Impact of Government Support on Small and Medium Enterprises (SMEs) Development in Nasarawa State: Evidence from Keffi L.G.A.

[1]Francis A. Akawu, [2]Agum Charles & [3]Awogbemi Petson Olanrewaju

[1&2]*Department of Economics, Faculty of Social Science,*
Nasarawa State University, Keffi
[3]*Computer Security / Forensic Unit*
Independent Corrupt Practices Commission (ICPC),Garki, Abuja

Abstract

The objective of this study was to examine the impact of government supports on the development of SMEs in Nasarawa State using Keffi Local Government as case study. The study used multiple regression model and the technique employed in its analysis was Ordinary least square (OLS). The main instrument used for the data collection is the questionnaire which was administered to various SMEs operators in selected locations in Keffi Local Government Area of the State. Using smith (1984) sample formular, a sample size of 126 was arrived at from a population of 558. Findings from the study revealed that government capacity building programmes has significantly impacted on the development of SMEs in the study area. In addition, provision of financial support by government has a significant and positive influence on the development of SMEs in Keffi Local Area and the results also revealed that there is a significant relationship between provision of infrastructural support programs by government and the development of SMEs in the study area. Based on these findings, it is thus recommended among others that there is the need for government to continually develop and provide capacity building programmes to enhance Small and Medium Enterprises

Keywords: *Capacity Building, Development, Infrastructure, Finance and SMEs*

Corresponding Author: Francis A. Akawu

Background to the Study

The inability of government at various levels to provide employment tended to have popularized the saying that "government alone cannot provide jobs for everybody and that people should learn to be self-employed". Therefore, the need to boost SMEs to fill in the gap becomes necessary because SMEs has a great role to play in generating employment in any society. Despite its numerous contributions towards societal as well as economic development, SMEs in Nigeria were seriously under-served, hence resulting to non-performance in the sector. Nigeria Bureau of Statistics and Small (NBS) and Enterprises Development Association of Nigeria, (SMEDAN, 2013) highlights some of the major constraints militating the growth of the sectors" performance which include:

    i   Access to finance,
    ii   Weak infrastructure,
    iii Inconsistency in government policies,
    iv Access to market,
    v   Multiple taxation, and
    vi Obsolete technology among others.

As a result of the recognition of SMEs by regional government and development experts as one of the main source of economic growth and a significant factor in promoting national economic development, that inspired the interest of many researchers (Bouri et al., 2011; Kadiri, 2012; Somoye, 2013).

What has come out of the poor state of the Nigerian economy, since the beginning of 1980, at least 60% of graduates are not able to get employment immediately after graduation; that many are learning and wishing to be on their own rather than looking up to government for employment, thus, the concern of the Nigerian government is to make as many people as possible particularly the teaming young graduates to be self-employed.

To this effect, the governments at all levels have embarked on numerous programs aimed at assisting young school leavers to acquire necessary resources to enable them start their own business. In spite of all these, unemployment rate is still very high, entrepreneurial development is also still at its nadir stage. The entrepreneurial environment in Nigeria is also very hostile

In view of this ugly trend, many policies were put in place. Such policies include the National Directorate of Employment- NDE, Open Apprenticeship Program, Structural Adjustment Programs, Family Economic Programs, Better Life for Rural Women, National Poverty Eradication Programmes, People's Bank and the National Economic Empowerment and Development Strategy (NEEDS). The policy thrust of NEEDS includes consolidation and strengthening an enabling environment for a competitive private sector, reduction of policy related costs and risks, such as corruption, red tape, and administrative barriers to business, reactivation of infrastructural facilities like electricity, transport and water, cheap and easy access to finance, rationalization of fiscal, monetary and legal incentives to ensure that firms have access to them.

The fact remains that in the last twenty years, governments in developing countries have introduced a number of policies and interventions aiming at promoting entrepreneurship through small and medium enterprise (SME) development. The main impetus for these "interventions" are specific constraints encountered by SMEs. Burns (2001) argued that though the SME sector can be much more responsive and flexible to changes in the marketplace, it is also less able to influence such developments. Limited access to finance, a low degree of professionalism, difficulties in recruiting qualified personnel, dependency on clients and suppliers and the absence of economics of scale are identified as core SME sector weaknesses and the main areas where SMEs may require special attention (Burns, 2001). In this respect, understanding the problems faced by SMEs in the specific context of development could provide the necessary background to develop policies for SME support and hence generation of employment.

Some of the policies were poorly implemented, frequent changing of policies and programs and lack of clear entrepreneurial development vision and commitment which pose serious threat to entrepreneurship in Nigeria. Some of the entrepreneurial related policies are good but the issue of poor environmental forces hinders them. For instance, electricity supply, water, good road network, is not available to encourage entrepreneurs. Difficult access to finance, high import tariff and other tariffs of government pose serious threat for the survival of young entrepreneurs.

Research Questions
The paper seeks to provide answers to the following questions:
   i.   What relationship exists between provision of human capacity building programs by government and the development of SMEs in Keffi Local Government Area of Nasarawa State?
   ii. What impact does provision of financial support by government have on the development of SMEs in Keffi Local Government Area of Nasarawa state?
   iii. To what extent has provision of infrastructural support programs by government influenced the development of SMEs in Keffi Local Government Area of Nasarawa state.

Research Hypotheses
In-line with the research questions, the following research hypotheses were tested:
 H01: There is no significant relationship between provision of human capacity building programs by government and the development of SMEs in Keffi Local Government Area of Nasarawa State.

 H02: Provision of financial support by government has no significant impact on the development of SMEs in Keffi Local Government Area of Nasarawa State?

 H03: Provision of infrastructural support programs by government has no significant influence on the development of SMEs in Keffi Local Government Area of Nasarawa State

Objective of the Study

The objective of the paper is to examine the impact of Government Support on Small and Medium Enterprises development in Keffi Local Government Area. The paper proceeds as follows: Section 1 is the introduction; Section 2 contains Literature Reviews which dwell with the conceptual and theoretical as well as empirical issues on SMES. Section 3 is concerned with methodology while section 4 deals with the empirical results and their analysis. Section 5 is the conclusion of the paper.

Literature Review

Conceptual Clarification of Small and Medium Enterprises

There is no universally accepted definition of Small and Medium Scale Enterprises (SMEs). Even in a single country, different institutions may adopt different definitions depending on their focus. The criteria usually used in the definitions include capital investment, annual gross turnover, output and employment (Kurfi, 2016). For instance, in the United States of America, a Small Scale Enterprise is one that is independently owned and operated with a capital base of not more than $5 million. In the Far East (mainly China, Hong Kong, Taiwan and South Korea) and even Europe, the average turnover of a Small-Scale Enterprise must not exceed $3 million (Olayiwola & Adeleye, 2013). In Nigeria, a Small Scale Medium Enterprise is defined as any enterprise with a maximum asset base of N50 million (excluding land and working capital) with no lower or upper limit of staff (SMEEIS, 2015). Given this overview of SMEs definitions by the industrialized and newly industrialized countries, the general consensus has been that the statistical definition of SMEs differs by country and mostly based on the number of employees and the value of assets (Bello, 2012).

The issue regarding the exact meaning of SMEs has long been debated upon and researchers have yet to reach a consensus. SMEs have as many definitions as there are many disciplines in the social sciences. For instance, the World Bank Group defines SMEs as enterprises with up to 300 employees and total annual sales of up to US$15 million (Gibson, 2008) whist the European Commission defines SMEs as having not more than 250 employees (Lucacs, 2015). UNIDO, on the other hand, defines SMEs in two ways: for developing countries; Large firms (with 100+ workers), Medium firms (with 20 - 99 workers, Small firms (with 5 - 19 workers), and Micro firms (with < 5 workers) and for industrialized countries: Large firms (with 500+ workers), Medium firms (with 100 – 499 workers), and Small firms (with ≤ 99 workers) (Peter, 2008).

The definition of SMEs, therefore, depends on who is defining it and where it is being defined (Ward, 2005). Whatever forms the definition of SMEs may take; however, two salient items are certain: number of employees in an enterprise and/or an enterprise's balance sheet or turnover. For instance, UNIDO defines SMEs in developing countries based on number of employees in an enterprise and ranges those (SMEs) from small enterprise (5 – 9 workers) to medium-sized (20 – 29). The World Banks basis its definition on both number of employees and enterprises' turnovers. The National Board for Small Scale Industries (NBSSI) of Ghana, on the other hand, defines SMEs based on number of

employees (which should not be more than 29 workers), and enterprise's balance sheet (which should not exceed the equivalent of US$100,000 excluding land and buildings). The Venture Capital Trust Fund (VCTF) Act 2004 (Act 680 section 28) defines SMEs as "an industry, project, undertaking or economic activity which employs not more than 100 persons and whose total asset base, excluding land and building, does not exceed the Naira equivalent of US$1 million in value".

In general, a distinguishing feature of SMEs is that they have no direct access to both local and international capital markets because of the high intermediation costs of smaller projects. However, they face the same fixed costs as large scale enterprises in complying with regulations but have limited capacity to market their products abroad (Kayanula & Quartey, 2010). In Nigeria, the SME sector is characterized by low levels of education and training of the self-employed. A vast majority are family-owned businesses (FOB) and there is often little separation of the business' finance from that the owner even to the point that the owner's or operator's personal accounts are used for the businesses (Ackah & Vuvor, 2011).

The Role of Government in Supporting Small and Medium Enterprises
In view of the challenges and the potentials they represent, it has been universally acknowledged that Micro Small and Medium Enterprises (MSMEs) need support and protection if they will continue to provide the kind of services expected of them (Kondaiah, 2010).Globally, the role of government in enterprise development is therefore expected to be in the form of provision of encouraging business environment, promulgating appropriate policies, formulation of suitable schemes, provision of valuable incentives, institutional support and effectively implementing programmes that have been designed (Desai, 2010). In some cases, in spite of the mixed reactions towards government's involvement in business, government have even been seen to take the lead in the establishment of some types of business enterprise.

However, Nigerian government according to SMEDAN scarcely interacts with individual MSMEs in the past, except through the cooperative or other officially recognized groups. Bank loans are rarely sought and very rarely obtained through government. In Nigeria, the two strong points in favour of MSMEs are that they are numerous and are everywhere. Although the potential of MSMEs has long been recognized, it was only in the mid-1980s that a conscious policy was made to promote and encourage their development. Since then, several schemes have been created to address employment creation, empowerment and poverty reduction through MSMEs. These programmes and measures addressing the needs of MSMEs have tended to concentrate on providing access to credit, capacity development and other critical measures. It is assumed that even a small improvement in their productivity and output will result in a more than proportionate improvement in employment, income and productivity in every nook and corner of the country (SMEDAN, 2012).

In Nigeria, the federal government is principally responsible for providing policy direction for the development of MSMEs in the country. During the colonial era, for obvious reasons, local industries were neglected and in some cases discouraged in favour of import promotion. At independence, Nigeria inherited a small-scale manufacturing sector that was struggling to stand, against all odds and still accounted for 15% of output. The federal government adopted import substitution industrialization by encouraging foreign owned large- scale industries and even set up some. At the regional level, efforts were geared through micro credit schemes, though the real problems of small businesses were not assessed. This led to this sector shrinking to 10% of the manufacturing sector by 1980 (SMEDAN, 2012).

According to (Ahmed,2006), the government of Nigeria designed a new scheme called small and medium industries equity investment scheme (SMIEIS) to tackle the challenges of financing small and medium industries in Nigeria. This scheme makes it mandatory for banks to reserve 10% of their pre-tax profit for equity investment in SMEs. Other intervention programmes which the federal government of Nigeria has introduced to support MSMEs include the establishment of the Central Bank of Nigeria Entrepreneurship Development Centres to provide basic business management skills training to MSMEs and unemployed youth in the 6 (six) geo-political regions of the country. In a similar manner in government in August 2013 launched an N220 billion micro, small and medium enterprises development fund (MSMEDF) to provide loans at single digit interest rate for MSMEs in the country. At the State level, each State is expected to follow suit and develop schemes and programmes that are suitable and peculiar to her own environment. It is in this direction that the Cross River State Government set up by law the Microfinance and Enterprise Development Agency in 2010 with the mandate to support the growth and development of micro, small and medium enterprises in the State (CRS Law No. 8, 2010).

Why Policies may not have their Intended Impact in Nigeria
Policy evaluation often indicates that policies do not achieve the intended goals. A variety of factors may impede the attainment of policy goals argues Adebayo (1995). They are:

i. **Multiplicity of causes of problem:** Policy problems are quite often caused by multiple factors; negative practices of sellers like commodity trade unionism cause inflation. Uncontrolled wage/salary increase time and time again has also caused inflation etc. Therefore, any policy made to control inflation should take into consideration these extraneous variables. Policy formulated to encourage entrepreneurship should at the same time take the issue of electricity, water, good road network into consideration.

ii. **Public policies have incompatible goals:** When policies are made argues Onyishi (2004) without taking into consideration incompatible goals it tends to affect the impact of the policy. For instance, Olusegun Obasanjo administration (1999-2007) adopted the policy of poverty alleviation and promotion of socio-economic development

and at the same time pursued a policy of retrenchment of thousands of workers from paid employment. The situation increased cases of crime and poverty.

   iii. Resources: Greater percentage of good policies formulated in Nigeria according to Clark (2000) is not well funded and thus lead to their failure. For instance, most, rural development policies failed due to inadequate funding. Also entrepreneurship is not thriving in Nigeria properly due to inadequate fund to pursue the appropriate models and strategies

   iv. Cost of problem solving: Most public problems are so complex that the cost of ameliorating the problem may be higher than the benefit that could accrue from such policy.

   v. Emergence of new problem: Sometimes in the course of policy implementation, a new problem may arise which automatically divert attention from the existing problem. For instance, in the course of implementing rural development programs and industrialization in Nigeria, it stemmed up the rate of armed robbery in the rural areas, which constituted another big problem for the government to control.

   vi. Insolubility of some problems: Some policy problems defied conclusive solution for example education for all program has not been achieved in Nigeria because of the orientation of the Islamic communities where women education is not encouraged (Adebayo,1995).

The Nigerian State and Small Business Survival
Despite the prevailing credit crunch in the Nigerian economy, government's renewed interest in the SME sector was corroborated by Ugwu, (2010), in his article: - 'Banks begin screening for N200billion SME's Loans'. According to the report, commercial banks in the country had begun appraisal of the N200billion ($1.25billion) small and medium enterprises credit scheme. The N200billion had been earmarked solely for small and medium scale enterprises and it was 80% guaranteed by the Central Bank of Nigeria (CBN). The main objectives of this Credit Guarantee Scheme by the CBN are: to fast-track the development of SME/manufacturing sector of the economy by providing guarantees; set the pace for industrialization of the Nigerian economy, increase access to credit by promoters of SMEs and manufacturers; and generate employment.

Taking cognizance of the prevailing high interest rates and other sharp practices in banks and other traditional sources of finance, the governments of most developing countries have initiated various industrial credit programmes. Such programmes have the objectives of assisting small-scale entrepreneurs to increase their income and to improve their living standards. It is believed that these programmes are veritable tools for redistributing resources that would lead to the wealth creation of the small-scale entrepreneurs. The above considerations have led to the establishment and recognition of many institutional credit markets in Nigeria including the Bank of Industry, Micro-finance banks, Co-operative Societies etc.

With this initiative, Nigeria's small businesses could be well-positioned to contribute substantially to the nation's economy by creating jobs that would go a long way in absorbing the army of the unemployed.

On the global scene, it is no longer news that many countries in the world are facing a recession. One way of getting a large percentage of the people to work is to empower small- scale enterprises. No doubt, this will go a long way in ameliorating the scourge of unemployment, which is the underlying cause of armed robbery, kidnapping, prostitution, and other dangerous vices prevalent in the Nigerian economy today.

Businesses have been quick to respond to the gloomy outlook by cutting jobs. There seems to be a general credit squeeze in Nigeria with most banks refusing to lend. With a gloomy global economic outlook, Nigeria, a largely mono-product economy, saddled with an undisciplined political leadership, no doubt, offers little hope for businesses, large and small, if the current global recession does not abate soon.

Available literature shows that 50% of small businesses will fail within the first five years of their establishment (Keough, 2012). If able-bodied men and women go into small businesses to escape the harsh reality of present day Nigeria and a bulk of such enterprises fails within so short a time, this portends a big problem, social, economic, and psychological, for the country. The causes of these failures may be due to lack of requisite training or education, inaccessibility to capital, hiring of close relatives as staff, marital indiscipline (e.g. marrying several wives and having many children).

Theoretical Framework
Contingency Theory: Resource-based theorists have developed certain characteristics of assets that generate sustained competitive advantage, naming them as strategic assets. The contingency theory was proposed by Fred Edward Fiedlerin 1964. Also, The RBV of the firm predicts that certain types of resources, SMEs firm owns and controls have the potential and promise to generate competitive advantage, which eventually leads to superior firm performance. Resource-based view viewpoint, different cases of companies functioning in different situations require different government policy. SMEs need to research and use their knowledge resources in society to enhance their organizational performance in a competitive environment. The performance of SMEs can vary with the selection of state policy adopted. The Government policy is usually effective for companies involved in high volume products. This study tries to examine the influence of government policy variable on the performances of SMEs.

Economic Theory of Entrepreneurship: This theory was propounded by David McClelland. The theorists here saw an entrepreneur as an agent of economic change. They argued that changes either in the environment or organization are a transformation that can occur as a result of the reaction of some economic forces. Economists assume that entrepreneurs behave rationally towards some economic forces (business opportunities, resources etc.) that result to change in environment in form of enterprise.

Entrepreneurship was seen as a process or positive event to every economic revolution. Without entrepreneurs, the other factors of production such as land, labour and capital cannot transform themselves into economic value (product and services). Theorists such as Knight, et al (1978) argued that:

> *Entrepreneurs play a distinct role in the market system through their evaluation of factors of production. While consumers evaluate goods in use, entrepreneurs evaluate the productivity of goods towards generating value in use – they assess the value of the factors of production in generating value useful to consumers.*

Unlike other theories, economic theory placed values on each of the factors of the production and saw them as distinct economic agents in the production process

Empirical Literature
Despite the fact that this study is significant to the entrepreneurial development in Nigeria, there are, however, limited studies that investigate the moderating effect of government support towards entrepreneurial performance. This present research is different from the previous studies (Eniola & Entebang, 2015; Eze et al., 2016; Shariff, Peou, & Ali, 2010). For example, Eniola and Entebang (2015) found that government policy has significant impact on the competitiveness of SMEs. Additionally, Eze et al. (2016) revealed that internal factors such as attitudes, habits, and way of thinking as well as external factors. These external factors include culture, government's lackluster approach to policy enunciation and poor implementation, access to modern technology and lack of entrepreneurial orientation are seen as some of the factors militating the growth of SMEs. Shariff, Peou and Ali (2010) in their study of 220 SMEs in Cambodia, found a positive relationship between entrepreneurial values, financing, management, marketing and SMEs performance. They also, confirmed government policy as having an important role as a full moderator in such relationships hence, suggested for further studies on the issues, especially in an emerging economy.

Numerous propositions have come out of the literature and conscious attempts are still needed on the role of Governments, through its series of economic policies poignant competition within the market to sustain a climate that is conducive to successful and profitable operations of SMEs (Dandago & Usman, 2011). These propositions embody the Government decision to consider concrete actions to bridle predatory pricing, bootlegging and importation of low-cost foreign products; corruption reduction practices; providing social justice; providing market information; infrastructure enhancements; providing training for SMEs and inspiring personal investment. Government can behave an entrepreneurial role to have an effect on the cosmos of a maintainable market component. On that point are several factors determining the performance of SMEs, and most of them are complex and fickle.

The sequel to previous studies Eniola (2014) and OECD (2004b, 2009, 2013) shows that market-based economy like Nigeria got to understand some specific steps to prove the conditions to advance SME to create chances to arise in different sectors of the economic

system and entrepreneur ventures. The outcomes of studies Adejugbe (2013); Nguyen, Alam, Perry, and Prajogo (2009); Sobri Minai and Lucky (2011) conjointly indicated that within the absence of durable, economic process in these countries transmutation economies, the Government should wrestle a vital part to creating those conditions. In summation, the previous studies emphasize that government policies cause an impression on SMEs exploit, linkages and networking so as to hitch forces and resources utilization (Harvie et al., 2010; Okpara, 2011).

Theoretical and empirical studies Eniola and Ektebang (2014) and Okpara (2011) have established Government policy that appears to be more consistent in determining the public presentation of the SMEs. Onwukwe and Ifeanacho (2011) assert that the red-tape or costs for complying with government regulations are extremely high in Nigeria. Oji (2006) observed that Nigeria has no explicit policy for the SMEs sector, the closest been the Small and medium Enterprises development Agency (SMEDAN), established in 2003 to facilitate the growth of the small and medium enterprises sector in the country. Also, it was argue that the poor implementation of government policies concerning SMEs had resulted in confusion and quandary in business decisions as well as enervates the credence in the government's capacity to execute conscientiously its programmes (Omoruyi & Okonofua, 2005). The inability of government to execute favourable fiscal policies and policy inconsistencies has undermined the development of SMEs in Nigeria. Akinbogun (2008) in his study examine the impact of infrastructure and Government policies on survival of small-scale ceramic industries in South-West of Nigeria, and found that infrastructural facilities and Government policies have not encouraged viable small-scale ceramic industries in Nigeria. He noted that while Nigerian physical environment and people's culture have been favourable towards the business enterprises, infrastructural facilities and Government policies have not. This has serious implication for the business performance and survival in Nigeria.

Methodology
The research design for this paper is descriptive survey which involves studying the impact of Government support on Small and Medium Enterprises (SMEs) Development in Nasarawa State covering Keffi L.G.A. The reason for this is to make for easier acceptance, the evaluative assessment and comments of respondents

The population of the study is 558 SMEs operators in Keffi who are responsible for the daily business activities and are therefore capable of providing the required information. The sample size is 126 operators were used out of the population and generalization made from answers gotten from them.

The Smith (1984) formula is used in the determination of the sample size for this study. The justification for the utilizing Smith (1984) sample formula is to give each and every selected SMEs even-spread that would align with the proportional stratified sampling technique.

The Smith (1984) sample was based on the formula:

$$n = \frac{N}{3 + N(e)^3}$$

Where;

  n = sample size;
  N = population size;
  e = Level of precision required;
  3 = constant
  In determining the sample size, the following variables were used:
  Confidence interval = 95 %
  e = Margin of error = 0.05

Table 1: Selected SMEs in Keffi Local Government Area

S/N	SMEs	L.G.A	Population	Sample
1	Traders	Keffi	238	$\frac{126*238}{}$
2	Business Centers	Keffi	211	$\frac{126*211}{}$
3	G.S.M Repairs	Keffi	109	$\frac{126*109}{}$
		Total	558	126

Source: Keffi Local Government Area, 2018

The SMEs consist of various businesses in different locations within the area of study.
The data collection was predominantly done through primary source of data involving the use of questionnaire. Some documentary sources in the library were also consulted during the literature review. The copies of the questionnaire were distributed to the management and the subordinates or the employees and the information so collected formed the thrust of the data analysis.

A five-point Likert scale of agree to disagree (that is, agreed, Disagree, undecided, strongly agreed and Strongly Disagreed) was used to measure the extent to which the various respondents agreed or disagreed with the issues raised. A Likert scale is a psychometric response scale primarily used in questionnaires to obtain participants preferences or degree of agreement with a statement or set of statements or factors.

To enhance reliability/validity of the data generated, efforts were made to ensure that only the respondents who fall within the identified group (i.e, the selected SMEs were given the questionnaire since they are sure would give the relevant responses. Also, the sample size and plan as empirically determined were kept. The tolerable acceptance level is for a reliable research instrument is 0.70 and above.

Table 1: Result of Reliability Test

Variable	Alpha
Human capacity building programs	0.7641
Financial support	0.8421
Infrastructural support programs	0.7145
Entrepreneurship Development	0.7022
Test to scale	**0.7531**

Source: Field Survey, 2018; Computed with SPSS 24

In the case of this study, the levels of alpha are well above the 0.70 typically accepted level, demonstrating a high level of internal consistency. As shown in the table above the alpha levels for the different indicators averaged alpha coefficient of 0.7531 is greater than 0.70, fully supporting the reliability of the constructs.

Quantitative analysis was used for the purpose of this study. This is because quantitative analysis results provide support for anticipated directions of the association between independent and dependent variables. Therefore, the study used multiple regression analysis to address the three hypotheses of this study since the study is addressing relationship between the various variables. This was achieved by the use of SPSS 24.

The model specifications here are formulated to tests the three hypotheses and they are as follows:

$$SD = \beta_0 + \beta_1 HCB + \beta_1 FS + \beta_1 ISP + \mu_t$$

Where;

SD	=	SMEs Development
HCB	=	human capacity building programs
FS	=	Financial support
ISP	=	Infrastructural support programs
μ_c	=	Error Term
β_0	=	Intercept
$\beta_1 - \beta_3$	=	Parameter coefficient

Apriori Expectation is $\beta_1, \beta 2, \beta 3 > 0$

Results and Discussion

The analysis of respondents' area of business revealed that most respondents are traders as captured by 58.7% of the respondents. The study further revealed that 24.8% are Business centers; while 16.5% of the respondents are GSM technicians.

Table 3: Government Support and SMEs Development

Dependent Variable: SMEs Development						
			95% CL			
Variables	coefficients	t-value	Lower Bound	Upper Bound	SEE	P-value
(Intercept, β_0)	0.764	11.522	0.632	0.895	0.066	0.000
Human capacity building programs	0.301	6.562	2.221	0.392	0.046	0.000
Financial support	0.034	2.075	0.025	0.045	0.016	0.041
Infrastructural support programs.	0.011	2.235	0.009	0.098	0.044	0.011

$F^1 = 7.48; p = 0.0111$

$R^2 = 0.8841; \overline{R^2} = 0.7980;$

$D.W = 1.84$

Source: Authors computations (2018) using SPSS 24

By examining the overall fit and significance of the SMEs development model, it can be observed that the model has a good fit, as indicated by the value of the *F*-statistic, 7.48 and it is significant at the 5.0 per cent level. That is, the F-statistic p-value of 0.0111 is less than 0.05 probability levels.

More so, the $_2R$(R-square) value of 0.8841 shows that the model does have a good fit too. It indicates that about 88.41 percent of the variation in SMEs development is explained by Government support programs, while the remaining 11.59percent is captured by the error term.

Statistical Test of Hypothesis

(H01): There is no significant relationship between provision of human capacity building programs by government and the development of SMEs in Keffi Local Government Area of Nasarawa State

From regression result in Table 3, the calculated t-value for the relationship between provision of human capacity building programs by government and the development of entrepreneurs in Keffi Local Government Area of Nasarawa State is 6.59 and the p-value computed is 0.000 at 95% confidence levels. Since the p-value is less than 0.05 used as the level of significance, we reject the null hypothesis (H01) and conclude that there is a significant relationship between provision of human capacity building programs by government and the development of entrepreneurs in Keffi Local Government Area of Nasarawa State

(H02): Provision of financial support by government has no significant impact on the development of SMEs in Keffi Local Government Area of Nasarawa State

The estimates from the regression result in Table 3 revealed that the calculated t-value for the provision of financial support by government and the development of SMEs in Keffi Local Government Area of Nasarawa State is 1.07 and the critical value is 1.96 at 95%

confidence level. This implies that t-calculated is greater than t-critical (that is 2.07 > 1.96) or p<0.05, that is 0.041 < 0.05. Since p<0.05, we reject the null hypothesis (HO2) and accept the alternative hypothesis and conclude that provision of financial support by government has a significant impact on the development of SMEs in Keffi Local Government Area of Nasarawa State

(H03): Provision of infrastructural support programs by government has no significant influence on the development of SMEs in Keffi Local Government Area of Nasarawa State

The findings from the results of t-test computed in Table 3 for the relationship between provision of infrastructural support programs by government and the development of entrepreneurs in Keffi Local Government Area of Nasarawa State shows that the value of t-calculated is2.235 and t-critical is 1.96 (that is, 2.235 >1.96). The result further shows that p-value is 0.011, which means p<0.05.Based on this, we reject the null hypothesis (HO3) and conclude that provision of infrastructural support programs by government has a significant influence on the development of SMEs in Keffi Local Government Area of Nasarawa State.

Conclusion and Policy Recommendations
Based on the findings of this research, we present the following recommendations;
  i.   There is the need for government to continually develop and provide capacity building opportunities to enhance process improvement for this sector. This is because, the issue of inadequate human capacity is a challenge to most SMEs in Keffi Local Government Area of Nasarawa State.
  ii. More so, the government should continue and in fact enhance the provision of loans and/or grants to SMEs through affordable and reliable windows of financial support
  iii. Lastly, there is a need to improve the general infrastructure like power, road and rail network, communication systems as these were found to be critical to the development of SMEs in Keffi Local Government Area of Nasarawa State.

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