

Agencies for Entrepreneurship Development and SMEs' Promotion in Nigeria

Agencias para el desarrollo del emprendimiento empresarial y la promoción de las pymes en Nigeria

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ABSTRACT

Many Researchers have written on the SMEs and Entrepreneurship in the past but failed to distinguish clearly the difference between the two concepts, thereby leaving a gap in literature. This study attempts to bridge his gap. The study identified the difference between entrepreneurship and Small/Medium Enterprises (SMEs), clarified the erroneous practice of using both words interchangeably by Researchers/Practitioners, categorized the supporting agencies and climaxes their contributions and limitations with suggestions for future considerations. In examining their contributions, a sample population of 1200 stakeholders was purposely selected in the state of Osun, Nigeria. Overall findings revealed that Agencies' impacts have been minimal due to the high rate of corruption, bureaucracy and inability to separate entrepreneurial SMEs from non-entrepreneurial SMEs, These Agencies fall within the intermediate environment of businesses, categorized as participatory, facilitating & regulatory and are public sectors dominated with low entrepreneurship orientation. The study averred that Agencies/government officials should be more entrepreneurial by promoting auxiliary marketing systems for SMEs. It is suggested that having business-minded and entrepreneurial politicians/leaders would promote SMEs and entrepreneurship in Nigeria.

KEYWORDS: Agencies, Corruption, Entrepreneurial SMEs, Non-Entrepreneurial SMEs, Innovation, Invention, Proactiveness, Risk-Taking, Sustainability.

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RESUMEN

Se han realizado muchas investigaciones sobre las pymes y el emprendimiento en el pasado pero no lograron distinguir claramente la diferencia entre los dos conceptos, dejando un vacío en la literatura. Este estudio intenta cerrar su brecha. El estudio identificó la diferencia entre emprendimiento y Pequeñas / Medianas Empresas (PYMES), aclaró la práctica errónea de usar ambas palabras indistintamente por Investigadores / Practicantes, categorizó las agencias de apoyo y culmina sus contribuciones y limitaciones con sugerencias para futuras consideraciones. Al examinar sus contribuciones, se seleccionó deliberadamente una muestra de población de 1200 interesados en el estado de Osun, Nigeria. Los hallazgos generales revelaron que los impactos de las agencias han sido mínimos debido a la alta tasa de corrupción, burocracia e incapacidad para separar a las pymes emprendedoras de las no emprendedoras. Estas agencias se encuentran dentro del entorno intermedio de las empresas, categorizadas como participativas, facilitadoras y reguladoras y son sectores públicos dominados con baja orientación al emprendimiento. El estudio afirmó que las agencias / funcionarios gubernamentales deberían ser más emprendedores promoviendo sistemas auxiliares de marketing para las PYMES. Se sugiere que contar con políticos / líderes emprendedores y con mentalidad empresarial promovería las PYME y el espíritu empresarial en Nigeria.

PALABRAS CLAVE: Agencias, Corrupción, Pymes emprendedoras, Pymes no emprendedoras, Innovación, Invención, Proactividad, Asunción de riesgos, Sostenibilidad.

1. INTRODUCTION

It is often claimed that the way small business is managed determines its success. In developing countries, nascent entrepreneurs often mismanage small and medium enterprises because of low entrepreneurial orientation, poor managerial skills, low mentorship/apprenticeship, and the absence of an effective institutional support system, including a systematic human resource development plan. Empirical studies (Jegede, 2012b & Ogbechi, 2012) have shown that entrepreneurial SMEs can be a significant force behind national economic growth if well managed and supported by concerned assistance institutions/agencies. Hence, most governments have continued to render support to SMEs in various ways. Such supports need to be investigated and navigated in the right direction for meaningful and sustainable economic development.

Many research papers (Sanusi, 2003; Tijani et al, 2012 & Afrin et al, 2008) have been written on SMEs and Entrepreneurship but failed to distinguish between the two concepts; thereby creating a serious gap in literature. So far, the literature is scanty on studies that delve into the differences between

Entrepreneurship and SMEs and also that delve into the impact of agencies that support the Small and Medium Enterprises (SMEs) using an entrepreneurial methodology. This study is an attempt in this direction; to improve on the insufficient knowledge about the impact of Agencies that support SMEs in Nigeria. The study seeks to extend the research frontier of works available in the literature on the role of Agencies in Entrepreneurship Development and SMEs' Promotion in Nigeria. This will be done under the entrepreneurial lens, which hitherto has not been done, by identifying the conceptual difference between entrepreneurship and Small and Medium Enterprises (SMEs), clarify the erroneous practice of using both words interchangeably in the literature, categorize the Agencies for Entrepreneurship/SMEs promotion in Nigeria, and climaxes their contributions and limitations with suggestions for future considerations.

BACKGROUND

Small and Medium Enterprises (SMEs), together with Entrepreneurship, have been the main force behind most industrialization and have been found, rejuvenating some developing economies. The industrialized economies recognized its importance earlier, embraced it, and multiplied. Though some of them had challenges at one point or the other, they are still forging ahead due to the governmental involvement in rendering assistance through Agencies to the SME sector. By 'enterprise,' we mean an economic entity in which goods and services are exchanged for one another or money based on their perceived worth (BusinessDictionary.com, 2010 and Schumpeter, 1952). The words of "business", "venture", and "enterprise" can be used interchangeably. An Enterprise is also conceived as a legally recognized organization, referred to as the business, corporation, company, firm, profession, or trade operated to earn a profit *or satisfy a need/purpose* by providing goods or services, or both to consumers, businesses and governmental entities (Shane, 2003; Bellis, 2014).

Masoje Oghenerobaro Mamuzo Akpor-Robaro (2012) in his empirical study, presented an analytical and evaluative study of Agencies' impact on business ventures and socio-cultural environment. The study used as a reference case the socio-cultural characteristics of Nigerian society, and the role of Agencies in SME promotion in Nigeria. A survey research design was adopted and data collected through the instruments of a questionnaire and personal interview. The empirical study revealed that the Nigerian socio-cultural characteristics, some ways, have provided an impetus for SMEs emergence in Nigeria, but in some other ways, have enormously hindered the growth of SMEs, thereby justifying the establishment of supporting Agencies. The paper concluded that the findings disproved the general notion that the Nigerian society does not provide opportunities for SMEs emergence since there are Agencies to complement existing socio-cultural elements in the environment.

The paper averred that, in general, the socio-cultural environment significantly impacts SMEs emergence in society, including the supporting roles of agencies. The paper foregrounded that beyond the negative or adverse socioeconomic circumstances of individuals, a people's culture and value system is an excellent determinant of the success, desire, and capacity of supporting Agencies. One deficiency of this empirical study is the use of SMEs and entrepreneurship interchangeably. Therefore, the paper recommended that certain traditions and values in society that have remained barriers to people, particularly women becoming SMEs owners, must be dropped or modified, especially by the supporting agencies to pave the way for SMEs owners' emergence among both men and women in Nigeria. Like other empirical studies in literature, this paper failed to clearly distinguish between the MSMEs and entrepreneurial ventures to guide assistance institutions accordingly on where to divert their limited resources and energy. However, the paper identified a gap among the agencies that in discharging their functions, not much emphasis was placed on encouraging entrepreneurial women.

In another empirical study, Ebitu Ezekiel Tom, Basil Glory, & Ufot Juliet Alfred (2016) took a critical appraisal of the Agencies and Micro, Small & Medium Enterprises (MSMEs). It showed that MSMEs, with the support of agencies, have contributed significantly to economic development in providing goods and services, creating employment, and contributing to a high standard of living. The paper observed some gaps in the roles played by the agencies. These include limited financing, lack of adequate training resulting in low action plan to deal with eventualities, lack of managerial and marketing skill on the part of the beneficiaries, and lack of research appreciation and technical expertise. The empirical study showed that entrepreneurship is regarded as the catalyst and that it is very crucial to the economic growth and development of Nigeria. As such, it was recommended that agencies should embrace government policies that support the establishment, nurturing and growth of SMEs by curtailing or banning the importation of certain products, training of young entrepreneurs, the establishment of Centers for Entrepreneurial Development, and promoting entrepreneurial spirit through the provision of the conducive entrepreneurial environment, funding and empowerment programs. The paper asserted that this would facilitate the training and retraining of entrepreneurs and help Nigerian youths develop an interest in entrepreneurship. However, the paper used both concepts of entrepreneurship and SMEs/MSMEs interchangeably, thereby failing to guide the assistance institutions appropriately on business ventures that are entrepreneurial and need to be placed on the top priority list.

Some empirical studies (Hill, Jones & Schilling, 2014; Timmons & Bygrave, 1986; Dollinger, 1984; Chiaroni, D.: Chiesa & Frattini, 2011; Jegede, 2012a) have shown that, besides the entrepreneurial personality factor, other variables such as agencies, the nature and existence of skilled management

teams determine the outcome of business ventures. Furthermore, studies have shown that strategic planning among entrepreneurial SMEs with institutional support and acceptable management practices helps entrepreneurial Small and Medium Enterprises grow. Effective workforce, adequate records keeping practices, and leadership styles well supported by the government are some of the factors found helpful in sustaining entrepreneurial SMEs in both developed and developing economies (Barringer & Milkovich, 1998). Some also provide flexible and family-friendly working arrangements such as shifts, maternity leave, and study leave (Lewis, 2002; Lewis & Taylor, 1996). Likewise, studies have shown that other organizational factors through governmental supports, including business networks, market survey, and research & development, help sustain businesses (Besser & Miller, 2011; Stevenson & Jarillo, 1990), but such studies have not been done under the clinical lens of entrepreneurship.

In industrialized economies, institutional supports to SMEs through agencies contributed immensely to business ventures' success despite their limited resources (Afrin et al., 2008; Arthur, 2011). Policies are implemented to support entrepreneurs at all levels. Incubation centers, new product development committees, and entrepreneurship clubs are established by Agencies to nurture their ideas and promote their SMEs (Jegede, 2012b). Infrastructural facilities are available in good measure and coordinated by relevant supporting Agencies, so their entrepreneurs have fewer challenges to tackle (Mathew, 2006; Markham, 2015; De Massis, Chua & Chrisman, 2008; De Massis, Fratini, et al., 2015). Their entrepreneurs undergo periodic training organized by Agencies. With the enormous support from agencies, they understand business ethics and have good social networks (Urban, 2009).

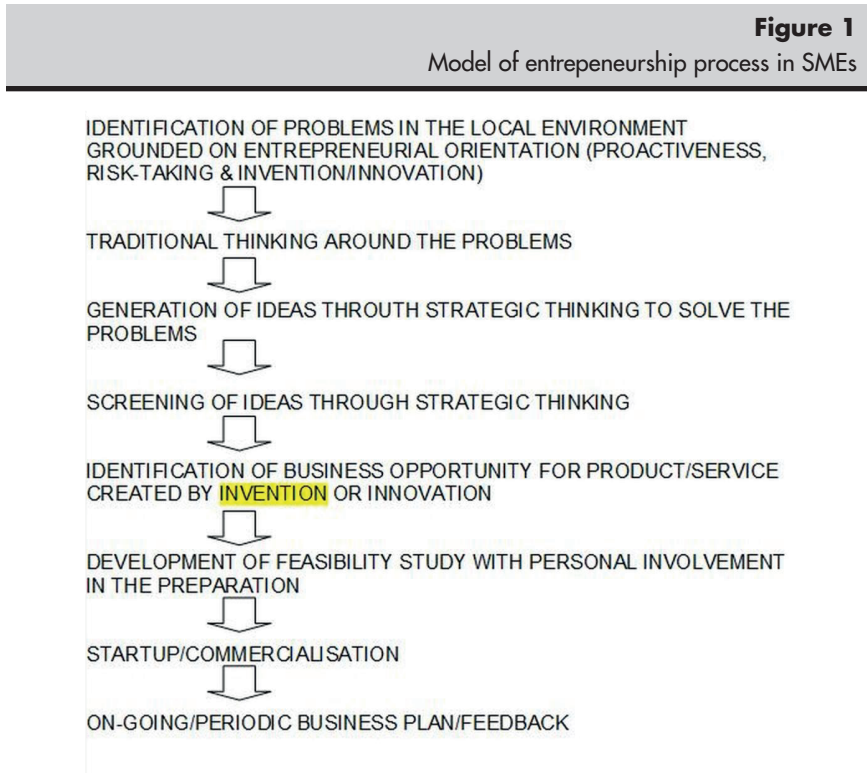
Empirical studies have also shown that agencies fall within the Intermediary Environment of an enterprise, embracing the customers and the suppliers who are the links between the organization and the outside world. According to Ogbechi, Bola Dixon; Mallo, I. I. Y; Ogundele, O.J.K et al. (2012), they also include various private and public support agencies, e.g. legal firms and public relations agencies.

Sanusi (2003) in his empirical study, investigated the role of Bank of Industry as an apex agency in Nigeria and found that it had not made much impact on the growth of SMEs. He wrote that the bank had failed to perform satisfactorily in meeting its objectives.

In a bid to help Agencies discharge their duties more efficiently, Jegede (2012a) clarified the concepts of SMEs and Entrepreneurship and averred that successful entrepreneurial enterprises have a common entrepreneurial framework which consisted of Motivation (determination to succeed), Ability (skill), Idea (product development) and Resources (capital, materials, premises) termed "MAIR." Here, "MAIR" is an acronym for "Motivation, Abilities, Idea, and Resources" Furthermore, Jegede (2012b) showed a model common

to “entrepreneurial SMEs” but not found in “non-entrepreneurial SMEs” (See fig. 1)

In throwing more light into the definition of entrepreneurship, Donaldson (2001) posited that entrepreneurship is best explained through contingency theory because there is no best way of practicing it than learning it by doing it.



Source: Jegede, 2012b & field work, 2017.

Chesbrough (2003) observed that many SMEs still battle with challenges despite the establishment of Agencies. Prominent among the challenges associated with entrepreneurship and SMEs promotion in developing countries are inadequate institutional assistance, selfish entrepreneurial motives, and low social networks (Gray, 2000). Other challenges identified include lack of hard work, management skills, and good customer services (Chesbrough, 2003). It has been observed that SMEs in developing countries grow at a slow pace than SMEs in advanced countries mainly because of poorly implemented policies, inadequate institutional frameworks, low services rendered by assistance institutions, and poorly coordinated environmental dynamics that stifle ease of doing business and competitiveness. Another challenge facing

SMEs is low entrepreneurial orientation, whereas it is high in developed countries. Jegede (2012b) had earlier found that the entrepreneurial orientation of entrepreneurs in Nigeria is low. In Nigeria, even though entrepreneurship education has been introduced in higher institutions, studies have also shown that the infrastructural facilities, enabling environment, and social values for entrepreneurship and SMEs need lots of improvement (Jamodu, 2010; Jegede, 2012b and Muhtar, 2009). These challenges are so severe in developing economies that SMEs' success rates in developed economies have been higher than in developing nations, including Nigeria. Nevertheless, Nigeria has continued to improve its institutional framework to boost entrepreneurial activities and SMEs. For instance, Nigeria continued to play an active role in the economic activities of ECOWAS.

Consequently, Small and Medium Enterprises (SMEs) in Nigeria have enjoyed government support in various ways (Jegede, 2012a). This has also resulted in giving a clear definition of what constitutes SMEs. SMEs in Nigeria are defined as businesses having between 1-300 employees (Ogbechi, 2012). In South Africa, SMEs are businesses having between 1-200 employees (Pendergast, 2013). The definition and classification of SMEs vary from country to country. In some countries, annual turnover, fixed asset base, number of employees, and capital base are some of the criteria used in classifying businesses as micro, small, and medium enterprises. According to Kelley, Singer & Herrington (2011), table 1 below shows that the businesses' firm size varies.

Enterprises are classified into – Micro, Small, Medium, or Big sizes - according to the entrepreneur's financial resources. The definitions used to classify small enterprises vary with the economic situation in the local environment.

Table 1	
Classification of Enterprises	
Enterprises	Number of Employees
Micro	1-9
Small	10-50
Medium	50-200

Source: Adopted from Kelley, Singer & Herrington, 2011

Consequently, the definition and classification of Micro, Small, and Medium Enterprises (MSMEs/SMEs) vary from country to country. In some countries, annual turnover, fixed asset base, number of employees, and capital base are some of the criteria used in classifying businesses as micro, small, and medium enterprises (MSMEs). MSMEs/SMEs are defined in Nigeria based on the size or amount of investment in assets, total annual turnover, and employees' number. The National Council of Industry in Nigeria, under the

Federal Ministry of Industries, periodically revises the classification of SMEs. Other institutions, such as the Central Bank of Nigeria and the Nigerian Association of Small Scale Industries (NASSI), adopt classifications that vary from those of the Federal Ministry of Industries. However, there is the more remarkable concurrence of opinion when it comes to defining SMEs in terms of assets' value than on any other basis. Because in case of an economic downturn, the impact on turnover and the number of people employed is more remarkable than more significant in assets' value. In Nigeria (Table 1 above), Small and Medium Enterprises (SMEs) are defined as businesses having between 1-300 employees (Oliyide, 2012). Micro businesses are usually tiny and have no employees except household members that usually assist the owner without remuneration (Sanusi, 2003).

METHODOLOGY

This study was conducted in Nigeria, which is one of the buoyant economies in Africa with many commercial and entrepreneurial activities (Singh et al., 2011 and Tijani, Oyeniya & Ogunyomi, 2012) after South Africa (Urban, 2009; Callaghan and Venter, 2011). Since the researcher is resident in the state of Osun and had a limited time to conduct the study, the collection of empirical data was limited to the state of Osun in Nigeria, which accidentally happened to be one of the poorest states in the nation where thousands of Government workers were not paid their monthly salaries for over eight months in 2017. The study area probably has a higher number of beneficiaries from the assistance institutions. The target population is comprised of the business owners and the workers of the Bank of Industry and assistance institutions in Osun state. This target population constitutes the best source of information for this study. The sample size is 1,200 respondents consisting of stakeholders including Government officials (155), entrepreneurs that have already benefited and are thriving (145) and also those that are yet to be given loans (814), and those whose enterprises are dead after they have tried but failed to benefit from the assistance institutions (86). These numbers represent those that have exact addresses and documents that made them accessible easily. All the 1200 Respondents were accidentally adults between 18-64years as adopted by the Global Entrepreneurship Monitor (Kelley, Singer, and Herrington, 2011; Coviello & Jones, 2004). 10% of 1200 was first pre-tested under pilot study and found successful. A total of 1200 questionnaires were administered and analyzed.

The entrepreneurs were asked about how they came up with the idea of forming the enterprise, also asked to identify all the support institutions for the promotion of SMEs and entrepreneurship development in Nigeria with specific reference to those that have branches in the study area; as well as the challenges militating against the promotion of entrepreneurship and develo-

ment of SMEs in Nigeria, the impact of support institutions on SMEs and also requested to give suggestions for the future.

This study was conducted in strict compliance with social research ethics such as voluntary consent, anonymity, and confidentiality. Covering letter was given to prospective respondents, and the information obtained was treated with the utmost confidentiality. The key concepts were properly defined for construct validity and the operational measures identified (Cronbach, 1951; Santos, 1999; Bhattacharjee, 2012). As earlier indicated, the instruments were pretested to ensure that the contents were well understood. The findings and discussions have also been edited for fair and orderly presentation.

2. RESEARCH FINDINGS AND DISCUSSIONS

This section shows our empirical study's findings that reveal the impact and challenges of selected agencies in Nigeria. It provides an overview of the concepts of entrepreneurship, enterprise, and small and medium enterprises; it shows the connections between entrepreneurship, business environment, and agencies and finally explains the roles/functions of agencies for the promotion of SMEs in general and entrepreneurship in particular, in Nigeria.

Overview of the Concepts of Enterprise, Entrepreneurship, and Small and Medium Enterprises (SMEs)

The Respondents (100%) agreed to the simple definition of an enterprise as an economic entity that deals with the production and distribution of goods and services that satisfy human needs and wants. Enterprises are created by a special kind of labor called the "entrepreneur". Once the entrepreneur conceived a "business idea" and identified a business opportunity, he would go ahead to nurture his business into fruition by ensuring optimal organization of all the factors of production for sustainability. The series of activities in the process of nurturing an idea by identifying a problem in society and business opportunity to establish and run a business is termed entrepreneurship. Entrepreneurship is a mindset that focuses on risk-taking, proactiveness & innovativeness/invention. For entrepreneurship to occur, these three elements must co-exist. In entrepreneurship studies, these three elements have been commonly and successfully used to distinguish an entrepreneurial enterprise from the non-entrepreneurial enterprise. Most non-entrepreneurial businesses usually react to economic situations ("reactiveness") rather than think ahead and proffer solution before it happens (called "proactiveness"). The Respondents agreed that entrepreneurship could either be learned or practiced. The practice of the three elements of entrepreneurship has been found successful under a personal philosophy, which is best explained in the two equations (Entrepreneurial Philosophical Equations) below:

Entrepreneurial Philosophical Equations (Jegade, 2012a)

*PROFIT = SALES – COST..... (1) (First equation)

**SALES – COST = PROFIT (2) (Second equation)

**The second equation is deadly. It assumes that you cannot know the profit until the business has started when sales and cost will be known, and then profit can be calculated. It is a philosophy that is common to unsuccessful entrepreneurs. This philosophy takes planning for granted. Here, it is believed that no one can predict the future. Hence, the practitioners of this philosophy believe that it is better to depend on luck. Even when they have feasibility studies or business plans, they rarely follow it. In Nigeria, most SMEs, the Non-Entrepreneurial firms, rarely follow a business plan. The majority do not believe in it, and so do not have it. It leads to business failure and other enterprise ailments.

Implications: Enterprises that practiced equation two were found to be non-entrepreneurial and usually fail despite Agencies' support for the following reasons:

- Unaware of competitors and changing market condition
- CEO / founder(s) unable to make decisions
- No genuine Business plan/Feasibility Studies
- Not being able to build the right team
- Lack of unique value propositions
- Failing to pivot/change direction
- Building a wrong product
- No mentors or advisers
- Poor accounting controls
- Lack of persistence
- Slowness to launch
- Out of control growth
- Not enough cash cushion
- Operational inefficiencies (spending too much)
- Declining market & Obscure or marginal niche
- Lack of succession and exit planning
- Inability to change direction quickly
- Operational ineptitude
- Making bad hires
- Single founder
- Bad location
- Poor vision

*On the contrary, the first equation is usually the personal philosophy of successful entrepreneurs. It suggests that it is critical to know why you want to start your enterprise. It assumes that you can know the profit before the business starts through the advanced development of reliable and genuine feasibility studies. Equation 1 allows risk-taking, innovativeness/invention, and proactiveness. When these three practices are done in an enterprise to produce a commercialized result, it becomes entrepreneurship. For the entrepreneurship process to be complete, it is vital to commercialize the result. Consequently, it follows that “No, commercialization, No entrepreneurship.” This study found that entrepreneurship follows a process, as shown earlier in fig. 1. The study also found that Entrepreneurs are great strategic thinkers. The process of entrepreneurship starts with a person with an idea, skills, and courage to take any risk to pursue that idea and turn it into reality through commercialization for the public’s benefit. The study reveals that an entrepreneur is a very creative individual, an inventor, or an adapter/adaptor with unique entrepreneurial traits. An entrepreneur is always the first designer of a product. Entrepreneurs invest much time, energy & money into creating their original and unique idea. As a strategic thinker, the entrepreneur himself thinks over what and how to produce goods to meet the customers’ changing demands. Entrepreneurial firms focus on benefits and value.

Successful entrepreneurial SMEs that imbibed equation one were found to have a common entrepreneurial framework, which consists of motivation (determination to succeed), Ability (skill), Idea (product development), and Resources (capital, materials, premises) termed “MAIR.” MAIR is an acronym for motivation, abilities, ideas, and resources.

The Connections between Entrepreneurship, Business Environment and Supporting Agencies

In this study, an aggregate of the responses from all the respondents show that entrepreneurship is connected to the business environment and Agencies. Entrepreneurship refers to the process through which an enterprise is established in an environment by someone called the leader/entrepreneur. It is affirmed that enterprise is a legal entity that operates in an environment to produce economic value products or services. The environment in which businesses operate is called the business environment. The business environment is classified as *Internal, External, and Intermediate*. The Internal environment is principally made up of the management teams and workers and provides strength to the organization as well as weaknesses. Talented/Entrepreneurial workers and managers constitute strength, while archaic workers constitute a weakness. During the study, it is observed that for SMEs to survive and achieve their set visions, goals, and objectives, the internal environment supports the enterprise to perform certain functions called “the organic business

functions,” namely, production, marketing, finance, and human resources; and managerial functions, namely: Planning, Organizing, Staffing, Directing, Coordinating, Reporting, and Budgeting. The study found that enterprises were structured after the organic functions within the entrepreneurial SMEs, whereas managerial roles were fashioned after managerial functions. Once the entrepreneur has established the enterprise according to organic functions, managers run the business by performing the managerial functions of Planning, Organizing, Staffing, Directing, Coordinating, Reporting, and Budgeting.

The entrepreneur is the founder, while the manager is an employee that works for him. As the enterprise grows, the entrepreneurial enterprise gives organizational functions to the manager, depending on the business environment. Here the owner (Entrepreneur) is separated from the management that runs the enterprise. The entrepreneur allows the manager to perform organizational functions like planning, organizing, staffing, and directing, to mention a few. In non-entrepreneurial SMEs, the owners, by tradition/culture, find it hard to separate ownership from management. For instance, it was observed in this study that many SMEs' owners and workers still practice “Father-Son relationship”, which encourages owners to intervene in the day-to-day management of the enterprise. This study found that day-to-day interference in the management of enterprise demoralized good managers and very counterproductive.

The External Environment is made up of Political, Religious, and Economic matters, to mention a few. External Environment constitutes people and activities that the entrepreneur has no control over, but still influence the enterprise's activities. These uncontrollable factors provide business opportunities as well as threats. Business opportunities are favorable conditions in the business environment, which enable it to consolidate and strengthen its position while threats are unfavorable conditions in the business environment that pose challenges. Successful entrepreneurial SMEs/respondents agreed that they grab opportunities as they emerge and avoid threats or even look for ways of converting threats into opportunities. Both External and Internal environments jointly contribute to the sustainability of enterprises.

The Intermediate Environment is found to be made up of factors that are partly internal and external. They include the customers and the suppliers who are the links between the organization and the outside world. They also include various support systems/agencies, like the legal firms and public relations agencies. Government schemes/Agencies fall within the intermediate environment, which is the groundwork of this study. In this study, some of such support systems were found to include: The National Directorate of Employment (NDE), Extension Services Units of Institutions, Technical and Technological Related Support Systems, and Government supporting agencies.

Functions of Agencies for the development of entrepreneurship in Nigeria

The study found out that all the agencies belong to the government (100%). Categorizing these Agencies according to their functions aligned with Ogbechi et al, (2012).

- Participatory
- Facilitating
- Regulatory

Participatory Agencies

The agencies in this category assist in *providing goods and services* that are best produced by the government because they are highly subsidized. The services/products are essential to *encourage entrepreneurship*. Examples are the Federal Road Maintenance Agency with the acronym “FERMA” and other public corporations such as Power Holding Corporations (PHCN), National Emergency Maintenance Agency (NEMA) and FAAN to mention a few.

Facilitative Agencies:

These are agencies set up to facilitate the establishment and sustainability of small and medium scale enterprises. They are saddled with the responsibility of ensuring a favorable environment for SMEs. Their functions include provision of specialized funds, technical aid, and training for SMEs. These institutions partly include:

- Universities and Polytechnics
- The Industrial Training Fund (ITF)
- The Industrial Development Centre (IDC)
- Nigerian Export Promotion Council (NEPC)
- The National Directorate of Employment (NDE)
- National Poverty Eradication Programme. (NAPEP).
- Federal Institute of Industrial Research Oshodi (FIIRO)
- Bank of Industry (BOI) working closely with the Central Bank of Nigeria and
- Small and Medium Enterprise Development Agency of Nigeria (SME-DAN)

The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) is the Facilitative category’s apex Agency. It is situated in the federal capital territory in Abuja and does not have branches in other states. The agency was established in 2003 to nurture the Micro, Small, and Medium

Enterprises sub-sector to operate efficiently and enhance the sustainable economic development of Nigeria. It is expected to facilitate Micro, Small, and Medium Entrepreneurs/ Investors access to all their development resources. Also, SMEDAN, acting on behalf of the Federal Government, collaborates with some international bodies to promote small and medium scale industries in funding, research, and development, to mention a few. These bodies include The World Bank, the United Nations Children's Fund, the United Nations Industrial Organization, and the African Development Bank. The study found that SMEDAN uses the words SMEs and Entrepreneurship interchangeably during the implementation of her policies.

Among the programs of SMEDAN are:

- Enterprise Development: This involves the provision of entrepreneurial education and training for business plan development, marketing, and Accounting to enhance competitiveness
- Business support/ information services: To ensure access to the necessary information to make an informed business decision
- Advisory and advocacy Services: Coaching, Counseling, Mentoring, and Service as a voice for the MSMEs.
- Market Development: Trade fair exposition to expose MSMEs to market opportunities
- Business Linkages: Run programs targeted to link MSMEs with bigger firms.
- Engineering and Technology Development Services: Run programs to up-date local technology and promote current technology to enhance competitiveness and access to finance: this is done through:
 - Assistance to prepare bankable business plans
 - Appraisal and recommendation of MSMEs' projects to partner with financial institutions.
 - Collaboration with others to promote specialized (micro) finance schemes for the benefit of MSMEs.

The provision of specialized funds comes under different names and at different times. Most of these specialized funds are housed under the Bank of Industry, Central Bank of Nigeria, and SMEDAN. They are:

- The Small and Medium Enterprises Equity Investment Scheme. Under this scheme, banks must set aside 10.0% of the profit before tax for SME's finance. It has been in operation for the past four years;
- National Credit Guarantee Scheme – Conceived to help mitigate risks associated with lending to SME's.
- Small Industries Credit Committee housed by each state government.
- National Economic Reconstruction Fund.
- Small and Medium Enterprises Loans Scheme.

Other Institutions for SMEs promotion are:

- Micro-finance institutions, established in all parts of the Federation
- Cooperative Societies, established in many places to provide immediate funds for new start-ups and modernization of existing ones.
- Different Local Government initiatives involve distributing machines, motorcycles, and other assets to promote SME's initiative in local communities.
- Industrial Associations: Government has also established some industrial associations to foster industrial harmony. These associations were created by law/decree at different times. They include:
 - The Manufacturers Association of Nigeria
 - The National Association of Small Scale industrialists
 - The Nigerian Employers Consultative Association.
 - The Nigerian Association of Chambers of Commerce, Industry, Mines, and Agriculture.

Regulatory Agencies

These are agencies established to regulate enterprise activities. They are involved in the inspection of facilities, laboratory tests of products, and facilities' approval, to mention a few. They include the following:

1. The Corporate Affairs Commission (CAC)

The Corporate Affairs Commission was established by the Companies and Allied Matters Act (CAMA) 1990 as a corporate body with perpetual succession and a common seal.

The headquarters of the Commission is at Abuja the Federal Capital Territory. The Act that established the Commission specified the following functions:

- The regulation and supervision of the formation, incorporation, registration, management, and winding up of companies.
- Establishing and maintaining companies' registry and offices in all the Federation states suitably and adequately equipped to discharge its formations.
- Arrange or investigate any company's affairs where the interests of the shareholders and the public so demand.
- Perform such other functions as may be specified by any act or enactment.
- Undertake such activities as one necessary or expedient for giving full effect to the Act (CAMA, 1990).

2. National Agency for Food and Drug Administration and Control (NAFDAC)

NAFDAC was established under decree No 15 of 1993. The decree vested in its dual functions that include the following:

- To see to the establishment of the food, beverages, and cream industry
- It also regulates and controls the importation, manufacturing, distribution, sales, and use of processed food, drugs, cosmetics, medical devices, bottled water, chemicals and advertisements relating to food, beverages, and cream products.
- Ensure that the use of narcotic drugs and psychotropic substances is limited to medical and scientific purposes.
- Conduct appropriate tests and ensure compliance with standard specifications to ensure efficiency and safety of food, drugs, cosmetics, bottled water, medical devices, chemicals, and their raw materials and production process in factories and other establishments.
- Undertake the registration of processed foods, drugs, cosmetics, medical devices, bottled water, and chemicals.
- Compile standard specifications and guidelines for the production, importation, sales, and distributions of processed foods, drugs, cosmetics, medical devices, bottled water, and chemicals.
- Inspect all imported and locally made processed foods, drugs, chemicals, cosmetics, medical devices, bottled water, and establish relevant quality assurance systems.

3. The Standard Council (The Standard Organisation of Nigeria)

According to Ogundele (2007), the body was established as the Nigerian Standard Organization Act of 1971, now Standard Organization of Nigeria (SON). The functions of the Council include:

- To advise government on standards, standard specifications, control, and methodology.
- Designating, establishing, and approving standard in respect of metrology, materials, commodities, products, processes for the certification of products in commerce and industry throughout Nigeria.
- To provide necessary measures for the control of raw materials and products in conformity with standard specifications.
- Awarding of certificate marks by the Council to the manufacturers whose products meet Council's established standards
- Sealing up and confiscating assets of organizations that fail to live up to the standards set.

4. The Independent Corrupt Practices and Other Related Offences Commission (ICPC)

The Independent Corrupt Practices and Other Related Offences Commission (ICPC) was established as a corporate body by the Federal Government of Nigeria as a legislative initiative to combat corruption, which has become endemic in national life. The Commission comprises high police ranking officers, legal practitioners with at least ten years' post-call experience, a retired judge of a superior court of law, a retired public servant not below the rank of a director, a woman, a youth not less than 21 or more than 30 years of age at the time of his or her appointment and a chartered accountant.

The ICPC mandate was to prohibit and prescribe punishment for corrupt practices and other related offenses. Duties of the Commission include: Section 6 (a-f) of the ICPC Act 2000 sets out the duties of the Commission as paraphrased in the following:

- To receive and investigate complaints from public members on allegations of corrupt practices and, in appropriate cases, prosecute the offenders.
- To examine the practices, systems, and procedures of public bodies and where such systems aid corruption, direct and supervise their review.
- To instruct advice and assist any officer, agency, or parastatal on how fraud or corruption may be eliminated or minimized by them.
- To advise heads of public bodies of any changes in practice, systems, or procedures compatible with the effective discharge of public bodies' duties to reduce the likelihood or incidence of bribery, corruption, and related offenses.
- To educate the public on and against bribery, corruption, and related offenses.
- To enlist and foster public support in combating corruption.
- With respect to the prosecution of cases, the ICPC Act provides that every prosecution for offenses under it shall be deemed to be done with the Attorney-General's consent. Furthermore, it is provided that the Chief Judge of a State or the Federal Capital Territory shall designate a court or judge to hear and determine all cases arising under the Act. Presently, there are two such designated Judges in each State of the Federation and the Federal Capital Territory.
- The offenses that can be handled by the Commission are contained in the act that established it. The offenses include, among others: giving and accepting gratification, fraudulent receipt or returns and gratification by and through agents, bribery of public officers, using office or position for gratification, making false or misleading statements to the Commission as well as attempt and conspiracy.

5. Corporate Affairs Commission.

The commission was established by the Companies and Allied Matters Act (CAMA) 1990 as a corporate body with perpetual succession and a common seal; it can sue and be sued in its corporate name. All business activities are required by law to register. The Commission is expected to give the certificate of registration or incorporation after all registration/incorporation requirements have been met. The Commission has the power to revoke any company's certificate that contravenes any part of the law.

6. The Economic and Financial Crimes Commission (EFCC)

The **EFCC** was established by Act of parliament in 2004 and empowered by the Act to carry out the following function, which can be found in part two of the Act: The Commission, according to the Act shall be responsible for:

- the enforcement and the due administration of the provisions of this Act;
- the investigation of all financial crimes including advance fee fraud, money laundering, counterfeiting, illegal charge transfers, futures market fraud, fraudulent encashment of negotiable instruments, computer credit card fraud, contract scam, etc.;
- the coordination and enforcement of all economic and financial crimes laws and enforcement functions conferred on any other person or authority;
- the adoption of measures to identify, trace, freeze, confiscate or seize proceeds derived from terrorist activities, economic and financial crimes related offences or the properties the value of which corresponds to such proceeds;
- the adoption of measures to eradicate the Commission of economic and financial crimes;
- the adoption of measures which include coordinated, preventive and regulatory actions, introduction and maintenance of investigative and control techniques on the prevention of economic and financial related crimes;
- The facilitation of rapid exchange of scientific and technical information and the conduct of joint operations geared towards the eradication of economic and financial crimes;
- The examination and investigation of all reported cases of economic and financial crimes to identify individuals, corporate bodies or groups involved;
- The determination of the extent of financial loss and such other losses by government, private individuals or organizations;
- Collaborating with government bodies both within and outside Nigeria carrying on functions wholly or in part analogous with those of the Commission concerning –

- the identification, determination, of the whereabouts and activities of persons suspected of being involved in economic and financial crimes,
 - The movement of proceeds or properties derived from the Commission of economic and financial and other related crimes;
 - The exchange of personnel or other experts,
 - The establishment and maintenance of a system for monitoring international economic and financial crimes in order to identify suspicious transactions and persons involved,
 - maintaining data, statistics, records, and reports on persons, organizations, proceeds, properties, documents, or other items or assets involved in economic and financial crimes; undertaking research and similar works to determine the manifestation, extent, magnitude, and effects of economic and financial crimes and advising government on appropriate intervention measures for combating same.
 - dealing with matters connected with the extradition, deportation and mutual legal or other assistance between Nigeria and any other country involving Economic and Financial Crimes;
- The collection of all reports relating to suspicious financial transactions, analyze and disseminate to all relevant Government agencies;
 - Taking charge of, supervising, controlling, coordinating all the responsibilities, functions, and activities relating to the current investigation and prosecution of all offenses connected with or relating to economic and financial crimes;
 - The coordination of all existing economic and financial crimes investigating units in Nigeria;
 - maintaining a liaison with the office of the Attorney-General of the Federation, the Nigerian Customs Service, the Immigration and Prison Service Board, the Central Bank of Nigeria, the Nigeria Deposit Insurance Corporation, the National Drug Law Enforcement Agency, all government security and law enforcement agencies and such other financial supervisory institutions in the eradication of economic and financial crimes;
 - Carrying out and sustaining rigorous public and enlightenment campaign against economic and financial crimes within and outside Nigeria and;
 - Carrying out such other activities is necessary or expedient for the full discharge of all or any of the functions conferred on it under this Act.

In addition to the functions listed above, the Commission was also empowered to:

- Cause investigations to be conducted as to whether any person, corporate body, or organization has committed any offense under this Act or other law relating to economic and financial crimes

7. The National Directorate of Employment (NDE): The Federal Government of Nigeria established this in November 1986. It was designed to work out strategies for dealing with mass unemployment in the country, especially among the school leavers and college graduates. NDE executes its programs by providing financial support and training for existing entrepreneurs and new entrants into entrepreneurship. The mandate given to NDE is executed within the framework of four core programs. These are:

- The Small-Scale Industries and Graduate Employment and Vocational Skills Development.
- Support for Agricultural Programmes.
- National Youth Employment and Vocational Skills Development and
- Special Public Works Programmes.

8. Extension Services Units:

The Federal Government in 1964 established Industrial Development Centres (ADC) located in Oshogbo, Owerri, and Zaria. They were to provide extension services to small and medium scale enterprises in terms of technical appraisal of a loan application, managerial assistance, product development, and production planning and control. Later, more were created to have IDC in each state of the Federation. Also, the Centre for Industrial Research and Development (That later transform to The Institute for Entrepreneurship Development and Studies) was created to assist SMEs in research tasks under the Faculty of Social Sciences in Obafemi Awolowo University, Ife

9. Technical and Technological Related Support Systems:

These include the Federal Institute of Industrial Research, Oshodi (FIRO), Project Development Institute (PRODA) in Enugu, and Rural Agro-Industrial Development Council (RMRDC), to mention a few. These were established to provide technical and technology-related support for Nigerian entrepreneurs. As intermediate factors, these support systems have closer links with the entrepreneurs to facilitate their operations in various ways.

Impacts/Challenges of Agencies in Nigeria

Agencies Entrepreneurship Development and SMEs Promotion in Nigeria have been set up since the 1960s with the establishment of Industrial Development Centers in Nigeria's three geo-political regions, namely, Lagos, North and East. Since then, the government has set up more agencies for the development of SMEs. The activities of the private sector cum individuals have

been dormant in helping the SMEs. Unlike developed nations where business angels' activities seem visible; nothing like that has been found in the study area.

All the Respondents (100%) agreed that of all the agencies, the BOI is the most active because apart from giving out financial assistance, it liaises with other agencies to ensure that SMEs are well supported. The Bank of Industry (BOI) is set up by the Government of Nigeria to assist SMEs in funding. It also provides directly or indirectly all other assistance to ensure complete assistance service delivery to all SMEs. It was established solely by the Federal Government of Nigeria in 1973 under the name "Nigerian Bank of Commerce and Industry (NBCI)" to provide financial assistance to the SMEs in Nigeria, and as such, it has branches in all the states' political regions in the Federation. The Bank operated as an apex financial institution charged with the full responsibility to assist SMEs in Nigeria in the disbursement of funds to them in loans. It also provides technical services in technical skill and purchase of machines, especially from the technical partners abroad. The Bank administers series of loans and training, including those loans from the International community to the SMEs. For instance, one of the BOI respondents reported that the Bank administered SME 1 World Bank Loan Scheme under which total credit of #241.8 million was approved between 1981 and 1988' However, actual disbursements were 36.5 percent lower than the approvals during the same period. The Bank also financed 126 projects under the World Bank Loan Scheme but later canceled some of them due to the failure of the project sponsors to contribute their counterpart funding. The name 'Nigerian Bank of Commerce and Industry (NBCI)' was later changed to the "Bank of Industry" due to its non-performance. One primary reason for the change in the name is the Apex Institution's inability to meet its objectives in disbursing loans adequately to the SMEs. Right from the beginning of its operations, the apex institution has faced challenges in meeting its objectives. According to the Respondent, the Nigerian Bank of Commerce and Industry suffered from operational problems, resulting in a state of insolvency in 1989, which then led to its absorption into the newly established Bank of Industry in 2002.

The Bank of Industry, because of its role in Nigeria, especially in the provision of modernization fund to SMEs and funding of Micro Finance banks to cater to the SMEs, has a strong working relationship with each state government that also contributes their matching grants with that which is provided by BOI. Three main conditions exist for BOI financial intervention in any enterprise: one, the applicant/loaner must have adequate knowledge on the start-up, two, to identify market gap to be filled by the new start-up, and three, that start-ups must be registered with the corporate Commission. Other conditions include good character and integrity of the intending borrower. The BOI is the most patronized of all the assistance institutions/agencies. It is, therefore, appropriate to use BOI as representative of all assistance

institutions in Nigeria because all assistance institutions in Nigeria always have a connection with the BOI in their operations for monitoring purposes. Consequently, the BOI has branches in all the states of the Federation in order to bring the required assistance to the SMEs at the grass root. However, the bank uses the words SMEs and Entrepreneurship interchangeably in the implementation of her policies.

Thus, the impact of agencies can be averagely viewed through a detailed investigation of BOI activities. Below is the categorization of different loans available in the Bank, which the majority of SMEs in Osun state have not been able to access (Table 2). The conditions for each loan vary. While some attract interests, others do not attract interest.

Nr	Types of Loans	Available Fund
1	Micro	Less than #10M
2	Small Enterprises	#10M to # #50M
3	Medium Enterprises	#50 to #500M
4	Large enterprises	>#500M

Source: Field work, 2019

Complaints from SMEs owners and other stakeholders across the state continue to trail the BOI activities because of the role it plays in harmonizing all assistance for all SMEs' benefit. These complaints bothered mainly on most SMEs' inability to access loans in the Bank of Industry (BOI). Respondents believed that having access to BOI loans seems to be the primary determinant for securing all other assistance. However, the Respondents from BOI agreed that the Government had released enough funds to the BOI, but the most vital challenge facing the bank is that the recovery rate is shallow, and the bank is yet to find a suitable strategy for recovering loans.

Table 3 revealed that over 90% of the Government officials (respondents) indicated that poor managerial skills, low marketing strategies, local entrepreneurial orientation, inadequate infrastructural facilities, and financial indiscipline were the significant challenges facing the SMEs owners. In contrast, finance and poor managerial skills constitute significant challenges facing the SMEs sectors as perceived by the owners in Table 4. The same table 4 showed that over 90% of the owners (respondents) claimed that inadequate funding, poor infrastructural facilities, and poor access to loan facilities were the significant challenges facing the SMEs. Although the owners see insufficient funding and poor access to loan facilities as significant challenges confronting SMEs' development in Nigeria, the Government officials from their perspectives do not see inadequate funding and poor access to loan facilities as significant challenges. The Government officials see poor marketing, restricted Entrepreneurial Orientation, and financial indiscipline as significant cha-

llenges facing the SMEs. It is interesting to observe from tables 3 & 4 that all the respondents, including both the Government officials and the owners, see inadequate infrastructural facilities as a significant challenge towards SMEs development in Nigeria.

Table 3

Challenges of SMEs in the state of Osun: Government Perspective

S/Nr	Challenges	Percentage
1	Poor managerial skills	91
2	Poor funding	78
3	Poor Marketing Strategies	98
4	Poor Technical skills	89
5	Restricted access to bank loans	80
6	Restricted Entrepreneurial Orientation	97
7	Financial Indiscipline	96
8	Poor Infrastructural facilities	91

Source: Field work, 2019

Table 4

Challenges of SMEs in the state of Osun: SMEs Owners' Perspectives

S/Nr	Challenges	Percentage
1	Poor managerial skills	80
2	Poor funding	98
3	Poor Marketing Strategies	79
4	Poor Technical skills	93
5	Restricted access to bank loans	95
6	Restricted Entrepreneurial Orientation	87
7	Financial Indiscipline	72
8	Poor Infrastructural facilities	91

Source: Field work, 2019

Arising from various complaints trailing SMEs' operation in the state of Osun, respondents presented their demands to the management of BOI and state government in table 5 below. All the respondents agreed that BOI and the state government need to work out a new strategy to make the impact of BOI more positive in the state. As a follow-up to the demands, the researcher made a telephone interview with the State's President of Small & Medium Enterprises Association in Osun's state. He agreed that they had written series of letters to the Management of BOI and the state Governor on these demands, but nothing has been done, and nothing has changed. He complained seriously about his members' inability to access BOI loans in the past two years because it is practically challenging to process the loan documents in the government office. It can be seen assistance institutions have gotten little or no impact on the state.

Table 5
SMEs Demands to ameliorate their Challenges in Osun State.

Nr	Demands of SMEs	Percentage
1	Reduction in the requirements for BOI loans	100
2	Cost of processing loan documents (Titles of land as collateral) is very high	100
3	Cost of processing business documents at the government offices is very high & difficult/Corruption	100
4	Introduction of Trade Fair events annually.	100
5	Harmonisation of taxes	100
6	Waive of "Certificate of Occupancy" on lands because it is expensive to obtain it from the government office due to corruption	100

Source: Field work, 2019

The respondents put forward their suggestions below in table 6. It is expected that the Government would fast track the development of SMEs and promote entrepreneurship to fasten the development of the SMEs sector in the state of Osun and Nigeria, generally. The Government and BOI need to focus more on the wave of "certificate of occupancy" (called C of O) as a security against a loan. The study revealed that the cost of processing the "C of O" is just too high. To get a market for SMEs; BOI should link up the big business with small businesses before massive loans are approved (promoting auxiliary system in the industrial system). The Government must remove the Geographic Information System (GIS) office from the government office and create GIS points/offices at the lands & Housing Ministry to efficiently process the Certificate of Occupancy "C of O." This will go a long way to reduce corruption.

SOLUTIONS & RECOMMENDATIONS

The paper identified insufficient funding and the poor state of infrastructures as the main challenges confronting SMEs while recovery of loans is the main challenge of Nigerian's Agencies. The study found out that funding is not the agency' problem but the strategy to recover loans is the problem. The paper proffers systematic industrial training for all owners who intend to take loans to separate entrepreneurial SMEs from non-entrepreneurial SMEs and then identify those who need the entrepreneurial SMEs' loan. It also identified SMEDAN and BOI as the prominent apex Agencies. The branches of these agencies need autonomy to discharge their duties effectively and efficiently at the grass root. The study also showed that assistance rendered by the Government varies from loan provision, technical training to purchase of machines. The delivery of these services must be timely; otherwise, entrepreneurs will be demoralized. Thus the Government needs to remove bureaucracy, corruption, and unnecessary delays on government officials. In categorizing all the sup-

porting agencies in Nigeria, the paper observed that all the agencies belong to the public sector.

Table 6		
Suggestions towards Entrepreneurship and SMEs development (n =1200)		
Nr	Suggestions	Percentage
1	BOI in Abuja to increase recovery rate & allow state managers give full loan without approval from Abuja	91
2	Government to waive certificate of occupancy as a security against loan	100
3	Government to accept genuine survey plan that conforms to "GIS" for big loans.	98
4	The cost of GIS is high, about #500,000. BOI to waive GIS, especially for small loans	100
5	BOI to tie big business with small business (ancillarisation) before big loans are approved.	100
6	GIS points/office to be removed from government office to the lands & Housing ministry for easy processing of the Certificate of Occupancy "C of O"	100
7	State government to enact laws to force their agencies patronize local contents in government dealings.	97
8	SMEs Association to partner with government for capacity building through conferences and seminars.	90
9	Free trade zones/Industrial Estates to be established in each local development/government areas.	98

Source: Field work, 2019

Unlike developed nations where individuals behave like business angels, the study also noted that assisting SMEs and entrepreneurship is almost the opposite in Nigeria, where business angels do not exist. The government needs to awaken the wealthy citizens to function as business angels. The study also found that each State provided matching grants to the BOI fund, and this has been reported to be successful in the State of Osun, but there is still room for improvement to ensure that the SMEs have access to the fund timely, especially the fashion/modernization fund.

Furthermore, the paper recommends that the state government facilitate an auxiliary system to solve SMEs' marketing problems. The study also averred that the funding of SMEs through the microfinance banks by BOI for the promotion of entrepreneurship and SMEs is in the right direction, but BOI should ensure continuity/sustenance of such ideas and fast-track access to the loans while also improving on the recovery rate. Lastly, the study found that the establishment of free trade zones and industrial estates is very beneficial to the country and the State in particular, and should therefore be sustained.

FUTURE TRENDS

The paper thinks that future researchers may want to investigate the delegation of powers in BOI headquarters and the state branches such that BOI in Abuja would allow their state managers to give full loans without approval from Abuja. Also, researchers may want to investigate government bureaucracy's impact on agencies in disbursing loans to SMEs. Future researchers may also want to investigate how far the government has assisted SMEs in marketing their products, mainly through the auxiliary system, as well as having Free trade zones & Industrial Estates established in each local government area in Nigeria.

CONCLUSIONS

The paper attempted to clarify the difference between the concepts of SMEs and Entrepreneurship and then investigated the impact of agencies on promoting entrepreneurship and SMEs in Nigeria.

A survey of 1,200 stakeholders was undertaken among public officials and SMEs Owners that sought loans from government support agencies in the State of Osun.

Findings showed that inadequate funding, low entrepreneurial orientation, and poor State of infrastructures were the main challenges confronting SMEs in Nigeria. It also identified SMEDAN and BOI's primary problems as the prominent apex assistance institutions to be a low recovery rate of loans and inability to separate non-entrepreneurial SMEs from entrepreneurial SMEs. The study showed that assistance rendered by the government varies from loan provision, technical training to purchase of machines towards the development of SMEs, and promotion of entrepreneurship in Nigeria. In categorizing agencies in Nigeria, the paper observed that almost all the agencies belong to the public sector. The study also noted that unlike developed nations where you would find individuals behaving like business angels, assisting SMEs and entrepreneurship; it is almost the opposite in Nigeria where business angels rarely exist. The study also found that each State provided matching grants to BOI funds, and this has been reported to be successful in the study area, but there is still room for improvement to ensure that the SMEs have access to the loan (especially the fashion/modernization fund) and market through the auxiliary system. SMEs also agitated for the timely introduction of Trade Fair events annually, harmonizing taxes, and waving of "Certificate of Occupancy" on lands because it is expensive to obtain it from the government office due to corruption.

The study concluded that the government should focus and pay more attention to Entrepreneurial SMEs while all the demands of SMEs to the government and BOI be revisited to quicken SMEs' development and promo-

tion of entrepreneurship in the State in particular and in the nation generally. For instance, the high cost of processing loan documents (Titles of land as collateral) and processing other business documents at the government offices should be reduced to a minimal by removing corruption and bureaucracy. Finally, it is averred that having business-minded leaders with entrepreneurial spirits would go a long way to promote entrepreneurship in Nigeria.

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