

## **Entrepreneurship Training and The Management of Small and Medium Scale Service Industries in Imo State**

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**ABSTRACT:** *This study investigated the influence of entrepreneurship training on the management of small and medium scale service industries in Imo State. Two research questions guided the study and four null hypotheses were tested at 0.05 level of significance. The study design was descriptive survey. The population of the study consisted of 677 entrepreneurs of small and medium scale service industries in Imo State, out of which 251 entrepreneurs were sampled using proportionate random sampling technique. The instrument for data collection was a 20-item validated structured questionnaire with overall reliability coefficient of 0.79 was obtained using Cronbach alpha method. Data collected were analyzed using mean, standard deviation and t-test. Findings revealed that entrepreneurship training received by entrepreneurial managers strongly influence their staffing but have weak influence on control of employees' job performance. The study concluded that entrepreneurship training acquired by managers of small and medium scale service industries in Imo State is not sufficient for effective control of their personnel's job accomplishment. The study recommended among others that; entrepreneurial managers should enroll in coaching classes to develop entrepreneurial skills for effective management of their industries.*

**Keywords:** Entrepreneurship training, Management, Small and Medium Scale Industries.

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### **INTRODUCTION**

Entrepreneurship involves the process of planning, organizing and managing of a business or self-employment venture, irrespective of whether it is a one-man operation or those that employ scores of individuals. Gody (2013) viewed entrepreneurship as the process of identifying, developing and bringing a vision to reality. According to the author, the vision may be an innovative idea, an opportunity or simply a better way of doing things.

An entrepreneur is someone who assumes the financial risk of beginning and managing a new venture. The venture can be based on totally new idea; new way of doing things, a new location or attempting something no one else has done before (Zahraddeen, 2016). In other words, an entrepreneur is an individual who has the zeal and ability to find and evaluate opportunities, gather necessary resources, take sequential and systematic steps towards utilizing the advantages of such opportunity. These men and women in diverse location within the State build and nurture effective and successful enterprises with knowledge and skills obtained through school programme referred

to as entrepreneurship education which are offered at different levels of education in Nigeria and can also be obtained via informal education or training. Considering the fact that the success or failure of entrepreneurs of small and medium scale service industries in Imo State depends on the entrepreneurial skills acquired through entrepreneurship education both in formal and informal setting. It therefore becomes essential to ascertain the perceived influence of entrepreneurship training on the management of small and medium scale service industries in Imo State so as to ensure their sustainable growth and development.

## **LITERATURE/THEORETICAL UNDERPINNING**

Any entrepreneurship training programme is aimed at producing individuals who have undergone some periods of training to effectively run and succeed in an enterprise. According to Osuala (2014), entrepreneurship is a specialized training given to individuals first in an informal setting where apprenticeship and tutelage produces great entrepreneurs through years of first hand practice before the advent of formal means of teaching entrepreneurship. Olorundare and Kayode (2014) described entrepreneurship training as education designed to change orientation and attitude of the recipients and the process will equip them with the skills and knowledge to enable them start and manage a business. Rico, Camara and Llamazares (2015) emphasized that entrepreneurship must include training on how to manage businesses for it to be effective. In providing training instruction for teaching and understanding of entrepreneurship education, management is crucial.

Management is the attainment of organizational goals in an effective and efficient manner through planning, organizing, leading and controlling; working with people and resources to accomplish organizational goals (Daft, 2016; Bateman, Snell, Konopaske, 2018). The various aspects of management emphasized in entrepreneurship education include planning, coordinating, directing, staffing and control of employees in a business venture. In order to thrive and succeed organizations and industries whether large or small and medium scale, are expected to pay attention to these aspects of management.

Staffing is an aspect of a manager's job that relates to the recruitment, placement, training and development of the members of an organization (Agbionu and Agbionu, 2006). Similarly, Peretomode (2006), stated that staffing is concerned with the personnel function of devising an effective system of staff recruitment, training and providing favorable conditions of work.

The management function of controlling, according to Wehrich and Kootz (2011), is the measurement of performance against goals and plans, showing where deviations from standards exist and helping to correct them. Control of employees' job performance entails measuring and correcting individual and organizational performance of subordinates to ensure that events conform to plans. It involves developing, directing and analyzing office systems and procedures to be followed in completing each major phase of office work; supervising the procurement, preparation and use of office forms and other supplies; measures work done and sets standards for its accomplishment as means whereby costs are reduced and controlled in the management of industries (Osuala 2016).

Small and medium scale service industries are the fastest growing industrial classification in the world and forms the bulk of businesses in Nigeria (Osuala, 2014; Mekwunye, 2018). Osuala viewed small and medium scale industry as any business that is owned, managed and controlled by a sole proprietor or partners of about two persons, has total assets of less than four million (4,000,000,00) naira,

relatively small share of the market, and does not have more than fifty (50) employees. 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. Some of these challenges have been outlined by the Institute of Development Administrator of Nigeria (IDAN, 2007) and Gumel (2019) includes but not limited to informal sources of finance, double taxation, inadequate infrastructure, and prominence of corruption. The success of economic ventures like SMEs depends largely on the entrepreneurial skills possessed by the entrepreneur or manager of the business enterprise.

The managers in small and medium scale service industries are individuals who start business from the scratch, they are otherwise called entrepreneurs. These entrepreneurs are made up of men and women of all ages who obtain their training by enrolling in school programmes, attending workshops, conferences, seminars and some of them through tutelage from parents and others in the field, their training could be formal by way of education or informal by way of agreed tutelage away from conventional schools. They obtain their start-up capital from friends, family members, personal savings, associates and banks. These entrepreneurs manage saloons, hotels, computer centres, accounting firms among others. They engage in businesses like hair dressing, hoteling, computer operations, shoe making, fashion designing and dry cleaning in both urban and rural areas.

The training given to learners on entrepreneurship training is expected to equip them adequately for the world of works. This is because, the relevance of any learning programme both formal and informal is viewed in terms of its fitness to meet the needs of the society or the effective impacts its products make in their subsequent life endeavors (Olaitan, 2014). In other words, a good training programme whether academic or otherwise is intended to foster a smooth transition from school/training to work environment. Unfortunately, in Imo state, some studies and experiences have shown instances of small and medium scale business closure and high rate of failure among entrepreneurs of small and medium scale industries which could be attributed to poor management skills necessary for achieving sustainable results (Akeredolu, 2013; Nwachukwu, 2017). Onukwugha (2013) reported that although some of the managers appear to be familiar with some pertinent management functions but they seem unable to float their businesses successfully. It is in the light of the above concern that the study was conceived.

The theory that underpins this study is Hoselitz (1952) sociological theory which emphasize the entrepreneurs must possess managerial and leadership qualities as necessary skills for the organization as it would only help the management of the organization, and would motivate entrepreneurs to lead the employees to achieve maximum capabilities. The theory noted that education, training and social behavior/institutions play a crucial role in personality development of the entrepreneur.

The present study relies on this theory as the only way to relate the knowledge, the skills and values learnt in entrepreneurship training to real life situations for job creation and self-reliance. The skills of good human relationships, peaceful co-existence, tolerance, honesty, hard work, integrity, team-work, active and effective citizens, patriotic and functional and law-abiding citizens learnt through entrepreneurship training can be applied to the management of small and medium scale enterprises, and this makes for the desired job creation, self-dependence and success of any enterprise.

In the light of the above, the study sought to ascertain the influence entrepreneurship training offered at formal and informal setting has on the management of small and medium scale industries in Imo

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State. Specifically, the study determined the perceived influence entrepreneurial skills and knowledge acquired by managers through entrepreneurship training has on:

1. Staffing in small and medium scale industries.
2. Control and supervision of employees' job performance in small and medium scale industries.

The study therefore hypothesize thus:

1. There is no significant difference in the mean ratings of male and female managers on the influence entrepreneurship training has on the staffing of their workers in small and medium scale industries in Imo State.
2. The managers in urban and rural areas do not differ significantly in their mean ratings on the influence entrepreneurship training has on the staffing of their workers in small and medium scale industries in Imo State.
3. There is no significant difference in the mean ratings of male and female managers on the influence of entrepreneurship training has on the control and supervision of their workers in small and medium scale industries in Imo State.
4. The managers in urban and rural areas do not differ significantly in their mean ratings on the influence of entrepreneurship training has on the control and supervision of workers in their small and medium scale industries in Imo State.

## **METHODOLOGY**

The population of the study comprised 677 proprietors of small and medium scale industries, registered with the Imo State Ministry of Trade, Commerce and Industry. A sample size of 251 proprietors of small and medium industries drawn through proportionate sampling technique from the three Senatorial zones in Imo State, Nigeria. The instrument for data collection for this study was a structured questionnaire consisting of 20 items to elicit information main aim of the study and in testing the hypotheses formulated. The instrument was designed based on the modified five-point behavioral rating scale of Very Strong Influence (VSI) Strong Influence (SI), Moderate Influence (MI), Weak Influence (WI), and Very Weak Influence (VWI). The instrument was subjected to face validation. The reliability of the instrument obtained were 0.79 and 0.81 respectively with an overall reliability coefficient of the instrument was 0.79. Consent letter attached to the questionnaire was administered by the researcher with the help of 4 research assistants. Collected data were analyzed using Mean relative to the purpose of the study and standard deviation was used to ascertain the homogeneity or otherwise of the range of mean values while t-test was used to test the hypotheses. The researchers reject null hypothesis where the p-value is less than or equal to the alpha level of 0.05, and fail to reject the null hypothesis where p-value is greater than alpha level of 0.05.

**RESULTS/FINDINGS****Table 1**

**Mean ratings and standard deviation of respondents on the influence entrepreneurship training received by manager has on staffing in their small and medium scale industries**

<b>S/N</b>	<b>Entrepreneurship training and Staffing</b>	$\bar{X}$	<b>SD</b>	<b>Remarks</b>
1	Recruiting staff with requisite skill	3.25	.52	Moderate Influence
2	Maintaining proper staff placement	4.20	.48	Strong Influence
3	Motivating employees through recognition to boost morale	3.63	.50	Strong Influence
4	Providing training opportunities for my employees.	3.37	.47	Moderate Influence
5	Seeking suggestions from employees	4.30	.43	Strong Influence
6	Giving orientation to employees to improve work attitude	4.45	.51	Strong Influence
7	Sending employees to re-training programmes for enhanced development on the job	4.60	.57	Very Strong Influence
8	Providing welfare packages, fringe benefits to my employees.	3.56	.60	Strong Influence
9	Performance appraisal of employees	4.40	.40	Strong Influence
10	Providing safe workplace for organizational staff	4.56	.48	Very Strong Influence
	<b>Cluster Mean</b>	<b>4.03</b>		<b>Strong Influence</b>

Data in Table 1 show that items have mean scores ranging from 3.56 to 4.45 on influence of entrepreneurship training on staffing in small and medium scale industries. Specifically, Items 7 and 10 have mean scores of 4.60 and 4.56 respectively meaning entrepreneurship training received by entrepreneurs have very strongly influence on staffing while the remaining two items have mean scores of 3.25 and 3.37 which means that the training received moderately influence entrepreneurs on staffing in small and medium industries. The cluster mean of 4.03 indicate that, in the opinion of the respondents, entrepreneurship training received by managers strongly influence staffing in small and medium industries in Imo State. The standard deviations of 0.40 to 0.60 shows that the respondents are homogenous in their responses.

**Table 2**

**Summary of t-test result of the mean ratings of male and female managers on the influence entrepreneurship training has on staffing of workers in small industries in Imo State**

Gender	N	$\bar{X}$	SD	t-value	Df	P-value	Decision
Male	147	4.13	.21				
				1.56	239	.23	Not Significant
Female	94	4.17	.24				

Data in Table 2 compared the scores of male managers (M=4.13, SD=.21) and female managers (M=4.17, SD=.24) where  $t(1.56) = 239$ ,  $p = .23$ . This result suggest that gender has no place on the influence entrepreneurship education has on staffing of their workers in small and medium scale industries in Imo State.

**Table 3**

**Summary of t-test result of the mean ratings of managers in urban and rural area on the influence entrepreneurship education has on staffing of workers in small industries in Imo State**

Location	N	$\bar{X}$	SD	t-value	Df	P-value	Decision
Urban	172	4.20	.15				
				6.33	239	.00	Significant
Rural	69	4.33	.13				

Data in Table 3 compared the scores of managers in urban (M=4.20, SD=.15) and managers in rural areas (M=4.33, SD=.13) where  $t(6.33) = 239$ ,  $p = .00$ . This result suggest that location has a strong link as managers in urban areas performs better than managers in rural areas when it comes to staffing in small and medium scale industries in Imo State.

**Table 4**

**Mean ratings and standard deviation of respondents on the influence entrepreneurship training received by managers has on control of employees' job performance in their small and medium scale industries**

S/N	Entrepreneurship training and Staffing	$\bar{X}$	SD	Remarks
11	Guide employees towards performance of task	1.20	.50	No Influence
12	Designing new job roles for employees	1.60	.65	Weak Influence
13	Setting time lags for employees to meet deadlines	2.35	.54	Weak Influence
14	Overseeing work activities of employees to fit organizational plan	1.50	.40	Weak Influence
15	Giving employees directives to get work done	2.51	.56	Moderate Influence
16	Assigning responsibilities to each staff	1.10	.45	No Influence
17	Resolving grievances as they arise among employees	1.20	.55	No Influence
18	Delegating authority to employees	1.75	.77	Weak Influence
19	Applying novel method of administration	2.45	.53	Weak Influence
20	Allotting assignments to employees	2.52	.56	Moderate Influence
	<b>Cluster Mean</b>	<b>1.81</b>		<b>Weak influence</b>

Data in Table 4 show that items with mean scores ranged from 1.50 to 2.45. This means that entrepreneurship training received by managers has a weak influence on their control and supervision of employee job performance, items 35 and 40 with mean scores of 2.51 and 2.52 have moderate influence while the remaining three items with mean scores ranged from 1.10 to 1.20 have no influence on the managers on control and supervision of employee job performance. The cluster mean score of 1.81 indicate that, in the opinion of the respondents, entrepreneurship training received by managers has a weak influence on their control of employees' job performance in small and medium scale industries in Imo State. The standard deviations of 0.45 to 0.77 show that the responses of the respondents are not wide apart.

**Table 5**

**Summary of t-test result of the mean ratings of male and female managers on the influence entrepreneurship training has on the control of employees in small and medium scale industries in Imo State**

Gender	N	$\bar{X}$	SD	t-value	df	p-value	Decision
Male	147	2.53	.12	2.07	239	.00	Significant
Female	94	2.48	.10				

Data in Table 5 compared the scores of male managers ( $M=2.53$ ,  $SD=.12$ ) and female managers ( $M=2.48$ ,  $SD=.10$ ) where  $t(2.07) = 239$ ,  $p = .00$ . This result suggest that gender has a strong link as male managers control staff more than female managers in small and medium scale industries in Imo State.

**Table 6**

**Summary of t-test result of the mean ratings of managers in urban and rural area on the influence entrepreneurship training has on their control of workers in small and medium scale industries in Imo State**

Location	N	$\bar{X}$	SD	t-value	Df	p-value	Decision
Urban	172	2.10	.15	.32	239	.63	Not Significant
Rural	69	2.12	.13				

Data in Table 6 compared the scores of managers in urban ( $M=2.10$ ,  $SD=.15$ ) and managers in rural areas ( $M=2.12$ ,  $SD=.13$ ) where  $t(.32) = 239$ ,  $p = .63$ . This result suggest that location has no place on the influence entrepreneurship training has on their supervision of workers in small and medium scale industries in Imo State on the basis of location.

## DISCUSSION

### Entrepreneurship Training and Staffing in Small Industries

The findings of the study revealed that managers are of the opinion that entrepreneurship training they receive strongly influence staffing in small and medium scale industries in Imo State. The finding of this study concurs with that of Osuala (2014) which revealed that entrepreneurship training received by managers helps them to maintain proper staff placement. This support the earlier finding of

Wehrich and Kootz (2011) that entrepreneurship training enable entrepreneurs provide employees with work experience to be more effective in performing their jobs. The authors stated that entrepreneurs who have undergone entrepreneurial training are able to raise employees' morale, encourage employees' personal development, and create a positive impact on the employees' attitude and work habits.

The findings of this study is not far from the thinking of the researchers that any manager of small and medium scale industries who desire to succeed in business must first undergo training in entrepreneurship. This is because, entrepreneurship training teaches managerial skills (staffing skills inclusive) which are paramount for effective management of small and medium scale industries. In agreement, Olarundare and Kayode (2014) observed that the training entrepreneurs received influence their ability to develop employees to enable them improve on the quality of their work.

This finding of the study further revealed that male and female managers do not differ significantly in their mean ratings on the influence entrepreneurship training received has on their staffing ability in small and medium scale industries in Imo State. The implication of the above is that managers irrespective of gender require adequate staffing abilities so as to effectively run their businesses. The findings of the study also revealed that managers in urban and rural areas differ significantly in their mean ratings on the influence entrepreneurship training has on staffing in small and medium industries in Imo State. This finding aligns with that of Baghade (2014) which disclosed that SMEs managers's demographic variables such as location, educational qualification, years of experience and training are significant factors on entrepreneurial skills received by managers of small and medium scale industries. This implies that the location of small industries is a factor in determining the influence entrepreneurship training has on staffing abilities of entrepreneurs.

### **Entrepreneurship Training and Control and supervision of Employees' Job Performance in Small and Medium Scale Industries**

The findings of the study revealed that entrepreneurship training received by managers has weak influence on their control and supervision of employees' job performance in small and medium scale industries in Imo State. The major aspects of entrepreneurship training the respondents indicated having weak influence on control and supervision of employees' job performance includes guiding employees towards performance of task, designing new job roles for employees, setting time lags for employees to meet deadlines, overseeing work activities of employees to fit organizational plans and so on. The finding of the study is in agreement with that of Appenteng (2012) who found that control has direct effect on staff job performance and noted that control gives the right directions to people under supervision to enable them take initiative and responsibilities to go ahead on their own. Undoubtedly, control as well as supervision, seeks to equip employees with the necessary knowledge, attitudes and skills to make them useful; not only to themselves but their organizations.

The findings of the study also revealed that male and female managers of small industries differ significantly in their mean ratings on the influence entrepreneurship training has on the control and supervision of their workers in small and medium scale industries in Imo State. The implication of the above is that managers irrespective of their gender require adequate control and supervision abilities so as to effectively run their organization. This finding in agreement with the findings of Wang, Shi and Liu (2009) who reported a significant difference between male and female entrepreneurs on the extent they control organization's human resources. The study also revealed that managers in urban and rural areas do not differ significantly in their mean ratings on the influence entrepreneurship



training has on their control of workers in small and medium scales industries in Imo State. This implies that the location is not a factor in determining the influence entrepreneurship training has on control in small and medium scale industries in Imo State. This implies that location is not a factor in determining the influence entrepreneurship training has on control and supervision of employees in SMEs in Imo State. This finding tend to align with the assertion of Hoselitz (1952) that managerial and leadership abilities motivate entrepreneurs (regardless of their location) to lead employees to attain maximal capabilities. In this case, entrepreneurs' training play a great deal of role in influencing entrepreneurial development.

### **Implication to Research and Practice**

The findings and discussion of the study have implications to research and practice as the theory serves as a basis to understanding that training acquired by entrepreneur play a significant role in developing individual traits that guides organizational and managerial success of small and medium enterprise. Furthermore, It evoke the competence status of entrepreneurs who manage small business venture as it relates to the appropriateness of training programmes in enhancing managerial effectiveness through coaching classes, workshop programmes, seminars and conferences.

### **CONCLUSION**

From the findings of the study, it was concluded that managers in Imo state, Nigeria are exposed to managerial proficiency that equips them to function in the work place, their failure is however attributed to poor exposure and knowledge of control and supervision of employees who are the bedrock of success or failure of any enterprise. Furthermore, male managers tends to control and supervise workers more than female managers apparently due to gender stereotype that men exert control and should be seen to always be in charge. Additionally, managers in urban areas tend to pay attention to staffing managerial functions more than managers in rural location presumably due to preponderance of labor force in the metropolitan region. Finally, the findings concluded that the inclusion of critical aspects of management in entrepreneurship training programme equip recipients with managerial competencies to successfully manage small and medium scale industries.

### **Future Research**

The research has exposed the status of entrepreneurs in the managerial abilities as formed from their training engagements. Future study would gear towards understanding the mediating role of innate personality traits in understanding small enterprise managers' efficiency, involving managers in other States as to understand differences that could exist comparing geographical location.

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