

Factor Analysis of Small and Medium Enterprises' Challenges and Its Implications on Poverty and Unemployment in Dekina

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Authors' contributions

This work was carried out in collaboration between the two authors. Author MIY designed the study, wrote the first draft of the manuscript and particularly, methodology. Author ATN managed the literature searches and analyses of the study. Both authors read and approved the final manuscript.

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ABSTRACT

This study focused on factor analysis of SMEs' challenges and its implications on poverty and unemployment in Dekina. The study investigated the prime factor influencing SMEs' entrepreneurial activities, and its relationship with poverty and unemployment in Dekina. In regard of this purpose, quantitative survey research design was used to facilitate good deduction on the basis of analysis of data gathered from the respondents. The study was conducted on 25 SMEs with the total universe of 121 in Dekina, Nigeria. The study adopted structured questionnaires for the survey research. Cronbach's alpha was used for the test of reliability of instrument and pilot test technique to determine its validity. The study determined its sample size of 93 using Taro Yamane sampling techniques, and adopted multi-stage sampling techniques, and simple random sampling to choose the required samples for the universe. This study analyzed data and tested hypotheses using regression model and correlation analysis. The study found that finance is the prime factor influencing SMEs' entrepreneurial activities in Dekina, and that the relationship of SMEs' entrepreneurial activities with poverty and unemployment is negative. Furthermore, findings

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show that a positive correlation exists between unemployment and poverty in Dekina. The study concluded that where there is distinctively increasing effort by the government towards financing small and medium enterprises, strategic issues like poverty and unemployment may be easily solved. The study therefore recommends that government should encourage increasing level of SMEs entrepreneurial activities through availability of adequate finance in Dekina.

Keywords: *Business finance; government policy; poverty; unemployment; SMEs' entrepreneurial practices.*

1. INTRODUCTION

It is no longer a myth that entrepreneurial practices of SMEs are critical to the success of economies around the globe. Similarly, Small and Medium scale Enterprises (SMEs) appear to be the reason economies in Africa are still surviving. In Nigeria, SMEs are the brain box of the present economy, in terms of their potentials in resulting with twin economic problem (such as unemployment and poverty). In light of this, [1] expressed that the role of SMEs in developing countries including Nigeria has been established. [2] argued that the role of SMEs in the national economy cannot be underestimated. Their argument may be factual to a reasonable extent following that the economy of Dekina has long suffered the absence of giant firms; and the recent geometric increase in the number of SMEs in the area has contributed to the reduction of unemployment and poverty. No wonder [3] insisted that SMEs are the spring board for sustainable economic development.

However, it would be expected that the increasing contribution of SMEs, particularly in the aspect of reduction in unemployment rate and poverty, will lead to sustainable economic development in no time; but they lack adequate support for business growth and development in Nigeria. [4] posited that the development of viable SMEs in Nigeria has over the years been challenged by a number of harsh economic conditions which characterize the Nigerian business environment. Factually, finance has been observed as one of the major hindering factors to SMEs development in Dekina. To this backdrop, the government established programmes, and [5] stressed that the CBN and the Federal Ministry of Finance, on behalf of the Federal Government, also obtained a World Bank loan for SMEs to increase their access to credit. Despite this effort, some SMEs in Dekina still appear unhealthy and grow slowly; while others witness entropy yearly.

In the developing economies like Nigeria, where there are wide-spread financial constraints,

particularly for potential and nascent entrepreneurs, a strong positive relationship exists between access to financial resources and entrepreneurial process [6,7]. Distinct from what is obtainable in developing countries, [8] observed from previous empirical studies that the non-significant relationship between financial resources and entrepreneurship relates to advanced economies (U.S. and Denmark), where there is no pronounced credit constraints. It is observed that this challenge, among others, also affects the relationship between poverty and unemployment, regardless of being the determinant of SMEs' entrepreneurial activities in Dekina. Though, [9] observed from previous empirical diagnosis that the causes of poverty were not confined to unemployment, and that most of the poor were employed in a large variety of small-scale, low-productivity activities. But, economic situation across national boundaries appears factually different, and that forms the major cleavage between developing and developed countries. Given these perspectives, it was necessary for a pilot study to be conducted to determine the factors influencing SMEs' entrepreneurial activities, and the Relationship between Unemployment and Poverty.

1.1 Objectives of the Study

The objective of the study is to determine the prime factor influencing SMEs' entrepreneurial activities, and its relationship with poverty and unemployment in Dekina. Thus, other objective is to analyze the relationship among SMEs' entrepreneurial activities, unemployment and poverty in Dekina.

2. LITERATURE REVIEW

2.1 Conceptual Framework

There is no one generally accepted definition of SMEs around the globe today. The studies by [10,11] also confirm that there is no accepted worldwide definition of SMEs. We view Small and

Medium Enterprises (SMEs) as business entities engaging in creative and innovative act, as well as employability (given a limited amount of liquid and non-liquid asset) to establish entrepreneurship development and reduce economic poverty to the barest minimum. This study focuses on what SMEs do to grow (which are obvious task such as creativity, innovativeness, and job creation) and what SMEs do to enhance the growth and development of entrepreneurship and economy. The change in outlook and notion of SMEs vary significantly according to the economies of different countries of the world, and even vary according to economic position of different geographical areas within a particular country. For instance, in Dekina the total asset in monetary value and the number of employees of SMEs excluding the cost of land are lower than that of many other SMEs in different geographical areas within Nigeria. Though, there is no statistical evidence to support this fact.

According to [12] the potentials and opportunities for SMEs in Nigeria to rebound and play the crucial role of poverty reduction and employment creation are enormous. [9] asserted that SMEs represent a veritable vehicle for the achievement of national economic objectives of employment generation and poverty reduction at low investment cost as well as the development of entrepreneurial capabilities including indigenous technology. In both developed and developing countries, governments are turning to SMEs and entrepreneurs, as a means of solving economic growth problems [13]. In Nigeria, these economic growth problems (poverty and unemployment) seem to be on the increasing side. This is because many SMEs have weaknesses which overshadow their strengths, and make their growths epileptic. Some others witness entropy within the shortest period after start-up. [12] pinpointed that the top ten problem areas of SMEs in Nigeria in decreasing order of intensity to include: management, access to finance, infrastructure, government policy inconsistencies and bureaucracy, environmental factors, multiple taxes and levies, access to modern technology, unfair competition, marketing problems and non-availability of raw materials locally. In a different submission, [14] in their empirical study pinpointed age as a problem when they revealed that self-employment rate rises sharply in the 60-65 age bracket, and [15] also added that education tends to influence individuals' engagement in SMEs entrepreneurial activities.

The influence of these variables on SMEs' entrepreneurial activities is worth investigating in Dekina. [16] believed that entrepreneurial activities are frequently assumed to involve risk-taking, especially relative to managerial activities within established corporations. Entrepreneurial activity is the enterprising human action in pursuit of the generation of value, through the creation or expansion of economic activity, by identifying and exploiting new products, processes or markets [15].

However, it is expected that a relationship exist between SMEs' entrepreneurial activities, poverty reduction and unemployment in Dekina, Nigeria. SMEs' entrepreneurial activities are all processes or course of actions undertaken by SMEs to yield entrepreneurship and economic benefits. Empirical analysis of the study by [13] proves that small scale industries do consistently contribute to employment generation in Borno state. Thus, a presumed negative relationship exists between increasing number of SMEs and unemployment rate in Dekina. In addition, [17] posited that a central theme in poverty research acknowledges unemployment as the major cause of poverty among those of working age. In their study, [13] stated that:

High unemployment and poverty among others have played a key role in the present uprising in the northern parts of Nigeria; one can only conclude that Nigeria's unemployment level poses a threat to its development, security and peaceful coexistence. With the rising incidence of poverty and unemployment in the country, effective poverty reduction strategies should be top priorities on the agenda of our policy makers.

[18] also submitted that massive quality employment generation in productive sectors of the economy has been proven to lead to poverty reduction, national development and economic growth. Over the years, there have been conflicting arguments and confusion from different perception and submission of scholars regarding the relationship between unemployment rate and poverty. For instance, the study conducted by [19] and [9] reveals inverse relationship between unemployment rate and poverty. This indicates that the two variables exhibit cause-effect relationship which needs to be investigated in Dekina.

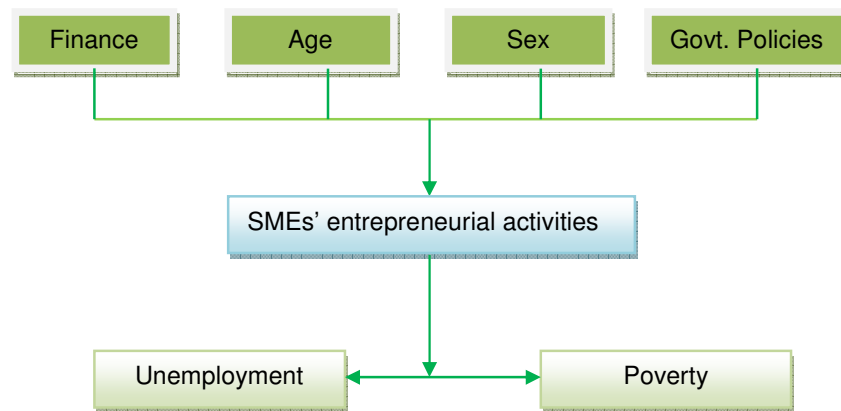


Fig. 2.1. Conceptual framework of factors influencing SMEs' entrepreneurial activities and the Relationship between unemployment and poverty

Source: Literature Review

The schematic diagram of the conceptual framework above demonstrates factors influencing SMEs' entrepreneurial activities. The diagram also demonstrates the link among SMEs' entrepreneurial activities, unemployment and poverty in Dekina. This provides a basis for the study's hypothetical development.

2.2 The Role of SMEs: The Case of Dekina

Reiterating [1]'s affirmation, SMEs' role are preeminent across Nigeria. It is undisputable that vibrant SMEs are the driver of improving status of the economy, and the reason for the persistent development of entrepreneurship in Nigeria. Similarly, Dekina is noticed for a scenario reflecting the growing level of entrepreneurship and the economy through the entrepreneurial activities of SMEs in the geographical area. It became obvious that SMEs have been mainly recognized as the spine of the economy as well as play an important role to create employment opportunities, improve value of human resources, develop a philosophy of entrepreneurship, supports large scale industries as well as set-up new business opportunities [20]. Indeed, SMEs in Dekina have played essential roles in:

- i. Socio-economic development of the area
- ii. Utilization of local resources
- iii. Provision of employment opportunities
- iv. Women entrepreneurial engagement and subsequent motivation

- v. Civilization process of the area through industrialization
- vi. Innovativeness and creativity
- vii. Improvement of standard of living of the people in the area.
- viii. Reduction in the pervasive stinking poverty in the area.

In his study on selected countries, [21] found that SMEs play a significant role in the development and growth of various economies. In addition, [21] asserted that the highest contributor to GDP is the SME sector. Empirically, the result of the study by [2] confirmed the economically meaningful relationship between the importance of SMEs and the Economic growth and Development.

Globally, the SME sector has strong bond with economic growth; evident particularly in the economic phase of employment creation and poverty alleviation. With this understanding, [22] posited that Small and Medium Enterprises (SMEs) occupy a place of pride in virtually every country or state because of their significant roles in the development and growth of various economies.

2.3 The Bottleneck of SMEs in the Economic Growth and Development of Dekina

Indeed, it is expected that SMEs possess the potential to contribute to the economic development of Dekina through the provision of variety of products, increase in standard of living

of the people, reduction in unemployment rate and alleviation of poverty. But, it is observed that so many factors limit the potentials of these SMEs to a very great extent. With similar note, [23] asserted that SMEs potentials to add value to the economic progress of Nigeria had not been fully manifested, owing to several constraints which had bedeviled its growth and development, and these challenges include;

- i. Inadequate Funds
- ii. Poor Infrastructural Facilities
- iii. Overbearing regulatory and operational environment
- iv. Financial Recklessness/Indiscipline
- v. Restricted Market
- vi. Deficiency in Policy implementation; and
- vii. Lack of Management and skill Support

Evidence abound that variations in fact regarding entrepreneurship and economic conditions of countries are subject to regional or geographical factors, such as development, education, culture and maturity, and technical-know-how. Challenges of SMEs are identical in the Nigerian business environment, and have implication on performance a great deal. Though, [24] argued that the nonperformance and high rates of failure among SMEs in the country are due to operating of SMEs in a non-conducive financial planning environment through high-interest rate, high-collateral demand, difficulties in accessing information and lack of market exposure. In their study, [25] found that avoidance of competition and lack of required competence in the formulation and implementation of business strategy are big militating factors for SMEs performances. The understanding of this, as well as extraction from previous studies made [22] to exhaustively state the major problems which have contributed to the poor performance of SMEs to include: Limited access to long-term capital, high cost of even short-term financing, poor partnership spirit, dearth of requisite managerial skills and capacity, illegal levies, street urchins" harassments, over-dependence on imported raw materials and spare parts, poor inter and intra-sectoral linkages that make it difficult for the SMEs to enjoy economies of scale production, bureaucratic bottlenecks and inefficiency in the administration of incentives that discourage rather than promote SME growth, weak demand for products arising from low and dwindling consumer purchasing power, incidence of multiplicity of regulatory agencies and taxes that have always resulted in high cost of doing business and poor corporate

governance and low entrepreneurial skills arising from inadequate educational and technical background for many SME promoters. Realistically, all the aforementioned challenges are identifiable with SMEs in the Dekina business environment. But, few factors (sex, age, finance and government policies) appear to have more challenging power than others in Dekina. Though, [26] argued that SMEs are faced with lack of access to financing and long-term capital which are the bases on which businesses operate. Similarly, [27] identified that SMEs' lack of access to relative cheap and effective source of finance are the major factors hindering their contribution to economic growth in developing countries. This explains the empirical result of [9] that a significant positive correlation exists between small and medium enterprises financing and poverty reduction in Nigeria. Also, [28] discovered a positive relationship between loans to SME's and poverty reduction in Nigeria. Although some of the programmes implemented to tackle SMEs' lack of access to finance (such as Farm Settlement Schemes, River Basin Development Authorities, Nigerian Industrial Development Bank, Nigerian Agricultural and Cooperative Bank, Peoples Bank of Nigeria, Family Economic Advancement Programme, Nigeria Agricultural Cooperation and Rural Development Bank and Micro Finance Bank) have recorded some success, it is still seen that there are need for micro financing across different Nigerian regions to address the rising level of poverty and small business failures [26]. It is, however, a matter of concern that the expected results in terms of solving the problem of massive unemployment, high poverty rate and low rate of economic development, have remained elusive [8].

3. RESEARCH METHODOLOGY

The research design adopted for this study is quantitative survey method. This study surveyed 25 SMEs with the population of 121 in Dekina, Nigeria. The study adopted structured questionnaires for the survey research. Though it was difficult to measure unemployment, but SMEs' entrepreneurial activities was measured with risk-taking; and poverty was measured with income and basic necessity. For the purpose of reliability, this study adopted the Cronbach's alpha. However, Cronbach's alpha of SMEs' entrepreneurial activities, unemployment and poverty for this present study was 0.93, 0.84, and 0.74 respectively. Based on the result (as being above 70% for each variable) from the

Cronbach's alpha obtained through SPSS software, we deduced that the instruments were reliable for data collection. The study further determined its validity through pilot test technique. Furthermore, study adopted criterion-related validity. For this purpose, the researcher selected 20 respondents identical to the proposed sample group of the main study from the population other than the main study. The researchers distributed the constructed copies of questionnaire to them to score. He scored one questionnaire as an example for these respondents. He then compared the result side-by-side with each one scored by respondents; 17 out of the 20 (85%) of the respondents made definite decision on the questions. The researcher therefore deduced that the instrument is valid.

The study determined its sample size of 121 using Taro Yamane sampling techniques as shown below:

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

$$Y_1 = f(X, A, BF, GP) \dots \dots \dots i$$

$$SMEs \text{ Entrepreneurial Activities} = \beta_0 + \beta_1 X_i + \beta_2 A_i + \beta_3 BF_i + \beta_4 GP_i + U_i$$

$$Y_1 = f(SEA) \dots \dots \dots ii$$

$$ALU \text{ and } ALP = \beta_0 + \beta_1 SEA_i + U_i$$

where n= sample size; N= population of the study; e= error estimated at 5% (0.05).

$$n = \frac{121}{1 + 121(0.05)^2} = \frac{121}{1 + 121(0.0025)} = \frac{121}{1 + 0.3025} = \frac{121}{1.3025} = 93 \text{ approximately}$$

Taro Yamane was adapted to free the study from been bias, also due to difficulty of not been able to cover the whole population. The study adopted multi-stage sampling techniques, and simple random sampling to choose the required samples for the universe. The reason for the choice of these techniques is based on the nature of the sampled population to be surveyed. This study thus analyzed and empirically tested data gathered from survey using regression analysis and correlation analysis. This study used SPSS version 17.0 to facilitate this analysis. The implicit form of the model is given thus:

Where Y_1 is the exact but unobserved dependent variable; X = Sex; A= Age; BF= Business Finance; GP= Government Policy, ALU= Assumed Level of Unemployment; ALP= Assumed Level of Poverty; $\beta_1 - \beta_2$ = Parameters; 1 = members; 0 = Non-members); U_i = Error term.

In order to ensure the completeness of the intended data to be gathered, the service of three research assistants (in addition to the authors) were employed. The researchers also induce originality in the survey by assuring the provision of the results from this present survey, and that the recommendations made by this study will be dully implemented.

4. DATA PRESENTATION AND ANALYSIS

Table 1. Summary of multiple regression analysis regarding sex, age, finance and government policies

Predictor variables	Explained variable	Co-efficient B	S.E B	Value of T-statistic	Value of R^2	Value of F – statistic (ANOVA)
Sex	SEA	-0.608	0.109	-7.311	0.370	53.451
Age	SEA	0.699	0.081	4.734	0.496	44.218
BF	SEA	0.095	0.095	0.891**	0.500	29.676**
GP	SEA	-0.252	0.105	-1.845**	0.519	23.709**

Note: **. Correlation is significant at the 0.01 level; N = 93; GP= Government Policies; BF= Business Finance; SEA = SME Entrepreneurial Activities

Table 2. Means, standard deviations, reliabilities, and correlations between variables

Variables	Mean	Standard deviation	β	Correlations		
				1	2	3
1.SEA	1.6667	0.64830	0.93	1		
2.ALU	1.5484	0.73004	0.84	-0.459**	1	
3.ALP	1.2581	0.52963	0.74	-0.158**	0.783**	1

Note: **. Correlation is significant at the 0.01 level (2-tailed); N = 93; SEA= SME Entrepreneurial Activities; ALU= Assumed Level of Unemployment; ALP= Assumed Level of Poverty

4.1 Results and Discussion

In Table 1 shows that 37% of the variation in SME entrepreneurial activities is explained by sex. This predictor is weak, given that 63% of unexplained variance suggests that there were other implied predictor variables which account for variations in SME entrepreneurial activities. The co-efficient (-0.608) shows that a unit change in the number of a particular sex will lead to about 60.8% decrease in the level of SME entrepreneurial activities. Despite the value of ANOVA (53.45 $p > 0.05$), this result may not be upheld because of its non-significance. The table also depicts that 49.6% of the variation in SME entrepreneurial activities is explained by age. This appears to be moderate, given that 50.4% of variation in SME entrepreneurial activities is explained by other predictor variables. The co-efficient (0.699) shows that an increase in age of entrepreneurs will bring about 69.9% increase in the level of SME entrepreneurial activities. This result may imply that age makes entrepreneurs better-off; as they accumulate experience or add up to their family responsibilities. Given the value of ANOVA (44.218, $p > 0.05$), this result may not also be upheld because of its non-significance. The table above also shows that 50% of the variations in SME entrepreneurial activities are explained by business finance. This implies that 50% of unexplained variance suggests that there were other implied predictor variables which account for variations in SME entrepreneurial activities. The co-efficient (0.095) shows that an increase in business finance of SMEs will bring about 9.5% increase in the level of SME entrepreneurial activities. Given that the ANOVA value is 29.676, $p = 0.01$; we therefore deduce that business finance has a moderate influence on entrepreneurial activities in Nigeria. The table shows that 51.9% of the variation in SME entrepreneurial activities is explained by government policies. That is, 48.1% of unexplained variance suggests that there were other implied predictor variables which account for variations in SME entrepreneurial activities. The co-efficient (-0.252) shows that an

expansion or review or addition of government policies in Dekina will negatively affect the level of SME entrepreneurial activities. Given the value of ANOVA (23.709 $p = 0.01$), we deduce that government policies affect SMEs entrepreneurial activities in an inverse manner in Dekina.

In Table 2, the result ($R = -0.158$; $p = 0.01$) depicts that the relationship between Assumed Level of Poverty and SME Entrepreneurial Activities is inverse. That is, when the level of SME Entrepreneurial Activities seems to be reducing, the level of poverty increases. This could have resulted due to unavailability of finance and inability of owner-managers to utilize the limited financial resources for the growth and expansion of their businesses. Similarly, the result ($R = -0.459$; $p = 0.01$) also shows that an inverse relationship exist between unemployment and the level of SME Entrepreneurial Activities in Dekina. It is observed that lower level of unemployment is a function of the increasing level of SME Entrepreneurial Activities in Dekina. The result ($R = 0.783$; $p = 0.01$) also shows that a positive relationship exists between unemployment and poverty in Dekina. This means that a change in the rate of unemployment often leads to a proportional change in the level of poverty in Dekina. Thus, the higher the unemployment rate the higher the poverty level, *ceteris paribus*. Thus, the finding of this present study refutes the finding of [9] that there is no significant relationship between unemployment rate and poverty reduction in Nigeria. The finding of this present study also disagrees with the finding of [19] that a negative correlation exists between poverty and unemployment.

However, finance appears to be the prime factor influencing SMEs entrepreneurial activities in Dekina. It has a positive relationship with SMEs entrepreneurial activities and the relationship between Poverty/unemployment and SME entrepreneurial activities appear to be negative. Thus, this present study discovered that finance

is strong determinant of poverty and unemployment in Dekina. From their empirical analysis, [9] found that a significant positive correlation exist between small and medium enterprises financing and poverty reduction in Nigeria. This implies that increasing effort in financing small and medium enterprises is strategic to poverty reduction. Similarly, the finding of this present study aligns with the study of [28] who also discovered a positive relationship between loans to SME's and poverty reduction in Nigeria. In agreement with these findings, [26] stressed that there are needs for micro financing across different Nigerian regions to address the rising level of poverty and small business failures. That is, majority of the people of this geographical area have remained in the poverty bracket and/or are unable to engage in economic activities that can make them self-employed or have failed in their small business endeavor as a result of financial backdrop.

5. CONCLUSION

The major backdrop in SME entrepreneurial activities in Dekina appears to be finance, and likely, government policies. There is an indication that majority of SMEs have witnessed epileptic growth or entropy due to appearance and disappearance of these two factors. For instance, finance serves as a life wire for SMEs, and has the economic power to influence entrepreneurial activities in Dekina.

However, it is expected that increasing level of SME entrepreneurial activities should cause unemployment and poverty to reduce drastically. Though, increase in the level of SME entrepreneurial activities have often led to less than proportional change in the level of poverty/unemployment in Dekina. This is because there is an insignificant appearance of finance and/or owner-managers lack the ability to utilize the limited financial resources for the growth and expansion of their businesses. Importantly, a positive relationship exists between unemployment and poverty. A change in the rate of unemployment is often observed to have led to a proportional change in the level of poverty in Dekina. Thus, finance can go a long way to determine the level of poverty and unemployment in Dekina. Under a favourable economic circumstance, where there is distinctively increasing effort by the government towards financing small and medium enterprises; strategic issues like poverty and unemployment may be easily solved.

6. RECOMMENDATIONS

This present study therefore recommends that:

- i. Government should review its policies, or redesign it in such a way that can encourage increasing level of SMEs entrepreneurial activities in Dekina.
- ii. Government and other economic stakeholders should adequately ensure the availability of finance in Dekina such that other will-be entrepreneurs will have a reliable source for their start-up capitals.
- iii. Owner-managers should acquire adequate managerial skill to help them utilize limited financial resources for the growth and expansion of their businesses.
- iv. Government should design and implement viable intervention programmes that are capable of motivating increasing number of SMEs to strategically reduce unemployment in Dekina. This will surely enhance a reduction in the poverty level of the geographical area.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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APPENDIX I

Dear Respondent,

We are conducting research on the topic titled “Factor Analysis of Small and Medium Enterprises’ Challenges and Its Implications on Poverty and Unemployment in Dekina”. This research is primarily intended to determine the prime factor influencing SMEs’ entrepreneurial activities in Dekina.

Whatever information you give will be treated with strict confidence. In order to ensure its confidentiality, you are not required to give your name and address. Please, you are required to respond to the questions as best as you can, and all information supplied will be used strictly for academic purpose.

Please, tick (√) where appropriate in the space provided.
Thank you for your anticipated cooperation.

Yours Faithfully,

The Researchers

APPENDIX II

SECTION A: PERSONAL DATA

1. Your age range: 15 to 25 years () 26 to 36 years () 37 to 47 years () 48 to 58 years () 59 years and above ()
2. Your Sex : Male () Female ()
3. Marital Status: Single () Married () Divorce () Widow(er) ()
4. Please choose your qualification. PSLC () SSCE () OND/NCE () HND/B.Sc () M.Sc and above ()

SECTION B: GENERAL QUESTIONS

1. (i) What influence does age has on your entrepreneurial activities?
(a) Positive (b) negative
(ii) If positive, suggest the reason.
(iii) If negative, suggest the reason.
2. (i) To what level do you think sex can influence entrepreneurial activities?
(a) High level (b) Low level
(ii) If it is to a high level, suggest a reason.
(iii) If it is to a low level, suggest a reason.
3. (i) What is your opinion about government policies in Dekina?
(a) favourable (b) unfavourable
(ii) if favourable, suggest a reason.
(iii) if unfavourable, suggest a reason.
4. What level of unemployment can you assume in Dekina?
(a) High level (b) Low level

SECTION C: OPINION/FEELINGS RATING

Read the following statement carefully and rate your opinion by ticking the responses in the table appropriately:

S/N	Statement	Responses				
		SA	A	UN	D	SD
		5	4	3	2	1
1	I consider my income satisfactory in taking care of my bills.					
2	People have access to basic necessities in Dekina.					
3	My business productivity increases steadily.					
4	Government policies are helpful to my business activities.					
5	Entrepreneurial activities are expanding as more individuals undertake risk.					
6	Financial position of my firm affects my business activities.					

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