

Effect of Strategic Planning On the Promotion of Small Scale Businesses in Enugu State

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Abstract: Strategy is a serious, exciting and often bizarre game that managers play every day. Strategic planning is an organization's process of defining its strategy or direction, and making decisions on allocating its resources to pursue this strategy. The statement of the problem is that the non- existence of actual strategies makes it difficult for small scale businesses to withstand changing, dynamic and even unpredictable economic and business environment. The objectives of the study include were to identify the roles of small scale businesses in Enugu State; and to ascertain the extent to which strategic measures influence small scale business in Enugu State. We used the survey method of research. The small scale businesses covered by this research work include leather shoe business, cassava processing, fashion designing, cane-chairs making and woodwork/carpentry. The area covered by the researcher in Enugu State is Coal Camp, Ngwo, Ogui New Layout, Uwani, Akwuke and Ikirike. Data for this study were obtained from both primary and secondary sources. The sample size used was 167. The data obtained were presented in tables using frequencies and percentages and analyzed using inferential statistics. The findings were the encouragement of policy measure to develop small scale business by government etc. it was recommended that the government should take a far reaching measure aimed at encouraging mass acceptance of made in Nigeria goods.

Keywords: Strategic, Planning, Promotion, Businesses.

INTRODUCTION

Strategy is a serious, exciting and often bizarre game that managers play every day [1]. The strategic planning discipline originated in the 1950s. Among the numerous early contributors, the most influential were Peter Drucker, Philip Selznick, Alfred Chandler, Igor AnSoft and Bruce Henderson [2]. The discipline draws from earlier thinking and texts on "strategy" was primarily used regarding war and politics not business. To Drucker [3] the first responsibility of top management is to ask the question "what is our business?" and to make sure it is carefully studied and correctly answered. In 1957, Philip Selznick initially used the term "distinctive competence" in referring to how the Navy was attempting to differentiate itself from the other services. He formalized the idea of matching the organizations internal factors with external environmental circumstances. Strategic planning is a powerful tool, which is used to identify the customer, the customer's needs and wants and to provide for those needs and wants.

Most of the Small Scale businesses have gone moribund or collapsed as a result of not adopting effective strategies for promoting small scale business. The rates of unemployment and social vices have gone high as a result of not adopting effective strategic planning on the promotion of small scale businesses. As a matter of fact people are scared of going into small scale business because of the high mortality of these businesses. These and more are what prompted the need for strategy to promote small scale business.

Small scale industries have a lot of important contributions to make to the economic development of the country. A lot of youths, retired workers and out of school graduates are now gainfully employed, thereby reducing the unemployment rate and its attendant social complication of armed robbery and white collar crimes. It helps to bring about new goods and services and supply the needs of large industries, which have to rely on the small scale industries for business success. The small scale industries represent the over whirling majority of industrial capacity in developing countries.

Statement of the Problem

The non- existence of actual strategies, makes it difficult for small scale businesses to withstand changing, dynamic and even unpredictable economic and business environment. The business sector, including the small scale business is a highly competitive and dynamic one. Many small scale business owners who do not have effective strategy for promoting small scale business have seen their businesses collapsed. Other problems include the use of obsolete business methods. Most business ideas are things inherited from parents and most of them die with the originators. Some are not scientific and cannot be assessed easily as a result of lack of strategic measures.

Objectives of the Study

The main objectives of the study are to examine the effect of strategic planning on the promotion of small scale businesses in Enugu metropolis. However, the specific objectives are:

- To identify the roles of small scale businesses in Enugu Metropolis
- To ascertain the extent strategic measures influence small scale business in Enugu Metropolis;

Research Questions

Based on the objectives of the study the following research questions were raised:

- Are there roles small scale businesses play in Enugu Metropolis?
- To what extent does the strategic measure influence small scale business in Enugu Metropolis

Research Hypotheses

Based on the objective and research questions, the following hypotheses were formulated:

Hypothesis One

H₁: There are significant roles of small scale businesses in Enugu metropolis.

Hypothesis Two

H₁: Strategic measures influence small scale business to a significant extent in Enugu metropolis.

Significance of the Study

This research work is very important because it examines the strategic planning on the promotion of small scale businesses in Enugu Metropolis. This research work gives a clue on how to make Enugu an industrialized State. The small- scale business owners will also benefit as the research work investigates the strategic planning they should adopt in order to help ensure that there is accelerated industrialization in the State. The universities will benefit as the research work increase their data bank. The general public will benefit in such a way that the social vices among youth such as arm robbery, prostitution internet Fraud etc will be minimize with their involvement in small scale business if not radiated. Moreover the general public will benefit from this study because some of them who are into small scale business will be exposed to the various strategies they can use to promote their business. Other members of the public who are not into small scale business, will be encouraged to do so with the availability of this research

Conceptual Framework

The meaning of the small scale industry varies from one country to another and from one industry to another even within the same country. The United Nations industrial development organization (UNIDO) has located about fifty (50) different definitions of small scale industries in seventy- five (75) different countries [1]. Accordingly, such various definitions were based on parameters such as installed capacity utilization, output employment, capital, type of industry or other criteria which have more relevance to the industrial policies of the specified country. Accordingly, some people would undoubtedly by consider all business that had no more than a specified number of employees (5 or 10) to be small. Others would believe that a small business is one that operates only in the local market area. Still others would classify such businesses as small by the kind of firms such as the local drugstore, dress shops, neighborhood store or shoe-makers at the corner of the streets. Most people would agree that the neighboring beer parlours and provision stores at the corner of a residential area are small businesses while the Nigeria Breweries Plc and UAC group of companies are big businesses. One would probably generate little argument about what is ‘big’ or ‘small’ between these two extremes, since size is a relative concept.

According to Ile [4] “what appears small in an establishment in term of employees, may be big in another establishment. Indistinguishing between big and small businesses, some criteria that are used are relative size, type of customers, financial strength and the number of employees. Controversy arises then as to where to draw the line between big and small or put in another way or expression, how big or small. The small scale business concern is “one which is independently owned and operate and not dominant in its field of operation [5]. Again the committee on economic

development of the United States of America offers a definition which states that a business will be classified as small if it meets two or more of the following criteria.

- Management is independent. Usually the managers are also the owners
- Capital is supplied and ownership is held by an individual or a small group
- The area of operation is mainly local workers and owners are in one home or community, markets need not be local
- The size of the firm is small relative to the industry

The 1989 industrial policy of Nigeria, defined small scale industries as those with total investment between ₦100, 000.00 and ₦2 million exclusive of land but including working capital [6]. The small scale industries division of the federal ministry of industries defined small scale industries as enterprise having investment capital (investment in land, building, Machinery, Equipment and working capital) of up to ₦600, 000.00 and employing not more than fifty (50) employees. This definition was later revised to embrace all manufacturing units with a total capital investment (excluding cost of land) up to ₦750,000 but including working capital, and paid employees of up to 50 persons [7]. The Nigerian Bank for commerce and industries (NBCI) for the purposes of its loan scheme for small scale industries, defined more than ₦500,000.00 (excluding the cost of land but including working capital). The industrial research unit of Obafemi Awolowo university, Ile Ife, defined small scale business as one whose total assets in capital, equipment, plant and working capital are less than ₦250,000.00 and employing fewer than fifty (50) full time workers [8].

However, small scale enterprise or business is not limited to institutional definition, along Ekpenyong [9] defined small scale enterprise that have relatively little capital investment, that produce in small quantities and as a result control a small share of the market that employ not more than fifty workers and in which management, marketing and entrepreneurial functions are vested in the proprietor. What is common in the definitions is that they give an upper limit either of employment or turnover, or investment capital above which an enterprise would not be regarded as small scale [6], the one or more persons and or having annual turnover or investment capital ranging from one naira (₦1.00) upwards to stated limit falls within the definition of small scale enterprise.

Classification of Small Scale Business

As earlier stated, small scale enterprise does not have any clear-cut definition, because it varies from one country's economy to another, so its classification. However, according to Ani [6] some of the main criteria used to classify small scale business include:

- **According to Initial Capital Outlay**

Here according to The third national development Plan (1975-1980) small scale was classified as any industry with one hundred and fifty thousand naira capital investment, while the federal ministry of industries in 1973 classified as small business as one with not less than sixty thousand naira.

- **According to Management Style**

In classifying a small-scale according to the management style (Drucker) says it requires at least one man that is not engaged in any other functional work but spends all his time and finance in it. He knows other members who may not be active (e.g. partnership).

- **According to Number of Employee**

Drucker summed this pattern of classification up by asserting that regardless of titles and position, the maximum number for an organization to qualify as a small scale business should hardly exceed twelve (12) fifteen (15) men. Why the bottom committee (BC) in their contribution says that a small-scale in one with not more than three (3) persons.

- **According to Market Share**

The bottom committee in one of its characteristics to hard defining small scale and making it significantly different from large firms says for an enterprise to qualify as small it must have a

- Relatively small share and its owners or part owners must also be its customers.
- Other forms of classification include total asset of firm, type of industry, and relative position of firm within its industry or a combination of two or more of the above criterion.

Features of Small Scale Business

Small business has certain characteristics which distinguish them from large scale businesses and which also justify separate analysis of their role in development. These characteristics may be summarized as follows:

- Small scale businesses are many: The number of small businesses is usually many when compared with large scale businesses. This is because the amount of money required to establish them are relatively small and there may be no legal provisions to be fulfilled before they are set up.
- Management is usually independent: The manager is usually the owner and thus is independent. This is unlike the large businesses where the owners are different from management and hence not independent.
- There is no much specialization because the manager/proprietor handles or supervises the financing, production, marketing and personnel of the enterprise.
- The manager/proprietor does not raise short, medium or long term capital needs of his business from the organized financial markets. Instead, he relies heavily on personal savings, loans from friends, relations or money lenders [10].
- Small Scale business has a small share of the market. The entrepreneur continues his vision to the local community in which he carries on his business, ignoring wider and more distant markets [11].
- The level of education of the owner proprietor is usually low with consequent low level of business management, technical skills. And market information [12].
- The rate of business mortality is high probably because of strong mutual distrust which militates against formation of partnerships or limited liability companies [5].
- The owner-manager knows and is known by all employees and apprentices in the firm.
- The firm has little or no accounting records. The small business owner believes that the maintenance of book of accounts and other business records is costly and unnecessary.
- The small scale business in Nigeria is operated like sole proprietorship [6].
- The craft sub-sector is dependent heavily upon apprentice labour. This because it is cheap and as a result helps the proprietor to survive in the high competitive market with small and irregular demands for the firm's products or services.
- In terms of investible fund, scale of operation, and number of people employed, the size of the business is relatively small.

Strategic Planning on the Promotion of Small Scale Businesses in Enugu Metropolis

Specialization in production: According to Oresotu [12], the assembly plants, electronic and electrical industries are to be fully integrated into the Nigeria economy. The chronic dependency of the industrial sector on the external sector for the supply of inputs has been trace to poor and unorganized development of small- scale industries that can manufacture some of the items imported as raw materials. The factor making small scale industries suitable to fill this gap is the ability to produce spare parts, machine components, certain simple equipment and some simple hardware's of some industrial sub- sectors at much lower costs.

Short- Term Training to Acquire and Adapt Technological Know- How: The manufacturing of some of the vehicles and electrical spare parts and equipment requires comparatively little skill in fabrication and engineering design, which many of the Nigeria technical workers and artisans already possess. Although the production of some may necessitate some short- term training to acquire and adapt technological know- how. This can be arrange through joint ventures and other suitable means of acquiring technology. In this way, a sample system can be worked out between small scale enterprises and the already existing assembly plants that will lead to dependence of the assembly plants on local producers of the spare parts and accessories they assemble [7].

Policy measures to develop small scale industries by government should be encouraged: According to Akintola [10], policy measure designed to develop small scale enterprises should concentrate on the promotion of firms wishing to undertake the prescribed government activities. However resources constraints may pose a serious problems for the simultaneous promotion of all firms wishing to undertake activities in these areas.

Promoting of the practice of sub-contracting industries: Sub contracting is the process whereby the manufacturer of a product gives an order to the producer of a part of the product, to manufacture a specified quantity [13]. If subcontracting process is well institutionalized that is all the legal frame work and other prerequisites of the assembly plants could depend on local small and medium scale enterprises for the supply of the spare parts they assembled. Also firms in other industrial subsectors which require equipment, could rely on the small firms.

Production of less sophisticated machine spare parts and components of complementary imports: It is never too late for Nigeria, as a developing country to adapt to this inevitable technique of industrialization by starting to produce less sophisticated machine spare parts and components of complementary imports. It could then move to the stage of adaptation and improvement on machinery and equipment to suit its special needs. The present technological gap, manifested in the shortage in the vital area of production and engineering design can be rapidly eliminated through this approach.

Enormous infrastructural problems in the State should be addressed: The enormous infrastructural Problems are a great stumbling block to small scale industries. According to Sule [14]” a fledgling small industry is hardly in a position to provide motorable access roads power generating plant, telephone or bore hole within its vicinity. However, these problem have been receiving government attention through the Directorate of food, road and rural infrastructures (DFRRI) Government is expected to intensify efforts in this direction.

Reservation of a certain percentage of government purchases for small scale industries: In order to assist in the solution of the marketing problem of small scale industries, government should reserve a certain percentage of its purchases from small scale industries just like in India [12]. Government contracts. This can be done by issuing such contracts through small business associations, such as NAASSI.

Designation of a suitable technical managerial, programme for small scale industries: With the disturbing question of management ability of small- scale entrepreneurs, government is hereby urged to direct the management of industrial training fund (ITF) in collaboration with such bodies as the Nigeria Association of small scale industries, centre for management development, the administration staff college of Nigeria to design a suitable technical management programme for small- scale industries. This programme should be operated by the countries institutions of higher learning. With this, the skill needed in small scale entrepreneurship can hopefully by taught and disseminated effectively [14].

Establishment of small- scale credit guarantee: According to Ughamadu (2007) ” it is necessary that a small-scale credit guarantee scheme be established to reduce the risk of lending to small scale industrialists. It is most likely that guarantee scheme will operate with limited grant from the federal government and since the enterprise to use the facility are likely many, only a selected few small establishment be accommodate during a stated plan period.

Roles of Small Scale Industries for Accelerated Economic Development and Industrialization in Nigeria

Small scale industries have a lot of important contributions to make to the industrialization of Nigeria. Shokan [15], writes some of them as follows:

- The provision of employment, innovation and areas for sales. A lot of youths, retired workers and out of school graduates are now gainfully employed, thereby reducing the unemployment rate and its attendant social complication of armed robbery and white collar crimes.
- It helps to bring about new goods and service and supply the needs of large industries who have to rely on the small scale operators for business success
- Small scale industries represent the overwhelming majority of industrial capacity in developing countries. A fact confirmed by Ajayi [2] postulates that presently small scale business in Nigeria, constitute over 80% of all registered companies occupying positions in agro based shoe industries chemicals, electronic general merchandizing restaurants, dress making, hair dress making, cane chairs, leather, products, pomade and toiletries , animal feeds and husbandry, printing etc.
- Small scale industries promote the development of indigenous manpower as well as increasing local participation in the manufacturing sector.
- Small scale business checks the effects of polarization by a planned and systematic development of rural areas. The much talked about urban migration is reduced by the introduction of small scale industries in rural areas

Theoretical Framework of the Study

Import Substitution Industrialization (ISI) Theory

Import substitution industrialization (ISI) theory advocates replacing foreign imports with domestic production. ISI is based on the premise that a country should attempt to reduce its foreign dependency through the local production of industrialized products. The term primarily refers to the 20th century development economic policies; although it has been advocated since the 18th century by economists such as Frederick list. ISI policies were enacted by countries within the global south with the intention of producing development and self- sufficiency through the creation of an internal market. ISI works by having the state lead economic development through nationalization, subsidization of vital industries (including agriculture, power generation etc) increased taxation and highly protectionist trade policies. Due to the exploitation indirectly performed by the laissez- faire market, third world countries steered to become self- reliant. To compete in the world market against first world countries, third world and or developing countries would protect their infant new industries until a sufficient advantage are accumulated. According to Burton [13]; “the very idea of import substitution are:

Implied: keep out that which is now imported from the north and produce it at home” consequently, the north developed and industrialized markets will not be a factor or a source of resources for the undeveloped and developing

south. The principal concept of ISI is an attempt to reduce foreign dependency via local production of industrialized products.

Active Learning Model by Erickson Pakes

This theory 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 small scale industries could raise their efficiency through formal education and training that increase their endowments.

Empirical Review

In a research work conducted by Eze [16] on the role of small-scale business in Enugu metropolis, 20 small-scale Business were studied, and the descriptive survey method was used. The major instrument, used in data collection was the questionnaire. It was found out that the roles of small scale business in Enugu urban, includes employment generation etc.

In a recent study conducted by Ademola [17], on the extent strategic measures influence small scale businesses. The research method used was the descriptive survey method and it was found out that strategic measures influence small scale business to a significant extent.

Summary of Literature Review

The literature review looked at the conceptual framework of the study, where the definition and meaning of small scale business were discussed. In the theoretical framework of the study the researcher used the import substitution theory, Active learning, model and pecking order theory. The strategic planning on the promotion of small businesses in Enugu Metropolis was also discussed.

Methodology Used

Research Design

The research method used by the researchers was the survey research method.

Area of the Study

The geographical location of the study is Enugu state. The researchers studied three (3) zones from Enugu south and three zones from Enugu North. The three zones under Enugu south are

- Uwani
- Akwuke
- Ikirike

While the three zones under Enugu north are

- Coal camp
- Ngwo
- Ogui new layout

Sources of Data

Data for the study were obtained from two broad sources i.e the primary and secondary sources.

Primary Sources of Data

Primary sources of data include questionnaire, interview and observation.

Questionnaire

The researchers used structured or close-ended questions in the questionnaire interview: the researcher interviewed some small scale business owners in both Enugu north and Enugu south local government area.

Secondary Source of Data

The secondary sources of data include the internet materials, textbooks, journals, magazines, seminar etc.

Population of the Study

The researcher studied small scale industry owners who are into leather shoe industry cassava processing, fashion designing cane chairs making and wood work/carpentry, printing press, from three zones under Enugu south and north local government area. The breakdown of the population is as follows:

Table-1: Breakdown of the population

Zone	Leather shoe Ind.	Cassava Processing	Fashion Designing	Cane Chair Making	Wood Work	Total
Uwani	08	03	20	03	10	44
Akwute	07	04	18	02	11	42
Ikirike	04	03	11	01	08	27
Coal Camp	12	05	24	02	12	55
Ogui New Layout	11	04	22	03	11	51
Ngwo	10	08	32	05	13	68
Total	52	27	127	16	65	287

Source: Field Survey, 2018

Therefore, the population of the study is 287 small scale industry owners from the six zones under Enugu South and Enugu North local government area.

Sample Size Determination

Appropriate sample size in a research study is better done by the use of a statistical technique or formula, particularly when dealing with the population. Although, many other ways or techniques are employed in statistically arriving at an appropriate sample size, the formula that has gained popularity is that of Taro Yamane’s formula. According to Taro Yamane [19], the sample size of a definite population is given by the formula.

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

Where

- n = Sample size
- N = Population of the study
- I = Mathematical Constant
- E = error unit

In this study, the population is 287; the error unit is 0.05 (5%). Substituting in the above formula we have

$$\begin{aligned}
 n &= \frac{287}{1 + 287(0.05)^2} \\
 &= \frac{287}{1 + 287 \times 0.0025} \\
 &= \frac{287}{1 + 0.7175} \\
 &= \frac{287}{1.7175} \\
 &= 167.103 \\
 n &= 167
 \end{aligned}$$

Sampling Techniques

Stratified Sampling

To get the sample size for the different zones we make use of the Kumar’s formula. According to Kumar [18], the proportional allocation formula is given by

$$N_h = \frac{n(n_h)}{N}$$

- Where n_h = Sample size of each Zone
- N_h = Population of each Zone
- n = Total sample Size
- N = Total population

Therefore, for Uwani, we have

$$N_h = \frac{167 \times 44}{287} = 25.60$$

Approximately equal to 26

For Akwuke, we have

$$N_h = \frac{167 \times 42}{287} = 24.43$$

Approximately equal to 24

For Ikirike, we have

$$N_h = \frac{167 \times 27}{287} = 15.710$$

Approximately equal to 16

For Coal Camp, we have

$$N_h = \frac{167 \times 55}{287} = 32.003$$

Approximately equal to 32

For Ogui New Layout, we have

$$N_h = \frac{167 \times 51}{287} = 29.67$$

Approximately equal to 30

For Ngwo, we have

$$N_h = \frac{167 \times 68}{287} = 39.46$$

Approximately equal to 39

The researcher used the random sampling technique in which every element in the population has the same (equal) chance of being selected for the study. The researcher cannot influence the selection under this technique because everything is controlled by probability or chance.

Method of Data Collection/Instrumentation

Data for this study were collected by the use of questionnaire and personal interview.

Validity of the Research Instrument

We used the expert or face validity where the question items in the questionnaire were scrutinized by an expert, to confirm whether they are related to the research work.

Reliability of the Research Instrument

The researchers used the test – retest method, where the respondents who were given copies of the questionnaire. Their response in the first questionnaire was compared with the second one.

Technique of Data Analysis

The data were analyzed using inferential to statistics. This means, making reference to the values presented in the table, using frequencies and percentages. The hypotheses were tested using the Chi-Square distribution formula, according to the Chi-Square formula.

$$X^2 = \sum \frac{(O - E)^2}{E}$$

Where

- X² = Chi- Square
- Σ = Summation sign
- O = Observed frequency
- E = Expected frequency

Data Presentation and Analysis

Table-2: Distribution and Return of Questionnaire

Zone	Number of questionnaire distributed	Number of questionnaire returned	Number of questionnaire Not returned
Coal. Camp	32	31	1
Ngwo	39	37	2
Ogui New Layout	30	29	1
Uwani	26	25	1
Akwuke	24	23	1
Ikirike	16	15	1
Total	167	160	7

Source: Field Survey, 2018

The data presented in this study, were from the respondents. The researcher used questionnaire in the collection of information from the respondents. Out of a total of 32 copies of questionnaire that were distributed to the respondents at coal Camp, 1 copy of the questionnaire was not recovered while 31 copies were recovered, correctly filled and valid. Out of a total of 39 copies of questionnaire that were distributed to the respondents at Ngwo, 2 copies of questionnaire were not recovered while 37 copies of questionnaire were recovered, correctly filled and valid. Out of a total of 30 copies of questionnaire that were distributed to the respondents at Ogui New Layout, 1 copy was not recovered while 20 copies were recovered, correctly filled and valid. Out of a total of 26 copies of questionnaire that were distributed to the respondents at Uwani, 1 copy was not recovered while 25 copies were recovered, correctly filled and valid. Out of a total of 24 copies of questionnaire that were distributed to the respondents at Akwuke, 1 copy was not recovered while 23 copies were recovered, correctly filled and valid. Out of a total of 16 copies of questionnaire that were distributed to the respondents at IKirike, 1 copy was not recovered while 15 copies were correctly filled and valid. The breakdown of the distribution and return of questionnaire is as follows.

Table-3: Are there Roles of Small Scale businesses in Enugu State?

Response	Frequency	Percentage
Yes	132	82.50
No	02	1.25
No idea	26	16.25
Total	160	100

Source: Field Survey, 2018

From table 3, 132 respondents, representing 82.50% of the total respondents, said yes that there are roles of small scale businesses in Enugu State. 2 respondents, representing 1.25% of the total respondents said no while 26 respondents, representing 16.25% of the total respondents, said no idea.

Table-4: If Yes, What are the roles of small scale businesses in Enugu State?

Response	Frequency	Percentage
Specialization in Production	60	37.50
Short term training by small scale industry owners	25	15.63
Encouragement of policy measure to develop small scale industries by government	65	40.62
Total	160	100

Source: Field Survey, 2018

From table 4, 60 respondents, representing 37.50% of the total respondents said the roles of small scale businesses in Enugu State. Include specialization in production. 25 respondents, representing 15.63% of the total respondents mentioned short term training by small scale industry owners. 65 respondents, representing 40.62% of the total respondents mentioned encouragement of policy measure to develop small scale industries by government.

Table-5: Can strategic measures influence Small Scale businesses to a significant extent?

Response	Frequency	Percentage
Yes	148	92.50
No	03	1.88
No idea	09	5.62
Total	160	100

Source: Field Survey, 2018

From table 5, 148 respondents, representing 92.50% of the total respondents said yes that strategic measures can influence small scale businesses to a significant extent. 3 respondents, representing 1.88% of the total respondents mentioned no while 9 respondents, representing 5.62% of the total respondents mentioned no idea.

Table-6: How do strategic measures influence Small-Scale businesses to a significant extent?

Response	Frequency	Percentage
Promotion of the development of indigenous manpower	52	32.50
Brings about new goods and services	38	23.75
Small-scale industries check the effect of polarization	23	14.38
Others	47	29.37
Total	160	100

Source: Field Survey, 2018

From table 6, 52 respondents, representing 32.50% of the total respondents said that strategic measures can influence small-scale businesses to a large extent by promotion of the development of indigenous manpower. 38 respondents, representing 23.75% of the total respondents said it brings about new goods and services. 23 respondents, representing 14.38% of the total respondents mentioned that small-scale industries check the effect of polarization while 47 respondents, representing 29.37% of the total respondents mentioned other reasons.

Testing of Hypotheses

The researcher tested the hypotheses using the chi-square statistical tool. The formula for the chi-square is

$$X^2 = \sum \frac{(O-E)^2}{E}$$

- Where X^2 = Chi-square
- O = Observed frequency
- E = Expected frequency

Hypothesis One

H₁: There are Roles of small scale businesses in Enugu metropolis.

The above hypothesis one was tested using table 3. Constructing the contingency table, we have.

Response	O	E	O-E	(O-E) ²	$\frac{(O-E)^2}{E}$
Yes	132	53.33	78.67	6188.969	116.05
No	02	53.33	-51.33	2634.769	49.41
No idea	26	53.33	-27.33	746.929	14.01
Total	160				179.47

Source: Field Survey, 2018

This is a case of 3x1 contingency

$$X^2 = \frac{(132-53.33)^2}{53.33} + \frac{(2-53.33)^2}{53.33} + \frac{(26-53.33)^2}{53.33}$$

$$= 116.06 + 49.41 + 14.01 = 179.47$$

The expected frequency E was calculated by

$$\frac{\text{Total Sum of observed frequency}}{\text{Number of options}}$$

The degree of freedom = $n-1 = 3-1 = 2$ degree of freedom.

The level of significance = 5% (0.05)

The critical value at 2 degree of freedom and 0.05 level of significance = 5.99

The calculated value (179.47) is greater than the critical value (5.99)

DECISION

Reject the null hypothesis if the calculated value is greater than the critical value and accept the alternative hypothesis therefore; there are roles of small scale businesses in Enugu State.

Hypothesis Two

H₁: Strategic measures influence small scale businesses to a significant extent.

Hypothesis two was tested using 4.

Constructing the contingency table, we have

Response	O	E	O-E	(O-E) ²	$\frac{(O-E)^2}{E}$
Yes	148	53.33	94.67	8962.41	168.06
No	03	53.33	-50.33	2533.11	47.50
No idea	09	53.33	-44.33	1965.15	36.85
Total	160				252.41

Source: Field Survey, 2018

This is a case of 3x1 contingency

$$\begin{aligned} X^2 &= \frac{(48-53.33)^2}{53.33} + \frac{(3-53.33)^2}{53.33} + \frac{(9-53.33)^2}{53.33} \\ &= 168.06 + 47.50 + 36.85 \\ &= 252.41 \end{aligned}$$

The degree of freedom, $n-1 = 3-1 = 2$ degree of freedom. The level of significance = 0.05. The critical value at 1 degree of freedom and 0.05 level of significance = 5.99.

The calculated value (252.41) is greater than the critical value (5.99). Therefore, we reject the null hypothesis and accept the alternative hypothesis.

Decision

Strategic measures influence small scale businesses to a significant extent.

DISCUSSION OF FINDINGS

There are Roles of small scale businesses in Enugu State. The statement was confirmed to be true in the test for hypothesis one, where the researcher tested whether there are Roles of small scale businesses in Enugu Urban.

Strategic measures influence small scale businesses to a significant extent. The statement was confirmed to be true in the test of hypothesis Two where the researcher tested whether there are strategic measures that influence small scale businesses to a significant extent.

Summary of Findings

- There are Roles of small scale businesses in Enugu State.
- Strategic measures influence small scale businesses to a significant extent.
- The researcher found out that the level of education of the owner/proprietor of small scale industries is usually low with consequent low level of business management, technical skills etc.
- The researcher found out that the major advantage of the small scale industries is its employment potential at low capital cost.

- The researcher found out that small scale industries are the engine of economic growth and for promoting equitable development.

CONCLUSION

Small scale industries occupy a place of pride in virtually every country. Because of the significant roles small scale industries play in the growth and development of various economies, small-scale industries have been aptly referred to as the “engine of growth and catalyst for socio- economic transformation of any country”. China, which happens to be, the strongest economy in Asia attained to the position it holds because of the attention the government gives to the promotion of small – scale industries. Unemployment rate is still at an alarming stage in Nigeria, because the various government, both federal, state and local government have failed to find out or map out strategic plans on the promotion of small scale businesses in Enugu State. As the present government of Mohammed Buhari has made power generation, one of its cardinal points, the researcher is concluding that Nigeria is laying a strong and solid foundation for promoting small scale industries but other strategies should be given proper attention.

RECOMMENDATIONS

- The researcher is recommending that various banks in Nigeria should be encouraged to extend credit facilities to small scale industries.
- The researcher is recommending that small scale industrialists should utilize loans for which the loan was made.
- The researcher is recommending that small scale industrialists should improve business knowledge through training, education and development.
- The researcher is recommending that small scale industrialists should utilize professional assistance from management consultants, legal practitioners bankers etc.
- The Researcher is recommending that small scale industrialists should enter into lines of business that they are experienced.

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