneurial skills, strategic business plan among others. The dearth of such skills in most SMEs due to inadequate educational, professional and technical background on the part of owners and employees of SMEs has plunged SMEs into further crisis (Abiodun, 2010). It can therefore be inferred that the educated do not really opt for low-scale entrepreneurship because of the aforementioned factors.

METHODOLOGY

The study was carried out in Ilorin, the administrative seat of Kwara State. Ilorin, the Kwara state capital is located on coordinates $8^{\circ} 3^{\prime} \text{N}$ and $4^{\circ} 35^{\prime} \text{E}$ in the middle belt of Nigeria about 300 kilometres North of Lagos and 600 kilometres South of Kaduna. According to 2006 Census Report, it has a population of 847,582 people. The people of Ilorin are predominantly Yorubas, Hausas, Fulanis, Nupes, Barubas, other Nigerians (non-indigenes) and foreign nationals. The indigenous people's culture is predominantly Islamic, as most of the Islamic festivals are greatly celebrated compared with anywhere in the country. There are seven (7) languages spoken as first languages in Kwara state: Ebira, Nupe and Yoruba are the major languages. The other four are: Ayere, Bariba, Bookobaru and Sorko.

For the purpose of this study, the entire small scale entrepreneurs in Ilorin, constituted the population of the study. A total of 250 entrepreneurs were randomly selected from the three Local Government Areas within Ilorin metropolis using questionnaire administration and interview schedules.

Data collected were edited, coded and analysed with inferential statistics using statistical package for the social sciences (SPSS).

Parametric statistical tool such as Step-wise multiple correlation technique that is actually a combination of forward selection and backward elimination techniques and analysis of variance (ANOVA) technique were used to test the strength of association and also relationship between the small scale entrepreneurs' performances.

Regression analysis also measures association between variables. It was particularly used in selecting the best variables from a set of independent variables that best predict the dependent variable.

As part of the research on the prediction of factors influencing the performance of entrepreneurs in the study area, twelve variables presented below, variable 1 being the dependent variable and variables 2-12 the independent variables.

Variable 1	Entrepreneurs' performance measured in term of Return on Investment (Naira)
Variable 2	Financial constraints (N)
Variable 3	Infrastructural facilities measured by adequacy and availability
Variable 4	Management and Accounting Practices measured in term of efficiency
Variable 5	Government fiscal policy measured in term of favourability
Variable 6	Education and Technical know-how by school certificate
Variable 7	Labour measured in term of man-days
Variable 8	Patent Laws measured in terms of appropriate implementation
Variable 9	State and Local Government Policy measured by consistency

- Variable 10 Power supply (Electricity) measured in Kilowatt supplied per hour per day
Variable 11 Bank Bureaucracy on credit provision (that is, high=1 while, low=0)
Variable 12 Internal Managerial Characteristics of Entrepreneurs measured by Efficiency

All the variables were treated as continuous variables and the number of cases used for the present analysis is 245.

Model Specification

To analyse the salient factors influencing the performance of small scale entrepreneurs in Ilorin, Kwara State, a model was identified as relevant. The model considered the performance of entrepreneurs in terms of return on investment and/or profitability (ROI) as a function of: Financial constraints [FIN]; Infrastructural facilities [INF]; Management and Accounting Practices [MAP]; Government fiscal policy [GFP]; Education and Technical know-how [ETK]; Labour [LAB]; Patent Laws [PAL]; State and Local Government Policy [SLG]; Power supply [POS]; Bank Bureaucracy [BAB] and Internal Managerial Characteristics [IMA].

Mathematically, it is explicitly expressed as

$$Y_0 = f(X_j) \dots \dots \dots \text{Eqn. (1)}$$

Where:

Y_0 = Dependent Variable

$j=2,3, \dots \dots \dots, 12$ for explanatory variables

The effects of the explanatory variables on the performance of the entrepreneurs were estimated using multiple correlation and step-wise regression techniques.

RESULTS AND DISCUSSION:

Figure 1 shows the correlation matrix of the twelve variables. The correlation matrix depicts that of the twelve independent variables, the power supply (POS), labour (LAB), the patent laws (PAL); State and Local Government Policies (SLG) and the financial constraints (FIN) are highly correlated with the dependent variable. This implies that, they are the salient factors that influence the performance of entrepreneurs most in the study area. This finding corroborates the earlier discovery of Chukwuemeka (2010) in his study established that, the government poses obstacles to entrepreneurship in Nigeria through high tariff chargeable which weighs down new entrepreneurs, tax burden and excessive charges from local government, ministry of commerce and industry, environmental protection agencies and circulation of high rated bill by the power authority in charge of epileptic electricity supply notwithstanding the inadequacy.

Meanwhile, this finding is strongly in conformity with Akanbi, Akinbola and Ogbari (2011) study which inferred that, the development of small businesses in Nigeria has largely been impeded by financial constraint; access to favourable terms in sourcing capital required for the development of project has not been to the advantage of this sector.

The salient factors influencing the performance of small medium scale entrepreneur in the study area are also shown in Figure 2 where it is observed that. Variable POS enters the regression first out of eleven independent variables. The Multiple R of this variable is .8282. This value together with the R square, are shown at the top left corner of Figure 2. The other values shown with R and R² and adjusted R² and standard error of estimate. The adjusted R² is relevant when the sample size is small but should not be concern here. The R square (R²) can be interpreted as the percentage of variance of the dependent variable that is explained by the independent variable. For Figure 2, R² is .64631, which means that 64.48% of small scale entrepreneurs' performance can be explained by "power supply – electricity supply". Below the four values already stated in an "Analysis of variance". This deals with an overall test of significance of R². The F value and its significance are F for R² is 102.195, which is statistically significant at P = .001. The above stated discussion of findings is in line with Godwin (2005) conclusion that, in Tanzania, Electricity service is one of the major factors which may have both direct and indirect impact on small micro-enterprises development.

CONCLUSION

The study revealed that power supply (that is inadequate electricity provision); inconsistent and overlapping policies of State and Local Government on taxes and rates an addition to poor orientation of employees in the study area contribute in no small measure to the poor turn over or return on investment of small scale enterprises in the Ilorin, Kwara State.

Based on the findings and conclusion of the study, it was recommended that Nigeria Government should pay timely attention to epileptic power supply such as to enhance our economy and provide job opportunities for young school leavers. Also, taxes charges should be moderate and consistent while, patent laws should be enforced. If these and many others analysed are critically looked into it, our economy will better off.

REFERENCES

- Abiodun, F. (2010). Small and medium scale enterprises in Nigeria: The Problems and Prospects, *Unpublished M.Sc Thesis*, Department of Political Science, Faculty of Social Sciences, Lagos State University. Ojo, Lagos. Nigeria.
- Adebisi, A. (1994). Dynamics of the informal small-scale enterprises in a traditional city – Ilorin, Nigeria, Department of Geography, University of Ilorin, Ilorin. *Centre point*, Vol. 4 No 2.
- Adekunle, J. (2008). Revolutionising Infrastructure in Kwara. *The Nation Newspaper*, 2008-07-22. Akanni, M.A et al. (2011). The Effect of Equity Financing on Entrepreneurship Business Development in Lagos State, Nigeria. *IJMBS*, Vol. 1, Issue 2.
- Alexander, C. (2012). Fast tracking Nigeria’s Electricity Needs for Industrialization. *Business Day Newspaper*, Monday, Sep 24th.
- Aremu, M.A and Adeyemi, S.L (2011). Small and medium scale Enterprises as a Survival Strategy for Employment Generation in Nigeria. *Journal of Sustainable Development* Vol. 4, No. 1; February 2011.
- Arumah, O. (2009). The Role of Entrepreneurship in Transforming the Nigeria Economy, 7th Convocation Lecture, Igbinedion University. Okada, Edo State, 4th Dec.
- Asaolu, T.O. (2004). Evaluating the Performance of Cooperative Investment and Credit Society in Financing Small Scale Enterprises in Osun State, Nigeria. *Ph.D. Thesis* submitted to the Department of Management and Accounting, Faculty of Administration, Obafemi Awolowo University, Ile-Ife.
- Ayodele, A. S. (2003). Improving and Sustaining Power (Electricity) Supply for Socio- Economic Development in Nigeria. NISER, Ibadan.
- Chukwuemeka, E. (2010). The Challenges of Government Policy on Entrepreneurship in Nigeria, *Journal of Commerce*, Vol. 3, No 2. Hailey College of Commerce, University of the Punjab, PAKISTAN.
- Dotun, O. (2012). Kwara Flags-off 250 Million Naira Micro-Credit Loan Scheme. *The Eagle online*, Friday, 30 March.
- Ekpeyong, D.B. and Nyang M.O. (1992). Small and Medium Scale Enterprises in Nigeria: Their characteristics, Problems and Sources of Finance. *Research Paper XVI*, Archive 95971.
- Emmanuel, O.O. and Daniyan A.A. (2012). Development of small and medium scale enterprises. The Roles of Government and other Financial Institutions. *Arabian Journal of Business and Management*. Vol. 1, No 1;
- Godwin, C.M (2005). Impact of Electricity on Micro Enterprises in Rural Areas in Tanzania. *Thesis submitted for the Award of Master of Environmental Business Administration*, Department of Energy and Sustainable Development, University of Twente, Enschede, Netherlands.
- Idowu, S. (2004). *Accounting Practices in Organisations*. Ilorin: Indemac Publications. Kwara State: Article – Ministry of Commerce and cooperatives.
- Mike, D. (2011). Entrepreneurship opportunities and challenges in Nigeria. *Business and Management Review* I (I): 41-48, (www.bmr.business-journalz.org)
- Muritala, T., Awolaja, A.S. and Bako, O.J. (2012). Impact of Small and Medium Enterprises on Economic Growth and Development, *American Journal of Business and Management*, (1)(1),18-22.
- Ojokuku, R. M. And Ojo, O.O. *Introduction to Sociology; Social Stratification, Class and Inequality*, Department of Management and Accounting, LAUTECH, Ogbomoso, Monograph, P.19.
- Olanrewaju, T. C. (2011). Infrastructure - Key Challenge for SMEs, *Speech Delivered* at the Enterprise Development Centre (EDC), 3rd Alumni Conference, Shell Hall, MUSON Centre on Nov. 29th.
- Yahaya. K.A., Osemene, O.B and Salman, A.W. (2011). Improving the Accounting Practice adopted by Owners of Small and Medium-scale Enterprises in Kwara State, Nigeria. *British Journal of Economics, Finance and Management Sciences*, 2 (1).

Vars.	ROI	FIN	INF	MAP	GFP	ETK	LAB	PAL	SLG	POS	BAB	IMA
ROI	1.0000											
FIN	-0.8172**	1.0000										
INF	-0.6471**	0.7201**	1.0000									
MAP	0.2162	0.6413**	0.5263**	1.0000								
GFP	-0.7391*	0.4578*	0.4568**	0.2168	1.0000							
ETK	0.5393*	-0.0646	0.5168	0.5393*	0.2156	1.0000						
LAB	-0.8262**	-0.5377	0.6376*	0.4309*	-0.4187	-0.0631	1.0000					
PAL	-0.8274**	-0.3518	0.2158	0.4217	0.4212	0.3133	-0.0163	1.0000				
SLG	-0.8174*	-0.6019*	0.3162	-0.5163	0.3147	0.2643	0.2846	0.1094	1.0000			
POS	-0.8281**	-0.5617*	0.2468	-0.4768	0.0268	-0.1250	-0.1478	0.1468	0.9671	1.0000		
BAB	0.6373	-0.4118*	0.6146*	-0.5378	0.4316	0.6378	0.5163	0.1536	0.5852	0.7295	1.0000	
IMA	-0.7282	-0.1663*	0.4783	0.7263	0.5189	0.7208	0.6156	0.2376	0.3487	0.6284	0.7234	1.0000

No of cases: 245 ** Correlation is significant at the 0.01 level * Correlation is significant at the 0.05 level

Figure 1: Correlation matrix of factors influencing the performance of entrepreneurs in Kwara State

Source: Data Analysis (SPSS/PC), 2014

Multiple Regression

List wise Deletion of Missing Data
 Equation Number 1 Dependent Variable ... ROI
 Beginning Block Number 1. Method: Step-wise
 Multiple R = 0.8281
 Level of explanation (R²) = 0.64631
 Adjusted R² = 0.63842
 Standard Error = 6.0122

Analysis of Variance

	Sum of Square	DF	Mean Square	F	Sig.
Regression	7818.4332	1	7818.4332	102.195	.001
Residual	3675.1022	243	35.2562		

Variables in the Equation

Variables	Unstandardized Coefficient B	SE B	Std coeff. B weight	t-value	Sig. T
(Constant)	86.975	1.879	-	47.621	.0000
POS	1.841	0.618	0.321	-.8281	.0001
LAB	0.774	0.357	0.156	-.8262	.0001
PAL	0.579	0.420	0.147	-.8274	.0000
SLG	0.473	0.318	0.126	-.8174	.0000
FIN	0.453	0.314	0.142	-.8172	.0000

Variables not in Equation

Variables	Beta In	SE B	Partial	t-value	Sig. T
INF	-.542	.437	-.553	2.165	.0000
MAP	.324	-.129	.471	3.718	.0002
GFP	.563	-.436	.453	-1.432	.0032
ETK	.651	.231	.318	1.548	.0000
BAB	.471	.383	.352	-1.342	.0000
IMA	.354	.438	.931	1.549	.0000

*Sig. at 0.05 level of significance

** Sig. at 0.01 level of significance

Source: Data Analysis, 2014

Figure 2: Step-wise Regression of the factors influencing the performance of small scale entrepreneurs

The IISTE is a pioneer in the Open-Access hosting service and academic event management. The aim of the firm is Accelerating Global Knowledge Sharing.

More information about the firm can be found on the homepage:
<http://www.iiste.org>

CALL FOR JOURNAL PAPERS

There are more than 30 peer-reviewed academic journals hosted under the hosting platform.

Prospective authors of journals can find the submission instruction on the following page: <http://www.iiste.org/journals/> All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Paper version of the journals is also available upon request of readers and authors.

MORE RESOURCES

Book publication information: <http://www.iiste.org/book/>

IISTE Knowledge Sharing Partners

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digital Library, NewJour, Google Scholar

