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Problems and Challenges of Small Scale Businesses as Tools for Economic Growth and Development in Nsukka Urban

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Abstract
Worldwide small businesses are known to possess great potentials for boosting economic growth and development. They help medium scale enterprises as well as big industries in the production and supply chain. However, research has shown that over one-third of small businesses in Nigeria do not to see the third year after their establishment owing to different problems and challenges (Ademola, Olaleye, Olusuyi, & Edun, 2013). It is against this backdrop that this study investigates the problems and challenges of small businesses as tools of economic growth and development. Its focus was Nsukka urban, which is the second economic hub of Enugu State after the state capital, Enugu. There is no known empirical evidence on the challenges faced by small scale businesses in Nsukka urban, which is a town where over 95% of businesses are on the small scale level. The specific objectives of the study were to: (1) ascertain the problems and challenges facing small businesses in Nsukka Urban, and (2) ascertain the ways in which owners of small businesses confront the challenges facing them. Four hundred and five (405) respondents were selected from a population of 3,300 registered members of four business associations in Nsukka urban. The selection was done through a multi-stage sampling technique, after which the questionnaire was used to elicit data from the respondents. Findings indicated that business owners acknowledged the prevalence of stiff challenges (weighted mean = 3.30). Individual business owners (weighted mean = 3.13) feared for their businesses in terms of the imminence of collapsing. Forty-five percent (45.2%) of the businesses have not reached the five-year mark. With a weighted mean of 3.52 respondents accepted that money to expand their businesses was a problem, and there were no credit facilities through which to raise money (weighted mean = 3.31). Sourcing goods was also reported to be a problem (weighted mean =3.32). The study recommended, among others, that the various trade associations should institute regular seminars on investment, business assessment and fund drive. This is to build the capacity of small scale business owners who saw government as the panacea for business problems.
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1. Introduction

Various nations of the world have been engaged in efforts to uplift the standard of living of their populace. This is especially so since the dawn of the 21st century when consciousness for democracy, development and security have been steadily rising. Developing countries like Nigeria have been in the centre of global efforts to raise the standard of living because many of them entered the new century amidst crushing poverty, dismal standard of living and frightening levels of insecurity.

Economic growth and development is seen as a remedy for social poverty and poor standard of living, and an automatic end to insecurity. Small scale businesses are one of the strategies adopted by various societies to boost economic growth. It is widely held that small scale businesses are critical to the social, cultural and economic development of communities in states in Nigeria. They contribute in upholding the standard of living (Junaidu, Bature, and Zuru, 2019; Akande and Ojokuku, 2008). Small businesses help in the development of local entrepreneurs. They support industries, and in this way they help to lay the foundation for local technology development. In addition, they are great sources of employment, especially in developing economies where unemployment plague the youth (Erdem and Erdem, 2011; Murphy, Catalano and Kvilhaug, 2023).

Small businesses in this paper refer to essentially sole proprietor ventures or small scale partnerships that include artisans, grocery stores, and service operators such as transport workers. In some contexts, they are also seen as micro businesses. The consideration is not how many people own a given business in terms of partnership, co-operative or sole ownership. Thus, small businesses are used in the sense of businesses established by individual(s) in small shops for direct retail transaction with customers.

Size of business, size of shops and type of transactions (direct retail transactions) are the indices of small businesses as used in this paper. Funding, ownership, operational tasks, accounting and management are usually done by one or two persons who own the business. Capital is anywhere from five thousand naira (N5, 000) to two million naira. Survival and liability rest with the owner and their ingenuity level.

The importance of small businesses has led to many initiatives by the Nigerian government ranging from laws, policies, credit facilities and direct government support such as building stalls. In 2003, the Small and

Medium Scale Enterprises Development Agency of Nigeria Act (as amended) came into force to uphold small businesses. The country has also created the following measures to tackle poverty and improve standard of living through boosting businesses at the grassroots: The National Poverty Eradication Programme (NAPEP), 2001; Bank of Agriculture, 2013; National Directorate of Employment (NDE), 1987; National Economic Empowerment Development Scheme (NEEDS), 2003.

Many authors have noted the importance of small businesses to society and economic growth. However, researchers and scholars are still of the view that the contributions of small businesses to Nigeria's economy have been minimal (Mbamalu, 2023). Experts have predicted an even harsher reality for small scale businesses with the dramatic rise in insecurity since 2015. It is even worse worth the removal of fuel subsidy in June 2023, which has gravely affected small and medium businesses (Mbamalu, 2023).

This is the situation, which this paper puts in perspective as it reaches out to owners of small businesses to ascertain the problems they face in their endeavour. Such problems are used as basis to extrapolate to the necessary measures towards boosting the capacity of small scale businesses to contribute maximally to Nigeria's economic development

Nsukka is one of the fastest growing cosmopolitan areas in Nigeria. Its status as a satellite economy (due to its closeness to Enugu Urban) is fast dovetailing into a major economic player in Enugu state, where it is the second largest economy after the capital city of Enugu. Nsukka plays host to the main campus of the University of Nigeria, which is the power base of the economy of the town as well as one of the largest establishments in West Africa, with a wage bill of approximately one billion naira (Personal interview data). The town is surrounded by rural areas, which are mainly agrarian. The rural areas have periodic markets, some of which command sizeable business volumes.

Apart from a vegetable oil and soap processing plant, much else in the town are pockets of small scale retail businesses and micro manufacturing ventures. These businesses exist in a town with 11 government secondary schools (PPSMB Directory, http://ppsmbenugu.com.ng, 2018), nine primary schools (https://www.vconnect.com/enugu-nsukka), six commercial banks and three micro finance banks (Field Survey, 2018). Considering the size of business in Nsukka, the money inflow is something to cheer for businesses in a state with an annual GDP of US$4,396 about N1, 582,560 and per capita of about $420.97 (N63, 145.78) (http://www.investmentsummit.en.gov.ng). Despite this relatively good statistics, it is not uncommon to hear university workers discuss their trips to Enugu, Aba, Onitsha and other major towns to transact businesses that should be in Nsukka, such as buying shirts, sewing clothes, and shopping for electronics. The question is: why are people going outside the town? This study inquires into the problems and challenges facing businesses in Nsukka Urban.

2. Statement of the Problem

Small scale businesses which have struggled over the years remain a potent option for diversification and economic growth in Nigeria. In fact, a boom is being witnessed in the number of small scale businesses in Nigeria. It is estimated that small scale business and the informal sector account for 75% of the total economy of Nigeria in the post oil boom days (Oyerinde and Falana, 2016)

While this may look like an irony, it is not actually so because the army of unemployed Nigerians continue to flock to small business as a survival strategy in the face of corruption and government inefficiency. Yet, the country has a massive chance of converting the huge investments in small scale businesses to massive economic growth opportunity. This study is confronted by the question of the problems and challenges facing small businesses in Nsukka Urban. This is to lay the necessary ground work to make small businesses to contribute maximally to Nigeria's economic growth and development.

3. Objectives of the Study

The aim of the study is to:

1. Ascertain the problems and challenges facing small businesses in Nsukka Urban
2. Ascertain the ways in which owners of small businesses confront the challenges facing them

4. Literature Review

The contributions of small businesses to economic growth are clear. But the problem in Nigeria is that small scale businesses have yet to make significant impact on economic growth and development. What is more worrisome is that small scale businesses rise and fall at an alarming rate in Nigeria. Adisa, Abduraheem & Mordi (2014) examined extant literature on the challenges of small scale businesses in Nigeria. They found that there is more closure of small businesses in Nigeria than their birth. As against the increase in the establishment of small businesses in the last 30 years, survival rate is still dismally low in many Organisation for Economic Co-operation and Development countries (OECD, 2009; World Bank, 2009, Global Entrepreneurship Monitoring, 2009).

Of every 100 businesses started each year, less than 50 survive to the third year in Nigeria. Less than one in three businesses opened in Nigeria every year reaches the second year, meaning that business mortality rate in Nigeria surpasses birth rate (Adisa, Abduraheem & Mordi, 2014). When one considers that more than 60% of all the businesses established in Nigeria is on small scale level (Okeke, Ezenwafor, and Femiwole, 2013), one begins to imagine the scale of the problem in terms of small business death rate.

The result of this failure rate of small scale businesses is that the large industries, medium manufacturing and wholesale enterprises that depend on small businesses also suffer. This is because government has not succeeded remarkably in halting the failure rate of small businesses in Nigeria (Sule, 1986, Fabayo, 2009). Due to little support from government, many unemployed, ill motivated youth take small businesses as a last resort, leaving failure rate of such businesses to remain high (Adisa, Abduraheem & Mordi, 2014).

5. Nigeria's Economy

Nigeria's economy is typically underdeveloped. Though agriculture is playing an important role, the oil and gas sector is the primary driver, accounting for more than 95% of export earnings and about 85% of government revenue (Chete, Adeoti, Adeyinka, & Ogundele, 2014). Chete, Adeoti, Adeyinka, & Ogundele (2014) also note that in contrast, the industrial sector in Nigeria (comprising manufacturing, mining, and utilities) accounts for a tiny proportion of economic activity (6 per cent) while the manufacturing sector contributed only 4 per cent to GDP since 2011. This is despite policy efforts, over the last 50 years, and, in particular, more recently, that have attempted to facilitate the industrialization process.

Nigeria's first and second development plans (1962 to 1968 and 1970 to 1974) attempted to use import substitution and production of local goods and capital goods for export to boost the economy. There was an attempt to link economic activity and growth to agriculture, transport, mining, and the local industries. However, this lofty plan was disrupted because Nigeria had also attained the status as a major oil exporter. Government took centre stage as the major investor in high calibre economic projects that would drive the economy especially because individual investors lacked the capital to invest in areas such as iron and steel, cement, salt, sugar, fertilizer, pulp and paper, among others. Poor implementation and management of these ventures stalled their growth and running at full capacity added to Nigeria's limited industrial and technological capacity (Chete, Adeoti, Adeyinka, & Ogundele, 2014).

The period of the third development plan (1975 to 1980) also occurred as Nigeria swum in oil money. Government continued in capital investments while individual investors took to investments in the light, low technology consumer industries which were heavily dependent on imported machinery and raw materials (Chete, Adeoti, Adeyinka, & Ogundele, 2014). As in the case of the first and second development plans, Nigeria's technological capacity failed to carry the plans laid out by government. Local industries could also not compete with all sorts of foreign goods that were easily imported by large scale retailers who had access to foreign exchange with relative ease.

The fourth National Development Plan of 1981 to 1985 met an evolving global economic recession with the attendant dwindling foreign exchange earnings, balance of payment disequilibrium and unemployment in the Nigerian economy. With a national industrial layout based on import, industries struggled, leading to mass retrenchments and economic distress. This forced the government to introduce the structural adjustment programme (SAP) as an alternative economic response. According to Chete, Adeoti, Adeyinka, & Ogundele (2014), the objectives of SAP included promoting investment, stimulating non-oil exports and providing a base for private sector-led development; promoting the efficiency of Nigeria's industrial sector; privatizing and commercializing state-owned enterprises to promote industrial efficiency; developing and utilizing domestic technology by encouraging accelerated development and use of local raw materials and intermediate inputs rather than imported ones.

Overall, the major problems witnessed in the Nigerian economy over the years include:

1. Little linkage between the public and private sector, especially because of the lack of clear-cut economic ideology in the country. The country is neither capitalist nor socialist, and the lack of distinction leads government to overstep bounds and create monopolies or inequalities that hamper progress in the private sector. That was what happened in the telephone industry until the GSM revolution. It is also happening in the power sector. The private sector and the small businesses must begin to take some pivotal role in the process of economic development.
2. Corruption and national insecurity have combine to kill the spirit of enterprise and foreign direct investment (FDI). There is need to fight corruption and totally redress the ongoing social tensions in order to reduce the risks to investment in Nigeria.

The problem of poor or near absent electricity supply, bad roads, crime, religious bigotry and ethnicity are working effectively in Nigeria to hamper efforts to grow the economy

6. Oil as the Mainstay of Nigeria's Economy

Nigeria has remained a major exporter of crude oil in the world since 1957 when oil was discovered in commercial quantities in the country. Nigeria experienced an oil boom during the 1970s to the 80s. Oil was the main economy driver around the world, and Nigeria had huge oil deposits. “Nigeria's proven oil reserves are estimated to be 35 billion barrels; natural gas reserves are well over 100 trillion fti (2,800 kmi. Nigeria is a member of the Organization of Petroleum Exporting Countries (OPEC), and in mid-2001 its crude oil production was averaging around 2.2 million barrels (350,000 mi) per day” (Odularo, 2008, p.4). By 2001, Nigeria made more than $16 billion dollars from oil, a revenue base that was more than the GDP of West Africa minus Nigeria.

Since the end of the Civil War in Nigeria (1967-70), oil has played a major role in the economy of Nigeria. Even as the prices of oil have continued to fall steadily over the last five years, and as the global economy becomes less and less oil-dependent, Nigeria continues to earn more than 85% of its main revenue from oil (Odularu, 2008). Oil continues to contribute greatly to creation of employment, growth of Gross Domestic Product, foreign exchange resources and the powering of the industries and commerce. In fact, Nigeria’s economy is synonymous with oil. “Apart from direct payments to the government, oil industry expenditure in Nigeria takes the form of payments of wages and salaries, payments to local contractors, local purchases of goods and services, harbour dues, vehicle licenses, telephone and postal charges, local rents, educational grants and scholarship awards, donations and subventions, and other minor social charges Cumulative expenditure on these items totalled about N950 million by the end of 1974” (Odularu, 2008, p.12).

Unfortunately, the oil boom days are over. As from the late 1990s, newer sources of energy began to power industries around the world. Oil prices crashed, and keeps rising and falling, making it unrealistic for any nation to hinge its economy on oil. There has been a lot of talk about economy diversification in Nigeria, and small businesses are part of the strategy, but nothing significant has happened in the area of diversification.

Ironically, in Nigeria, boom and doom have co-existed side-by-side creating one of the economies with the biggest paradoxes in the world. Nigeria produces a sixth of the world’s crude oil, yet imports refined products. When oil prices rise in the oil market as witnessed in the 1980s and 2018, Nigeria tends to make more money, but this does not impact economic growth. Why? Nigeria is heavily import dependent, including on refined petroleum. Therefore, any gains she might make from crude oil is lost through importation of refined fuel. Government keeps subsidising fuel importation to make it possible for importers to sell at government approved prices, which are often lower than the landing cost of fuel. The combined force of corruption and sabotage has made it impossible for government to revive and fully operate Nigeria’s four refineries in Warri, Port Harbour (two refineries), and Kaduna. This has been the bane of the oil industry in Nigeria, and the reason there has been intermittent shortages.

In the years of oil boom, Nigeria developed major ethnic, regional and religious tensions linked to the scramble for oil money (Odularu, 2008). As a result, the agricultural and manufacturing sectors, which were Nigeria’s mainstay in the pre-1970s, went to the backburner. According to Odularo (2008, p.4), “In 2000, oil and gas exports accounted for more than 98 % of export earnings and about 83 % of federal government revenue. New oil wealth, the concurrent decline of other economic sectors, and a lurch toward a statist economic model fuelled massive migration to the cities and led to increasingly widespread poverty, especially in rural areas. A collapse of basic infrastructure and social services since the early 1980s accompanied this trend. By 2000, Nigeria's per capita income had plunged to about one-quarter of its mid-1970s high, below the level at independence.”

Earnings from crude oil by Nigeria between 1970 and 1990 hover somewhere around $200 billion (Uzoigwe, 2007; Adeola, 1994). One of the implications of the oil boom, according to Uzoigwe (2007, p.4) was that “there is evidence of the serious effects of “Dutch disease”, usually diagnosed when a resource rich country earns significant increases in revenue from a sector’s raw material export, so that the resulting boom tends to “crowd out investment” in other sectors that might be more likely to support development (see Sachs & Wamer, 2001).’

Despite the vast oil resources, more than 57% of Nigerians live under N300 per day, according to an IMF report released in late February 2018. Removed from oil, Nigeria’s economy is virtually non-existent. This is why serious efforts must be made diversify the economy. Unfortunately, the vast resources from Nigeria’s oil has been lost to corruption. “Reportedly, 80 percent of Nigeria’s energy revenues flow to the government, 16 percent covers operational costs, and the remaining 4 percent go to investors. However, the World Bank has estimated that as a result of corruption 80 percent of energy revenues benefit only one percent of the population” (Odularu, 2008).

To cap the frustrations and complications of the oil doom era, Nigeria’s oil industry has continued to be bedevilled by poor funding of oil investments owing to lack of autonomy of the Nigerian National Petroleum Corporation, and delays to cash calls by the joint venture operators in the sector such as Shell. This is a result of bureaucracy and government red tapism and control. The perennial disturbances by the oil communities have always brought the sector in Nigeria to its knees as witnessed between 2015 to 2017, when the Niger Delta

Avengers bombed oil facilities, bringing daily production to just over one million barrels per day, down from nearly three million barrels per day I thepre-2015 years. This always to led shortfalls in supply, and the attendant adulteration of oil products in the market.

Outside of the energy sector, Nigeria's economy is highly inefficient. Moreover, human capital is underdeveloped Nigeria ranked 151 out of 177 countries in the United Nations Development Index in 2004 and non-energy-related infrastructure is inadequate. During 2003–2007 Nigeria has attempted to implement an economic reform program called the National Economic Empowerment Development Strategy (NEEDS). The purpose of NEEDS is to raise the country's standard of living through a variety of reforms, including macroeconomic stability, deregulation, liberalization, privatization, transparency, and accountability." (Odularo, 2008).

The United Nations has also partnered with Nigeria through its sponsored National Millennium Goals for Nigeria (2000 to 2015). Successes have been recorded in universal primary education and environmental protection, but a lot remained to be done in poverty reduction, and that is why small scale business strategies must be boosted to ensure more input to economic growth and development in Nigeria.

7. Economic Growth and Development

Economic growth and development refer to the state of allocation, redistribution and applications of resources to efforts to create wealth, generate income and use income to raise the standard of living. Productivity, quality of life and resource reinvestment are indices of economic growth and development in the simplest terms. The availability of resources, the quality and demand for the resources, the nature of technology and research in the production, consumption and reinvestment of resources as well as maximal utilisation of resources are key indices of economic growth and development.

Unfortunately, on all these indices, many African countries, including Nigeria, have performed poorly, leading to poverty, insecurity, conflicts, disease, ignorance, food insecurity and famine, with a large external debt and continued mismanagement of human, material and physical resources (Iwuagwu, 2000, p.22). It is not surprising, therefore, that 22 of the 36 poorest countries of the world are in Africa (Uzoigwe, 2007). A news report in the *Vanguard* of June 25, 2018 (https://www.vanguardngr.com/2018/06/) cited the Washington based Brookings Institution as having said that Nigeria has taken over from India as the nation with the highest number of people in extreme poverty. According to the report, "At the end of May 2018, our trajectories suggest that Nigeria had about 87 million people in extreme poverty, compared with India's 73 million. What is more, extreme poverty in Nigeria is growing by six people every minute, while poverty in India continues to fall." This is not minding that Nigeria has fewer than 200 million people compared to India's over 1.3 billion people.

Economic development is backed up by a system that promotes livelihood on a sustainable basis, access to education and basic healthcare for the majority of the population (Belshaw & Livingstone, 2002, p.3). According to Uzoigwe (2007, p.18):

> The meaning of the term "development" becomes clearer with the understanding of the term "economic growth". By economic growth, economists generally mean the increase over time in a country's real output per capita. Though other measures can be used, output is most conveniently measured by the gross national product (GNP). This implies that economic growth is measured by the increase in a country's per capita GNP. Economic growth is thus sustained expansion of production possibilities measured as an increase in the real GDP over a given period. Rapid economic growth maintained over a number of years can transform a poor nation into a rich one, as has been the experiences of Hong Kong, South Korea, Taiwan and other.

Citing Malizia and Feser (2000, p.20), Uzoigwe also notes that "growth and development are complementary, because one makes the other possible. They are also alternating processes that occur sequentially. Growth is an increase in output, development is a structural change, for example technological or legal. Growth expands the economy, while development must lead to more equal distribution of income and wealth. Overall, growth and development lead to a greater range of economic choices."

Economic growth and development implies that countries should expand their output at a rate faster than population growth. It is measured in output per capita or income per capita, which is the Gross National Product, the amount produced by each citizen. "The GNP per capita is used to measure the overall economic well-being of the population, expressing the amount of real goods and services that is available to the average citizen for consumption and investment (Todaro & Smith, 2003, p.15). To this is added the quality of life of the majority of the population and productivity in the informal sector. As Uzoigwe (2007, p.19) puts it:

> Most specifically, the economic growth index fails to reflect the distribution of income or wealth between the rich and the poor, and can also not show what sections of the population are favoured by the growth; or the level of welfare derived from the consumption of goods and services involved. Using GNP per capita as an index, thus requires a range of problems to be resolved. Such as capturing unrecorded economic transactions from the informal sector, externalities (pollution, congestion and

noise). In essence, it says nothing about the values or costs of these activities. Comparing the GNP per capita of different countries is also problematic considering the varying exchange rates of national currencies.

This is where small scale businesses should be factored in. They are areas where the informal financial sector has impact. There is therefore a need to take into consideration the allocation of resources, utilisation of resources and productivity in this area.

8. Going Concern theory

The going concern theory postulates that a business will operate without closing down or without being expected to be liquidated in the foreseeable future. The theory takes note of the fact that a business will usually face problems, but must be managed as a going concern in standard ways and circumstances, and thus show a tendency to operate in perpetuity. According to Igben (2007, p.50), a "business is considered a going concern if it is capable of earning reasonable net income and there is no intention or threat from any sources to curtail significantly its line of business in the foreseeable future" (Igben 2007, p.50).

It has been noted elsewhere in this study that a number of challenges face small businesses in Nigeria. This theory is therefore a basis to judge such businesses as to whether they are run as going concerns or not. No business will exist without problems and challenges, but the way such problems are handled will determine if the business is run as a going concern or not. The study also takes note of how problems and challenges that emanate from the society, government, and other elements affect the will and resolve of small business owners to run their businesses as going concerns.

9. Methodology

The study adopted a descriptive survey of owners of small scale businesses in Nsukka urban. Business owners were visited at the venues of meetings of their unions with the help of research assistants who were trained on the research goals. The questionnaire was used to elicit data for statistical and qualitative analysis. Qualitative data were generated using some open-ended questions. Descriptive statistics in the form of data distribution tables, weighted means and percentages were used in data analysis.

The area of the study was Nsukka urban, which was used to refer to the metropolitan and major commercial hub of Nsukka Local government. This includes the areas immediately surrounding the University of Nigeria, Nsukka. There are three major areas that constitute Nsukka urban, namely, Nkpunano, Ihe n'Owerre and Nru. The study did not, however, require a survey of these areas or a visit to the locations of the businesses therein. The study used a sampling frame of the registered members of the various business associations in designated areas of Nsukka urban. This made it necessary to visit the members of the associations at the point of their meetings.

Therefore, registered members of four business associations in Nsukka urban made up the population of the study. The associations include the Ogige Market Traders Association of Nsukka (OMATAN); Nsukka Traders Welfare Association (NTWA); Joint Auto-services Union, Industrial Market, Nsukka, (Technical, Traders and Electricians); and the Building Materials Associations, Nsukka. According to spokespersons of the above associations, there is a combined population of about three thousand, three hundred (3,300) registered business owners from the various unions. The associations formed the sampling frame, which made it possible to deal with finite populations. This also made it practicable to select a diversity of business types under small scale enterprises. Therefore, OMATAN served for the traders (clothing materials, staple foods and grocery stores) section of the study. Businesses outside the Ogige Market stood in for the artisans. The industrial market for automobiles and building materials were used for the services and traders markets. The table below displays the information.

Table 1: Business Associations and Population Estimates

Associations Used	Areas Covered	Population Estimate
OMATAN	Traders (grocery, clothing materials and staple foods)	1500
NTWA	Artisans	700
Joint Auto-Services Union (Mechanic Village)	Services	600
Building Materials Association	Traders	500
Total		**3300**

An online calculator was used in arriving at the sample size of 405 for the study. The calculator was obtained from the Electronic Data Information Source of the University of Florida (http://edis.ifas.ufl.edu/pd006). The calculator is a standard table that gives reliable sample sizes when the population is within a certain range.

Stratified sampling was used to divide the major business hubs into subsections (Table 2). For instance, Ogige was subdivided into the grocery stores, staple foods and clothing materials. Proportionate simple random sampling formula was used to apportion samples to the various associations in line with their populations. After using the formula to compute sample sizes for various associations, the following table emerged, with the samples for the various segments listed in the appropriate columns.

Table 2: Sample sizes for various markets

State	Population	Calculated Stratum Sample
Ogige Market	1500	184
Joint Auto-Services Union	700	86
Building Materials	600	74
NTWA	500	61
Total	**3300**	**405**

Using the systematic sampling technique, the following sampling fractions were worked out for questionnaire distributions: OMATAN = ½; Industrial Market=¼; NTWA= 1/6; and Building materials= 1/5. The sampling fraction was determined by dividing the sampling quota for each association by the total sample size of 405. The Likert scale and open-ended questions were used in section B. The instrument was face and content validated by five experts in business education. Reliability tests through the Chronbach Alpha a co-efficiency of .81. The mid-point of 3.0 was used as the acceptance region for the weighted. The formula for the weighted mean is:

Weighted mean = Σwx/Σw

Σ = summation sign

w = the weights.

X = the value.

Table 3: Data Analysis

The following analysis is based on 394 out of the 405 study sample. Therefore, 11 copies of the questionnaire were either lost or not appropriately completed.

s/n	Rank the following in the order in which they are the most basic problem faced by your business	Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5	Weighted Mean	Remark
1	I am facing challenges in my businesses	75	49	58	105	107	3.30	**Accepted**
2	My businesses has prospered steadily since I started?	103	126	33	47	85	2.13	**Rejected**
3	Most businesses I know in my line are up to five years of existence?	23	33	44	211	83	3.75	**Accepted**
4	I do not keep proper accounts of my business	135	97	81	42	39	2.37	**Rejected**
5	Many businesses around me have closed after opening	46	39	102	113	94	3.43	**Accepted**
6	My basic problem is getting enough customers	114	84	62	83	51	2.75	**Rejected**
7	My basic problem is money to expand my business?	62	35	54	121	122	3.52	**Accepted**

s/n	Rank the following in the order in which they are the most basic problem faced by your business	Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5	Weighted Mean	Remark
8	My basic problem is armed robbers	167	89	63	31	44	2.22	**Rejected**
9	My basic problem is that there are too many levies	135	103	21	52	39	2.04	**Rejected**
10	Government tax is high	132	117	81	33	31	2.27	**Rejected**
11	My shop is not big enough	125	101	27	72	69	2.64	**Rejected**
12	Rent charge is too high	100	124	39	83	48	2.63	**Rejected**
13	Sourcing for goods is a problem	89	21	13	142	129	3.32	**Accepted**
14	There are no credit facilities	23	109	30	183	49	3.31	**Accepted**
15	We suffer from too many payments to govt. & unions	39	81	32	201	41	3.31	**Accepted**
16.	I fear that my business may soon collapse	28	105	129	50	82	3.13	**Accepted**
17	Many people in my line of business do not manage their business very well	37	102	135	42	78	3.05	**Accepted**

10. Discussion of Findings

Findings from Table 3 indicated that business owners in Nsukka urban faced several challenges. This is attested to by a weighted mean of 3.30 in the responses to the question asking the respondents to indicate if they were facing challenges in their business. With a weighted mean of 2.13, the respondents similarly indicated that their businesses were not prospering. This is buttressed in item number 5, where it is showed that business owners accept that there have been intermittent cases of businesses around them closing their shops due to inability to break even (weighted mean =3.43). Item 16 also shows that individual business owners, on average, (weighted mean = 3.13) feared for their businesses in terms of the imminence of collapsing. The region of acceptance, though, was very close to 3.0 indicating that such fears do run very high.

The findings above indicate that businesses in Nsukka Urban are not run as going concerns in line with the theoretical framework of the study. This is further attested to by the weighted mean on item 17 (3.05), which showed that business owners believe that poor business management pervades businesses around them. This is despite the fact that majority of the respondents, as individuals, said they do not have problems of accounting as indicated in item 4. Thus, individual respondents absolve themselves of accounting immaturity, but think that others are not doing well.

In item number 3, with a weighted mean of 3.75, the respondents noted that businesses around them have majorly stayed up to five years since establishment. This is despite the fact that 45.2% of the businesses have not reached the five-year mark. More than 29% (29.7%) of the businesses were opened no farther than 2014. This result does not coincide with results of researches that reported high business mortality for small businesses in Ghana, Mozambique and the south-western parts of Nigeria (Dawuda & Azeko, 2015; Ejemobi, 2013; Fabayo, 2009). However, business mortality in this study was the highest in Ogige (63.7% were less than five years), and the lowest in the Industrial Market (13.1% were less than five years). Similarly, item 4 showed that majority of the businesses indicated that they kept proper accounting (weighted mean =2.37). In the estimation of the business owners, therefore, accounting was not a problem.

Another challenge of the businesses was sourcing of goods and credit facilities. With a weighted mean of 3.52 as indicated in item 7, the businesses accepted that money to expand their businesses was a problem, and there were no credit facilities (item 14) through which to raise money (weighted mean = 3.31).Sourcing goods was also reported to be a problem (weighted mean =3.32).An open-ended question showed that the respondents pointed to the problem of distributors as the main challenge they had in terms of sourcing goods. They called on manufacturers to remove distributors as middlemen in the supply chain of goods. This complain, though was noticed in the industrial market for building materials. Armed robbery, union levies and government tax were not seen as problems by 79.3% of the respondents. The respondents however tended to contradict themselves when they accepted (weighted mean = 3.31) in item 15 that they suffered too much payment to government and unions. They appeared to interpret tax/levies differently from payments to government and unions.

Objective number two is addressed with the two open-ended questions on the instrument. First was the question of how the respondents were tackling the problems facing them. The second question inquired the conditions, which the respondents wanted to be created for them so that their business would flourish. On the first question, up to 47.3% of the respondents chorused one word – prayer. Another 42.3% mentioned that they sought funds to boost their business either from the bank or from friends, although majority of this number failed to get the money and this presented a major challenge. The remaining 10.4% indicated that they sought professional advice or the advice of friends to boost their business. Eighty-five percent (85%) of those who sought professional advice also indicated having a B.Sc. or Degree as their academic qualification, and 73.2% of them were in the building materials market.

On the second question, 93.7% of the respondents had their answers indicated in four words that pointed to the same direction: money, financial support, soft loan from government and interest-free loan from the Bank of Industry. In addition to these were the following responses: removal of distributors in the supply chain by manufacturers, and broad advertisement network. While the respondents noted that there was business mortality around them, there was no indication that it was high. Judging from the dates of the opening of the businesses by the respondents, 55.3% of businesses in the industrial market were less than five years old; 71.9% of business in the Ogige Market had passed the five-year mark; 81.6% of businesses among the artisans had passed five years. This study does not support the findings of Adisa, Abduraheem & Mordi (2014), who noted that there is more business closure in Nigeria than their birth. Nsukka is thus an exception to this finding. However, the study supports the authors' position that unemployment was driving graduates into ownership of small scale businesses. Over forty-seven percent (47.4%) of the respondents indicated that they had either a B.Sc or a degree, and more than half of this number (31.1%) were in the industrial market alone.

11. Conclusion

Businesses in Nsukka Urban are faring reasonably well, but they need help in the area of finance and professional advice. Finance would help business expansion, while professional advice is needed in many areas of investment, business management and business assessment as well as profit re-investment. On the positive note, small businesses in Nsukka Urban did not have problems of armed robbery and accounting. Respondents also indicated that they did not face problems of levies. However, there was a seeming issue with making a difference between levies, tax and payments. While the respondents did not have problems of levies, they still overwhelmingly indicated that the many payments they were making to government should be removed. This leaves one to imagine what they considered to be levies and payments to government and unions.

Problems of poor distinction also arose in the area of knowing the responsibilities of business owners towards achieving business growth. The respondents talked about prayer, indicating they were religious or indicating they were in a religious society. While no one should begrudge them their religious inclinations, it ought to be said that there are occasions that do not require prayer as the response to questions on what business owners should do to boost their business. This therefore calls for capacity boosting in various areas of business handling among small business owners in Nsukka Urban. This fact is attested to by another finding above, which showed that those who indicated having university degrees were far more likely to talk about seeking professional advice than their counterparts who indicated having O'level.

12. Recommendations

1. The various trader associations should institute regular seminars on investment, business assessment and fund drive. This is to build the capacity of small scale business owners who are almost only waiting for government to do everything for them.
2. Small scale business owners should differentiate between the role of prayer and the role of professional inputs into business. This way, they would know their responsibilities in addition to their religious

belief.

3. The trade associations also need to institute ventures or liaisons with government for the procurement of loans. This is to help individual owners of small business circumvent the challenge of providing securities and collateral, which often hinder the procurement of loans.
4. Part of the professional advice should also be training on accounting standards. Although the respondents did not indicate that accounting was a problem, the fact that there were cases and fears of business mortality could point to problems of business accounting. The preponderance of solicitations for government loan indicated that the respondents needed guidance on financial management, especially given the fact that they are not likely to have access to funding as they wish.

13. References

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