

THE IMPACT OF SMALL SCALE BUSINESSES ON JOB CREATION



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DECLARATION

I, **Ruth Efosa OJO** do hereby declare that this thesis is entirely my own work and composition. The work in this thesis has not been submitted in candidature for any degree and is not concurrently being submitted for any other degree. All the references made to the work of other persons have been fully acknowledged.

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CERTIFICATION

We certify that this work titled “**The Impact of Small Scale Businesses on Job Creation**” was carried out by **Ruth Efosa OJO** in the Department of Entrepreneurship, University of Benin, Benin City.

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DEDICATION

This research work is dedicated to God Almighty who art in Heaven for his kindness, love, mercies, divine provisions, strength that he showed me throughout the course of this work.

And to the loving parents that the Almighty God has blessed me with, Dr. S. Ijesuorobo & Mrs Florence .I.Ojo

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Ruth Efosa **OJO**

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ABSTRACT

This study assesses the impact of small scale businesses on job creation using Ugbowo area in Benin City, Edo State as a case study. Four research questions were raised to guide the study. The population comprised of 11, 879 registered SMEs, from which a sample of 99 was determined using the Taro Yamme formula. Respondents were selected using the convenient sampling technique. A descriptive survey research design was adopted for the study. Data was collected using a structured questionnaire and analyzed using descriptive (frequency count, simple percentage, mean and standard deviation) and inferential statistics (Wilcoxon signed ranked test) and hypotheses were tested at 0.05 level of significance. The reliability of the instrument was determined using the Cronbach alpha statistics and it yielded a coefficient of 0.85. Results showed that skill development significantly influenced job creation capacity of SMEs ($p = .00$) and small scale businesses significantly contributed to job creation ($p = .02$). Challenges faced by SMEs include limited access to skills development and training programs, complex regulatory environment, inadequate infrastructure and access to adequate financing. The study concluded that small-scale businesses significantly contribute to job creation and employment in Benin City, Edo State, however small businesses are faced with challenges in fulfilment of this objective. It recommended that policy-makers should as a matter of necessity address the issue of complex regulatory environment, endeavour to prioritize the issue of infrastructural deficits which has plagued the nation for so long, small business owners should avail themselves of opportunities to improve and develop their knowledge and capacity in other to enhance their competitiveness.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Small-scale businesses play a pivotal role in the economic development of nations, contributing significantly to job creation, poverty reduction, and overall economic growth. The impact of small-scale businesses on job creation has been a subject of scholarly interest and policy consideration. In the context of Benin City, Edo State, Nigeria, the importance of small-scale businesses becomes even more pronounced given its historical significance, economic vibrancy, and diverse entrepreneurial activities. New theories from evidenced based and academic studies have shown that the economic miracle needed by third world countries is embedded in the entrepreneurship factor (Olotuase, 2014).

The backdrop against which this research is set encompasses the intricate tapestry of small-scale businesses and their integral role in the socio-economic fabric of Benin City, Edo State, Nigeria. Benin City, as the capital of Edo State, has a rich historical heritage coupled with a vibrant contemporary business landscape. Over the years, the city has witnessed a proliferation of small-scale enterprises spanning diverse sectors such as retail, services, and manufacturing. This growth is indicative of the entrepreneurial spirit ingrained in the local populace and the city's dynamic economic environment. The historical significance of Benin City, coupled with its strategic location as a commercial hub, has contributed to the emergence and sustenance of

small-scale businesses that form the backbone of the local economy. Since small and medium-sized enterprises are very crucial for the development of any economy and serve as catalysts for economic development, countries seeking sustainable growth in their economies must pay close attention to the small and medium-sized enterprises sector and integrate the potential to generate jobs, promote local technology, diversify production, build indigenous entrepreneurship and integrate with large-scale industries that can be provided by the sector (Aruwa & Suleiman, 2004).

Adeusi and Aluko, (2014) stated that entrepreneurship must be adopted in order to reduce the rising level of poverty. As Benin City continues to undergo urbanization and economic transformation, there is a need for comprehensive research to explore the specific contributions of small scale businesses to job creation within this unique context. This study aims to bridge existing gaps and provide insights that can inform policy interventions, foster sustainable growth, and enhance the socio-economic impact of small-scale businesses in Benin City, Edo State and beyond.

1.2 Statement of the Problem

The study addresses a pressing concern related to the impact of small-scale businesses on job creation within the specific context of Benin City, Edo State, Nigeria. Despite the potential benefits of small-scale businesses in job creation, there exists a gap in comprehensive empirical research that explores the specific dynamics and challenges within the context of Benin City,

Edo State. This study seeks to address this gap by examining the factors influencing the impact of small-scale businesses on job creation, the barriers they face, and the potential strategies for enhancement. The absence of a thorough understanding of these challenges and their implications hampers informed policy decisions and interventions aimed at fostering a conducive environment for small-scale businesses to thrive and, subsequently, contribute significantly to job creation in the local economy.

1.3 Objectives of the Study

The primary objectives of this research are as follows:

- i. To assess the relationship between skills development and job creation in small-scale businesses
- ii. To examine the extent to which small-scale businesses contribute to job creation in Benin City.
- iii. To identify the challenges faced by small-scale businesses in Benin City that affects their impact on job creation.
- iv. To explore potential strategies and recommendations to enhance the role of small-scale businesses in job creation within the context of Benin City.

1.4 Research Questions

To achieve the stated objectives, the study will address the following research questions:

- i. To what extent does skills development influence the job creation performance of small-scale business in Benin City, Edo State?
- ii. How significant is the contribution of small-scale businesses to job creation in Benin City?
- iii. What are the main challenges faced by small-scale businesses in Benin City that hinder their impact on job creation?
- iv. What strategies can be employed to enhance the role of small-scale businesses in job creation in Benin City?

1.5 Scope of the Study

This study focuses specifically on small-scale businesses in Benin City, Edo State, Nigeria. The choice of Benin City as the geographical scope is informed by its historical, cultural, and economic importance. The research will encompass various sectors and industries within the small-scale business landscape in the city.

1.6 Significance of the Study

The significance of this study lies in its contribution to expanding the understanding of the impact of small-scale enterprises on job creation, particularly within the unique context of Benin City, Edo State. By focusing on this specific geographical area, the research aims to provide insights that are locally relevant, considering the distinct economic, social, and cultural dynamics of the region.

The findings of the study are expected to enrich the existing body of knowledge on the relationship between small-scale businesses and job generation. This is critical not only for academic purposes but also for practical applications in policy formulation and decision-making. As small-scale enterprises form a substantial portion of the economic fabric in Benin City, the research outcomes can serve as a valuable resource for policymakers, local authorities, and stakeholders. The recommendations derived from the study can guide the development of targeted interventions and initiatives aimed at creating a conducive environment for the growth of small enterprises and unlocking their full potential for job creation.

Furthermore, the significance of this study extends to its potential to inform governmental initiatives. As policymakers seek effective strategies to stimulate economic growth and alleviate unemployment, understanding the specific challenges and opportunities faced by small-scale businesses in Benin City becomes paramount. The study's recommendations may serve as practical and actionable insights, guiding the design and implementation of policies that foster an atmosphere conducive to the sustainable growth of small enterprises, thereby enhancing their role as significant contributors to job creation.

In essence, the significance of this study is not confined to academic inquiry; it extends to practical implications for local economic development. The research endeavors to bridge the gap between theory and application, providing valuable insights that can shape the trajectory of

small-scale businesses in Benin City and contribute to the broader goal of job creation in the region.

1.7 Limitations of the Study

The research is subject to time constraints, limiting the depth and breadth of data collection and analysis. A more extended timeframe would allow for a more comprehensive exploration of various factors influencing small-scale businesses and job creation in Benin City. The study is limited by financial resources available for data collection, analysis, and dissemination. A more extensive budget would have facilitated a broader range of data sources, more extensive surveys, and potentially increased the scope of the study to include a more diverse set of small-scale businesses. Due to time and financial constraints, the study may face limitations in the size and representativeness of the sample. A larger sample size and a more diverse representation of small-scale businesses could provide a more nuanced understanding. The findings may be specific to the context of Benin City and may not be entirely applicable to other regions with different economic, social, and cultural dynamics. Caution should be exercised when generalizing the results to broader contexts.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Relevant literature was reviewed in this chapter under the following sub-heading; Conceptual framework, theoretical framework, empirical review as well as research gap.

2.2 Conceptual Framework

2.2.1 Small-Scale Businesses

Small-scale businesses, often categorized as Small and Medium Enterprises (SMEs), constitute the focal point of this study. These enterprises are characterized by their limited scale of operations, modest resource base, and varying levels of market penetration. The study recognizes the diverse sectors in which these businesses operate, including trade, services, manufacturing, and agriculture.

Small-scale businesses, often categorized as micro, small, and medium enterprises (MSMEs), play a crucial role in the economic fabric of nations, contributing significantly to employment generation, income generation, and overall economic development. These businesses are characterized by their limited scale of operations, modest capital, and flexibility, allowing them to adapt quickly to changing market dynamics. As highlighted by Aigbokhan (2000), small-scale

businesses form a vital component of the entrepreneurial landscape in Nigeria, including cities like Benin City, Edo State. These enterprises span various sectors, ranging from retail and services to manufacturing and agriculture, reflecting a diverse array of economic activities.

In Benin City, the historical significance of small-scale businesses is evident, dating back to its role as a trade hub and economic center. Oviawe, Iyekekpolor and Obadan (2015) note that the city's contemporary landscape is marked by the proliferation of small-scale enterprises, contributing to the vibrancy of the local economy. These businesses, often family-owned or individually operated, showcase a range of products and services, meeting the diverse needs of the local population. The entrepreneurial spirit in Benin City has been further fueled by government initiatives and policies aimed at promoting entrepreneurship, such as credit support schemes and training programs (Anyanwu, 2007).

Despite their significance, small-scale businesses face a myriad of challenges. Ighodaro (2013) and Erah, Ehi-Oshio, and Erah (2019) highlight issues such as limited access to finance, inadequate infrastructure, and regulatory constraints. These challenges can hinder the growth and sustainability of small enterprises, impacting their ability to contribute optimally to job creation. Nevertheless, studies like Okorie (2018) and Oshikoya (2006) emphasize the potential of these businesses to generate employment opportunities, particularly in the informal sector, where they often serve as a crucial source of livelihood for many.

In recent years, the role of small-scale businesses in fostering gender inclusivity has also gained attention. Oronsaye, Eguavoen and Odiase (2016) shed light on the significant contributions of female entrepreneurs in Benin City, emphasizing the need for gender-sensitive policies to further empower women in the entrepreneurial space. Additionally, the integration of technology and innovation has been recognized as a catalyst for the growth of small-scale businesses (Edigin, Ani & Osifo 2020), enabling them to enhance productivity and compete in an increasingly globalized market.

Small-scale businesses in Benin City contribute substantially to the local economy, providing employment opportunities, fostering entrepreneurship, and catering to diverse consumer needs. While facing challenges, these enterprises remain resilient and adaptive, playing a pivotal role in the socio-economic landscape of the region. Understanding the dynamics of small-scale businesses is crucial for policymakers, academics, and stakeholders seeking to enhance their contribution to economic development.

2.2.1.1 Types of Small Scale Business

Small-scale enterprises encompass a diverse array of businesses that vary in size, scope, and industry. These enterprises are typically characterized by their relatively small size, limited capital investment, and modest scale of operations. Within the Small-scale enterprises, several types of businesses exist, each catering to specific markets, niches, or consumer needs.

One prevalent type of micro and small-scale enterprise is the retail sector, which includes businesses such as convenience stores, grocery shops, boutiques, and street vendors. These businesses cater to local communities, providing essential goods and services to residents while contributing to the vibrancy of neighborhood economies.

Another common category within the Small-scale enterprises sector is the service industry, which encompasses a wide range of businesses offering various services to consumers and businesses alike. Examples include hair salons, beauty parlours, tailoring shops, repair services, photography studios, and consulting firms. Service-based Small-scale enterprises often thrive on personalized customer interactions, specialized expertise, and word-of-mouth referrals.

Additionally, the manufacturing sector comprises Small-scale enterprises engaged in producing goods across different industries. These businesses may include small-scale factories, artisan workshops, craft industries, and food processing units. While some manufacturing MSEs operate on a small scale, others may gradually expand to meet growing demand or niche markets, contributing to job creation and industrial growth.

In recent years, the technology and digital sectors have witnessed the emergence of numerous Small-scale enterprises specializing in software development, app development, web design, digital marketing, and e-commerce. These businesses leverage technological advancements and online platforms to reach global audiences, often operating with minimal physical infrastructure and overhead costs.

Furthermore, Small-scale enterprises in the agricultural sector play a crucial role in food production, processing, and distribution. These businesses range from small family farms and agro-processing units to local food markets and cooperatives. Agricultural Small-scale enterprises contribute to food security, rural livelihoods, and sustainable agriculture practices.

Overall, micro and small-scale enterprises encompass a wide spectrum of businesses, spanning retail, services, manufacturing, technology, agriculture, and more. Despite their size, these enterprises play a significant role in driving economic growth, fostering entrepreneurship, and creating employment opportunities, particularly in emerging economies and local communities.

2.2.1.2 Importance of Small Scale Business

Small-scale businesses hold immense importance in the economic landscape of Benin City, Edo State, Nigeria, contributing significantly to the socio-economic development of the region. These enterprises serve as the backbone of the local economy, driving innovation, creating employment opportunities, and fostering entrepreneurship within the community.

One key significance of small-scale businesses in Benin City lies in their role as engines of job creation. With the city's growing population and urbanization, small enterprises play a crucial role in absorbing surplus labor from the informal sector and providing livelihoods for individuals across various skill levels. Whether it's street vendors, tailoring shops, hair salons, or local food markets, these businesses collectively employ a substantial portion of the city's workforce,

particularly among youth and women, thereby reducing unemployment and underemployment rates.

Moreover, small-scale businesses contribute to the diversification of the local economy in Benin City. By operating across various sectors such as retail, services, manufacturing, agriculture, and technology, these enterprises enhance economic resilience and sustainability. They create a vibrant business ecosystem, supporting supply chains, fostering market competition, and stimulating consumer demand. Additionally, small-scale businesses often serve niche markets or cater to specific local needs, thereby addressing gaps in the market and promoting inclusivity within the economy.

Furthermore, small-scale businesses in Benin City play a vital role in wealth creation and poverty alleviation. By empowering individuals to start their ventures and pursue entrepreneurship, these enterprises enable wealth generation at the grassroots level. They provide opportunities for income generation, asset accumulation, and upward mobility, particularly among marginalized communities and vulnerable groups. Additionally, small-scale businesses contribute to poverty reduction by offering affordable goods and services, fostering social mobility, and promoting economic empowerment within the local populace.

Overall, the importance of small-scale businesses in Benin City extends beyond economic considerations to encompass social and cultural dimensions. These enterprises serve as hubs of community engagement, fostering social cohesion, and preserving cultural heritage. They

embody the entrepreneurial spirit and resilience of the local population, driving inclusive growth and sustainable development in the city and beyond. As such, supporting the growth and development of small-scale businesses remains imperative for harnessing their full potential as engines of economic prosperity and social progress in Benin City, Edo State, Nigeria.

2.2.1.3 Rationale for Emphasizing Small Scale Enterprise in Nigeria's Industrial Development

Emphasizing small-scale enterprises in the industrial development of Benin City, Edo State, Nigeria, is founded on several compelling rationales that recognize the unique potential and contributions of these enterprises to sustainable economic growth and development.

Firstly, small-scale enterprises serve as critical drivers of job creation, particularly in urban areas like Benin City. With a large and growing population, there is a pressing need to absorb surplus labor and provide employment opportunities for youth and other demographic groups. Small-scale enterprises, with their low entry barriers and flexibility, have the capacity to generate jobs rapidly, thereby reducing unemployment rates, alleviating poverty, and promoting social stability within the community.

Secondly, fostering small-scale enterprises contributes to economic diversification and resilience. Benin City, like many other urban centers, may be heavily reliant on specific industries or sectors for economic sustenance. By supporting the growth of small-scale businesses across

various sectors such as retail, services, manufacturing, and agriculture, the city can create a more balanced and resilient economy less susceptible to external shocks or market fluctuations.

Additionally, promoting small-scale enterprises aligns with broader development objectives aimed at fostering inclusive growth and reducing income inequality. These enterprises often provide opportunities for entrepreneurship and self-employment, enabling individuals from marginalized communities, women, and youth to participate actively in economic activities and benefit from the fruits of economic development. This inclusivity helps bridge socioeconomic gaps, empower vulnerable groups, and promote social cohesion within the city.

Furthermore, emphasizing small-scale enterprises in industrial development fosters innovation, creativity, and local enterprise development. These enterprises are often hubs of entrepreneurial activity, fostering an ecosystem conducive to experimentation, adaptation, and the adoption of new technologies and business models. By nurturing a culture of entrepreneurship and innovation, Benin City can tap into the latent potential of its residents, spur productivity gains, and drive long-term economic growth.

Moreover, supporting small-scale enterprises in Benin City is integral to harnessing the city's comparative advantages and local resources sustainably. Whether it's leveraging traditional craftsmanship, agro-processing capabilities, or cultural heritage, small-scale businesses can create value-added products and services that capitalize on the city's unique strengths and assets. This localized approach to industrial development promotes economic self-reliance, fosters

community pride, and enhances the city's overall competitiveness in the regional and global markets.

Emphasizing small-scale enterprises in Benin City's industrial development is not only a pragmatic economic strategy but also a means to achieve broader social and developmental objectives. By leveraging the inherent strengths of small-scale businesses, the city can stimulate job creation, foster economic diversification, promote inclusive growth, spur innovation, and harness local resources sustainably, thereby laying the foundation for a prosperous and resilient future.

2.2.1.4 Problems of Small scale Business

Small-scale enterprises face a myriad of challenges that can hinder their growth, sustainability, and overall success. These problems often stem from a combination of internal and external factors, including limited resources, market dynamics, regulatory constraints, and socioeconomic conditions. Understanding and addressing these challenges are crucial for unlocking the full potential of small-scale enterprises and fostering their contribution to economic development. Some of the key problems encountered by small-scale enterprises include:

Limited Access to Finance: One of the most significant challenges facing small-scale enterprises is the difficulty in accessing adequate financing. Traditional financial institutions may be reluctant to lend to small businesses due to perceived risks, lack of collateral or high interest

rates. As a result, many small-scale enterprises struggle to secure the capital needed to start or expand their operations, invest in equipment or technology, or manage cash flow effectively.

Inadequate Infrastructure: Small-scale enterprises often operate in environments with inadequate infrastructure, including poor transportation networks, unreliable electricity supply, and limited access to water and sanitation facilities. These infrastructure deficits can increase operating costs, reduce productivity, and hamper the ability of businesses to reach markets efficiently.

Market Competition: Small-scale enterprises frequently face stiff competition from larger firms, established brands, or informal sector operators. Limited resources and scale disadvantage small businesses in terms of economies of scale, bargaining power, and marketing reach. In addition, globalization and technological advancements have intensified competition, making it challenging for small-scale enterprises to differentiate themselves and carve out a niche in the market.

Regulatory Constraints: Small-scale enterprises often grapple with complex and burdensome regulatory requirements imposed by government agencies. Compliance with licensing, permits, taxation, and labour laws can be time-consuming, costly, and confusing for small businesses, diverting valuable resources away from core operations. Additionally, corruption, bureaucracy, and inconsistent enforcement of regulations further exacerbate the challenges faced by small-scale enterprises.

Skills and Capacity Constraints: Small-scale entrepreneurs may lack the necessary skills, knowledge, or experience to effectively manage and grow their businesses. Limited access to training, mentorship, and business support services further compounds these capacity constraints, hindering innovation, strategic planning, and organizational development within small-scale enterprises.

Access to Markets: Small-scale enterprises often struggle to access markets beyond their immediate vicinity or niche segments. Limited marketing capabilities, distribution networks, and branding efforts can restrict the reach and visibility of small businesses, constraining their growth potential and revenue generation opportunities.

Vulnerability to External Shocks: Small-scale enterprises are often more vulnerable to external shocks such as economic downturns, natural disasters, or political instability. Lack of diversification, reliance on local markets, and limited financial reserves can amplify the impact of these shocks, leading to business closures, layoffs, or bankruptcy.

2.2.2 Job Creation

Job creation is considered as the outcome of the activities of small-scale businesses, encompassing the employment opportunities generated directly or indirectly by these enterprises. The focus is on understanding the nature, magnitude, and quality of jobs created, acknowledging that employment outcomes extend beyond mere numerical metrics to include factors such as job stability, income levels, and skill enhancement. Small-scale businesses significantly contribute to

job creation, serving as vital engines of employment in diverse economies. In the context of Benin City, Edo State, Nigeria, the impact of these enterprises on job creation is notable. Studies by Ighodaro (2013) and Okorie (2018) underscore the potential of small-scale businesses to generate employment opportunities, particularly in regions where formal job markets may be limited. These businesses often act as catalysts for absorbing surplus labor, especially in the informal sector, where they provide employment for a significant portion of the population. The flexible and adaptive nature of small-scale enterprises allows them to respond swiftly to market demands, fostering agility in job creation (Oshikoya, 2006). Furthermore, the gender dynamics of job creation in small businesses cannot be overlooked. Research by Oronsaye, Eguavoen and Odiase (2016) emphasizes the substantial contributions of female entrepreneurs in Benin City, further enhancing the inclusivity of job creation within these enterprises.

Despite their positive impact, small-scale businesses in Benin City face challenges that can affect their ability to contribute optimally to job creation. Issues such as limited access to finance, regulatory constraints, and infrastructural deficits, as highlighted in studies by Erah, Ehi-Oshio, and Erah (2019) and Ighodaro (2013), can impede the growth of these enterprises and subsequently limit the scale of job creation. Nonetheless, the resilience and entrepreneurial spirit demonstrated by small-scale businesses often enable them to navigate these challenges and continue their role as significant contributors to local employment.

Government policies and support programs also play a crucial role in shaping the landscape of job creation through small-scale enterprises. Anyanwu's (2007) research delves into the impact of credit support schemes on the performance of small businesses, highlighting the potential positive correlation between targeted policy interventions and enhanced job creation. Effective policies that address the specific needs and challenges faced by small-scale businesses can amplify their contribution to job creation in Benin City.

Small-scale businesses in Benin City serve as key players in job creation, particularly in the informal sector. Their ability to adapt to market demands and absorb surplus labor contributes substantially to local employment. Understanding the dynamics, challenges, and potential interventions for enhancing job creation through small-scale enterprises is imperative for fostering sustainable economic growth and inclusivity in the region.

2.2.3 Skill Development

Skill development plays a pivotal role in shaping the capacity of small-scale businesses, influencing their ability to create employment opportunities. According to Okorie (2018), entrepreneurs in small-scale businesses often operate in dynamic and competitive environments, necessitating a diverse set of skills for effective management and growth. Skill development encompasses both technical proficiencies related to the specific industry and managerial capabilities essential for strategic decision-making and organizational leadership. This is

particularly crucial in the context of small-scale businesses in Benin City, Edo State, where the entrepreneurial landscape demands adaptability and resilience.

Ighodaro (2013) emphasizes the significance of managerial skills in navigating the complexities of running a small enterprise. Entrepreneurial ventures benefit immensely from competencies such as financial management, marketing strategies, and human resource optimization. Technical skills, on the other hand, are indispensable for ensuring product or service quality and staying competitive in the market. Ongoing training programs and capacity-building initiatives become essential tools in honing and expanding these skill sets.

Moreover, the relationship between skills development and job creation is intricate. As highlighted by Oronsaye, Eguavoen and Odiase (2016), entrepreneurs equipped with enhanced skills are better positioned to innovate, adapt to market changes, and expand their businesses. In the realm of small-scale enterprises, where resource constraints are common, the acquisition of relevant skills becomes a catalyst for sustainable growth. Edigin, Ani, and Osifo (2020) stress that technology adoption, an integral aspect of skill development, can particularly open up new avenues for job creation, especially in sectors embracing digital advancements.

While recognizing the positive correlation between skills development and job creation, it is essential to consider the challenges faced by small-scale businesses. Erah, Ehi-Oshio, and Erah (2019), shed light on the constraints, including limited access to training programs and financial resources, which can hinder the effective development of skills among entrepreneurs. Skill

development is a linchpin for the success and job creation potential of small-scale businesses in Benin City. A holistic approach that addresses both technical and managerial skills, coupled with accessible training programs, can empower entrepreneurs to not only navigate challenges effectively but also contribute significantly to local employment opportunities. Skill development can be categorized into several key areas:

Technical Skills: Technical skills refer to the specialized knowledge and expertise required to perform specific tasks or functions within a particular industry or profession. These skills may include proficiency in operating machinery, equipment, or software programs, understanding technical processes, and implementing industry-specific best practices. Technical skills are essential for individuals working in fields such as manufacturing, engineering, construction, information technology, and healthcare, where precision, accuracy, and proficiency are paramount.

Soft Skills: Soft skills, also known as interpersonal or non-technical skills, are the personal attributes, traits, and abilities that enable individuals to effectively interact with others, communicate ideas, and navigate social and professional environments. These skills encompass a broad range of competencies, including communication, teamwork, leadership, problem-solving, time management, adaptability, and emotional intelligence. Soft skills are crucial in virtually every aspect of work and life, as they facilitate collaboration, conflict resolution, decision-making, and relationship-building across diverse contexts.

Managerial Skills: Managerial skills refer to the abilities and competencies required to plan, organize, coordinate, and oversee the activities of individuals or teams within an organization or business. These skills include strategic thinking, decision-making, resource allocation, delegation, project management, and conflict resolution. Managerial skills are essential for individuals in leadership positions, including supervisors, managers, executives, and business owners, as they enable effective management of people, processes, and resources to achieve organizational goals and objectives.

Entrepreneurial Skills: Entrepreneurial skills encompass the knowledge, attitudes, and behaviors associated with identifying, evaluating, and pursuing business opportunities, as well as managing and growing new ventures. These skills include creativity, innovation, risk-taking, opportunity recognition, market analysis, financial management, and networking. Entrepreneurial skills are vital for individuals aspiring to start and grow their businesses, as they enable them to navigate the complexities of entrepreneurship, overcome challenges, and capitalize on emerging opportunities in dynamic and competitive markets.

Life Skills: Life skills, also known as personal development or self-management skills, are the abilities and attributes that individuals need to navigate the complexities of everyday life and achieve personal and professional fulfillment. These skills include goal-setting, self-awareness, resilience, assertiveness, stress management, decision-making, and conflict resolution. Life skills are essential for individuals of all ages and backgrounds, as they promote personal growth, well-

being, and lifelong learning, enabling individuals to adapt to change, overcome obstacles, and thrive in diverse environments.

2.2.4 Interrelationship Factors

The study explores the interrelationship factors that influence the impact of small-scale businesses on job creation in Benin City. These factors are categorized into economic, social, and institutional dimensions.

Economic Factors: This dimension encompasses variables such as access to finance, market conditions, and regulatory environments. It investigates how the economic landscape of Benin City affects the ability of small-scale businesses to thrive and subsequently create jobs.

Social Factors: Cultural and community dynamics form a critical part of the conceptual framework. The study recognizes that social factors play a significant role in shaping entrepreneurial activities, influencing the type of businesses that emerge, and impacting their contribution to job creation.

Institutional Factors: Government policies, support programs, and the broader institutional framework are crucial components. The study investigates how institutional factors influence the operations and growth of small-scale businesses, affecting their capacity to generate employment opportunities.

2.2.5 Challenges on SMEs

Without a question, small and medium-sized businesses contribute significantly to the expansion of the economy. Developing and wealthy nations alike are concerned about the alarming rate at which small and medium-sized businesses collapse. Approximately 80–90% of SMEs fail within 5–10 years, according to several research (Ahmad, Abdul Rani & Mohd Kassim, 2010; Kuratko & Hodgetts, 2004).

Owners of small and medium-sized businesses must contend with issues such as changing economic conditions, a wide range of technological advancements, a lack of resources, and experience (Gummesson, 1994). In addition to creating jobs, small and medium-sized businesses are crucial to the expansion and development of the economy. Accurate management is necessary for small and medium-sized businesses to expand in the global market. Success stories in entrepreneurship will show how to reduce poverty and enhance people's lives in the developing economies of the world.

Small and medium-sized businesses require managerial talent to get over their depressive state and reach a more competent level in order to compete globally and for their rapid expansion (Al-Haddad, Sial, Usman, Ali, Alam, & Farrukh, 2019). According to studies, other issues facing small and medium-sized businesses include political unpredictability, a lack of infrastructure and intellectual resources, a distrust of authority, and the inadequacy of government law enforcement (Khaliq, Isa & Nassir Shaari, 2011).

2.2.6 Potential Strategies to Enhance the Role of Small-Scale Businesses

Enhancing the role of small-scale businesses in job creation necessitates the formulation and implementation of effective strategies and recommendations. Access to finance stands out as a critical factor, as highlighted by Anyanwu (2007) and Ogunrinola and Adesina (2017). Implementing or enhancing credit support schemes and targeted financial programs can alleviate the financial constraints faced by small-scale enterprises, fostering their growth and job creation capabilities. Concurrently, capacity building and training programs emerge as crucial components, echoing the findings of Okorie's (2018) research. Investment in training initiatives enhances the skills, managerial abilities, and overall business acumen of small-scale entrepreneurs, contributing significantly to increased job creation.

Infrastructure development is paramount, as underscored by Erah, Ehi-Oshio, & Erah, (2019). Addressing infrastructural deficits, such as inadequate transportation and utilities, through government interventions creates a more conducive environment for small-scale businesses to thrive. Moreover, policy reforms and improvements in the regulatory environment, as emphasized by Ighodaro (2013), play a pivotal role. Streamlining regulatory processes, reducing bureaucratic hurdles, and implementing business-friendly policies positively influence the growth of small-scale businesses and subsequent job creation.

Encouraging the adoption of technology and fostering innovation is vital (Edigin, Ani, & Osifo 2020). Small-scale businesses in Benin City can benefit significantly from the integration of

modern technologies, improving efficiency and opening up new opportunities for job creation in sectors embracing technological advancements. Finally, community engagement and collaboration, highlighted by Oronsaye, Eguavoen, and Odiase (2016), add a social dimension to the strategies. Recognizing the contributions of female entrepreneurs and implementing gender-sensitive policies are crucial for fostering inclusivity and leveraging the full potential of small-scale businesses for job creation. Comprehensive approach that encompasses financial support, capacity building, infrastructure development, regulatory improvements, technological adoption, and community engagement can collectively enhance the role of small-scale businesses in creating employment opportunities.

2.3 Theoretical Framework

2.3.1 Resource-Based View (RBV) Theory

The RBV theory, developed by Barney (1991), posits that a firm's competitive advantage and performance are derived from its unique bundle of resources and capabilities. In the context of small-scale businesses in Benin City, the RBV theory allows for an examination of how internal resources and capabilities contribute to the ability of these enterprises to create jobs. Applied to small-scale businesses, this theory implies that the internal resources and capabilities of these enterprises play a crucial role in influencing their ability to create jobs and sustain a competitive edge. In the context of Benin City, the RBV perspective allows for an examination of how the

human capital, innovation, and financial capacity within small-scale businesses contribute to their capacity for job creation. The study by Kraaijenbrink et al. (2010) emphasizes the importance of these internal resources, suggesting that they must be valuable, rare, imperfectly imitable, and non-substitutable to create a sustained competitive advantage. In the specific case of small-scale businesses in Benin City, understanding and leveraging these internal resources become paramount for not only surviving challenges but also for thriving and positively impacting job creation in the region. This RBV perspective encourages a closer examination of the unique strengths and capabilities inherent in small-scale enterprises in Benin City and how these internal resources can be optimized for enhanced job creation and sustainable growth.

This theory becomes particularly relevant when analyzing the role of human capital, innovation, and financial capacity within small-scale businesses. According to Wernerfelt (1984), a firm's resources should be valuable, rare, imperfectly imitable, and non-substitutable to create a sustained competitive advantage. Applying this lens to small-scale businesses in Benin City, the study seeks to understand how these enterprises leverage their internal resources to positively impact job creation. Some core principles of the Resource-Based View theory include:

Resource Heterogeneity: RBV posits that firms possess different sets of resources and capabilities that vary in terms of their type, quality, and strategic significance. In the case of small-scale businesses in Benin City, these resources may include tangible assets such as physical infrastructure, equipment, and inventory, as well as intangible assets such as brand

reputation, customer relationships, and managerial expertise. By identifying and leveraging their unique resources, small-scale businesses can differentiate themselves from competitors and create value for stakeholders.

Resource Tangibility and Immobility: RBV distinguishes between tangible and intangible resources and highlights the importance of resource immobility in sustaining competitive advantage. Tangible resources such as financial capital or physical infrastructure are relatively easier to acquire or replicate by competitors, whereas intangible resources such as knowledge, skills, and organizational culture are more difficult to imitate or transfer. For small-scale businesses in Benin City, intangible resources such as entrepreneurial talent, local market knowledge, and community relationships can serve as sources of sustainable competitive advantage in job creation and economic development.

Resource-Based Competitive Advantage: RBV suggests that firms can achieve competitive advantage by developing and leveraging resources that are valuable, rare, inimitable, and non-substitutable (VRIN). In the context of small-scale businesses in Benin City, competitive advantage may arise from the effective utilization of unique resources and capabilities to meet local market needs, provide superior products or services, and create employment opportunities. For example, a small-scale business with a highly skilled workforce, innovative product offerings, and strong customer relationships may enjoy a competitive advantage in job creation and economic impact compared to its competitors.

Dynamic Capabilities: RBV emphasizes the importance of dynamic capabilities in adapting and evolving in response to changing market conditions and competitive pressures. Small-scale businesses in Benin City must continuously innovate, learn, and adapt their resources and capabilities to remain competitive and sustain job creation over time. This may involve investing in employee training and development, adopting new technologies, exploring new market opportunities, and building strategic partnerships with other firms and stakeholders.

2.3.2 Institutional Theory

Institutional Theory, as developed by DiMaggio and Powell (1983), focuses on the impact of social institutions and formal structures on organizational behavior. This theory is applied to explore how external factors, such as government policies, cultural norms, and societal expectations, shape the operations of small-scale businesses and influence their role in job creation. In the context of Institutional Theory, small-scale businesses in Benin City, Edo State, are influenced by external factors, shaping their behavior and impact on job creation.

The study by Scott (2008) categorizes institutions into regulative, normative, and cognitive pillars, each contributing to isomorphic pressures shaping organizational practices. In Benin City, institutional factors play a crucial role in the operations of small-scale businesses. Government policies, as explored by Ogunrinola and Adesina (2017), can either provide an enabling environment or present obstacles for these enterprises. Additionally, cultural and societal

expectations, as discussed by Oronsaye, Eguavoen, & Odiase, (2016), contribute to shaping the nature of entrepreneurial activities, affecting the role of small-scale businesses in job creation. Understanding the institutional context is essential for comprehending the constraints and opportunities faced by small-scale enterprises in Benin City, guiding efforts to create policies that support their growth and enhance their positive impact on job creation.

In the context of Benin City, the Institutional Theory provides a framework to analyze the influence of formal and informal institutions on the behavior of small-scale businesses. By employing the Institutional Theory, the study aims to unravel how these institutional forces impact the strategies, operations, and outcomes of small-scale businesses concerning job creation.

Some key aspects of Institutional Theory include:

Institutional Environment: Institutional Theory emphasizes the importance of the external environment, including formal institutions (e.g., laws, regulations, government agencies) and informal institutions (e.g., norms, values, cultural practices), in shaping organizational behavior and outcomes. In the case of small-scale businesses in Benin City, the institutional environment includes regulatory frameworks governing business operations, cultural norms regarding entrepreneurship and employment, and social expectations regarding corporate social responsibility and ethical business practices.

Institutional Pressures: Institutional Theory identifies three main types of institutional pressures that influence organizational behavior: coercive, normative, and mimetic. Coercive

pressures arise from formal regulations and laws enforced by government agencies, while normative pressures stem from social norms, values, and expectations within society. Mimetic pressures result from organizations imitating or emulating the practices of successful peers or competitors. Small-scale businesses in Benin City may face various institutional pressures, such as regulatory compliance requirements, societal expectations regarding employment practices, and industry norms regarding business operations and strategies.

Isomorphism: Institutional Theory posits that organizations tend to become more similar or isomorphic over time as they conform to institutional pressures and adopt standardized practices, structures, and behaviors. This process of isomorphism can lead to homogeneity and conformity within industries or sectors. In the context of small-scale businesses in Benin City, isomorphism may manifest as businesses adopting similar organizational structures, management practices, or product offerings to comply with institutional expectations or mimic successful competitors.

Institutional Entrepreneurship: Institutional Theory also recognizes the role of institutional entrepreneurs in challenging existing institutional arrangements, norms, and practices and promoting institutional change. Institutional entrepreneurs may include individuals, organizations, or coalitions that seek to introduce innovative practices, advocate for policy reforms, or challenge prevailing cultural norms. In the context of small-scale businesses in Benin City, institutional entrepreneurship may involve advocacy for regulatory reforms to support

small business development, initiatives to promote entrepreneurship education and training, or efforts to shift societal attitudes towards entrepreneurship and job creation.

2.4 Empirical Review

Olabisi and Olagunju (2017) conducted a pivotal study in Lagos State, Nigeria, examining the impact of microfinance on job creation within small-scale enterprises. Their research was premised on the understanding that access to finance is a critical determinant of business growth and sustainability, particularly in developing economies. The data collection involved the use of structured questionnaires and interviews, targeting a sample population of 200 small-scale business owners across various sectors. This mixed-method approach allowed for a comprehensive assessment of the financial challenges faced by these enterprises and the effectiveness of microfinance as a solution. The researchers employed descriptive statistics to summarize the data and regression analysis to explore the relationship between microfinance access and employment outcomes. The findings were revealing: businesses that had access to microfinance services exhibited significantly higher employment growth compared to those that did not. Specifically, the study highlighted that microfinance not only provided the necessary capital for business expansion but also facilitated capacity building through financial literacy and business management training offered by microfinance institutions. Additionally, they identified several barriers that small-scale businesses faced in accessing microfinance, including high-interest rates, stringent collateral requirements, and bureaucratic hurdles. Despite these

challenges, the positive correlation between microfinance access and job creation underscored the potential of microfinance as a tool for economic development and poverty alleviation. The study recommended policy measures to improve the accessibility and affordability of microfinance, advocating for more supportive regulatory frameworks to enhance the reach and impact of microfinance services. The study by Olabisi and Olagunju (2017) provides valuable empirical evidence on the critical role of microfinance in fostering job creation within small-scale enterprises in Lagos State. It underscores the need for targeted financial interventions and supportive policies to unlock the full potential of small-scale businesses as engines of employment and economic growth.

Adeoye and Ilori (2019) conducted an insightful study in Ibadan, Oyo State, Nigeria, focusing on the impact of government support and training programs on job creation within small-scale enterprises. Utilizing surveys and focus group discussions as their primary data collection methods, they engaged a sample of 150 small-scale business owners from various sectors. The research aimed to assess how governmental initiatives and capacity-building efforts influence the operational success and employment capabilities of these businesses. Their analysis, which combined thematic analysis with ANOVA, revealed significant findings. The study demonstrated that government support in the form of financial subsidies, grants, and infrastructural improvements plays a critical role in enhancing the job creation potential of small-scale enterprises. Furthermore, it was evident that training programs focusing on business management,

financial literacy, and technical skills considerably improved the entrepreneurial competencies of business owners, leading to more robust business performance and increased employment. However, Adeoye and Ilori also identified major impediments, such as inconsistent government policies and inadequate implementation of support programs, which hampered the effectiveness of these initiatives. The study concluded with recommendations for more consistent and accessible government support structures and the scaling up of training programs to better equip small business owners with the skills needed to sustain and grow their enterprises. This research underscores the importance of a supportive policy environment and capacity-building initiatives in driving job creation and economic development through small-scale businesses.

Mensah and Ofori (2020) conducted a significant study in Accra, Ghana, examining the role of innovation and technology adoption in job creation among small-scale businesses. The researchers collected data through questionnaires and secondary sources, such as business directories, engaging a sample of 250 micro and small enterprises. Utilizing Structural Equation Modeling (SEM) for data analysis, they explored the intricate relationships between technological innovation, business performance, and employment growth. Their findings revealed that small-scale businesses that actively adopted innovative practices and integrated new technologies into their operations exhibited higher rates of job creation. These enterprises were more competitive, efficient, and capable of expanding their market reach, which in turn led to the hiring of more employees. The study highlighted specific areas where technology had a

significant impact, such as improved production processes, enhanced customer service, and better market analytics. Mensah and Ofori emphasized the need for supportive policies and initiatives to foster innovation and technology adoption among small-scale businesses. They recommended increased access to affordable technology, training programs on digital literacy, and incentives for businesses to innovate. The study concluded that fostering a culture of innovation and technology use is crucial for maximizing the employment potential of small-scale enterprises, contributing to broader economic development in Ghana.

Nkwabi and Mboya (2018) conducted an important study in Dar es Salaam, Tanzania, focusing on the impact of regulatory challenges and inadequate infrastructure on job creation within small-scale manufacturing firms. The researchers collected data through a combination of interviews and business performance records, engaging a sample of 120 small-scale manufacturing businesses. Using regression analysis and content analysis, they examined how these external factors influenced the capacity of businesses to generate employment. The findings revealed that regulatory challenges, such as complex licensing processes and high compliance costs, significantly hindered the growth and job creation potential of small-scale manufacturers. Additionally, inadequate infrastructure, including unreliable electricity and poor transportation networks, further constrained business operations and expansion efforts. These barriers not only limited productivity but also discouraged investment in new hires and business development. Their study highlighted the urgent need for regulatory reforms and infrastructure

improvements to support small-scale businesses. They recommended simplifying regulatory procedures, reducing compliance costs, and investing in essential infrastructure to create a more conducive environment for business growth. The study concluded that addressing these external challenges is critical for unlocking the full employment potential of small-scale manufacturing firms, thereby contributing to broader economic growth in Tanzania.

Eze and Ike (2021) conducted a pivotal study in Enugu, Nigeria, examining the relationship between financial literacy, business management skills, and job creation in small-scale retail businesses. Using surveys and business registration records, they gathered data from a sample of 180 small-scale retailers. Employing descriptive statistics and multiple regression analysis, the study explored how the financial acumen and management capabilities of business owners influenced their ability to generate employment. The findings revealed a strong positive correlation between financial literacy and job creation. Retail businesses managed by financially literate owners were more likely to expand and hire additional employees. These businesses demonstrated better financial planning, efficient resource management, and strategic investment decisions, which contributed to their growth and increased capacity to create jobs. Moreover, the study highlighted that business management skills, such as inventory control, customer relationship management, and marketing, further enhanced the employment potential of these enterprises. They emphasized the importance of integrating financial literacy and business management training into support programs for small-scale business owners. They recommended

targeted educational initiatives and workshops to equip entrepreneurs with the necessary skills to sustain and grow their businesses. The study concluded that enhancing the financial and managerial competencies of small-scale business owners is crucial for fostering job creation and supporting economic development in Enugu.

Amankwah and Boateng (2016) conducted a crucial study in Kumasi, Ghana, focusing on the role of market access and supply chain management in job creation within small-scale agribusinesses. The researchers collected data through questionnaires and in-depth interviews, engaging a sample of 100 small-scale agribusiness owners. Using factor analysis and t-tests, they explored how effective market access and supply chain practices influenced the employment capacity of these businesses. The findings demonstrated that access to markets and efficient supply chain management were significant factors in job creation. Agribusinesses with established market links and streamlined supply chains were more likely to expand and hire additional workers. These businesses benefited from reduced operational costs, improved product distribution, and increased sales, which facilitated business growth and employment. The study highlighted that poor market access and supply chain inefficiencies were major constraints limiting the job creation potential of many small-scale agribusinesses. Amankwah and Boateng recommended the development of infrastructure to improve market access, such as better roads and transportation systems, as well as training programs to enhance supply chain management skills among agribusiness owners. They concluded that addressing these challenges is essential

for maximizing the employment potential of small-scale agribusinesses, thereby contributing to economic development and poverty reduction in Kumasi.

Chigunta and Mlambo (2019) carried out an insightful study in Lusaka, Zambia, examining the impact of entrepreneurship training programs on job creation in small and medium enterprises (SMEs). They employed a mixed-methods approach, combining surveys and case studies, to gather data from a sample of 200 SMEs. Utilizing qualitative content analysis alongside quantitative regression techniques, the study investigated how participation in entrepreneurship training influenced the employment capacity of these businesses. The findings revealed that entrepreneurship training programs significantly contributed to job creation within SMEs. Businesses whose owners had participated in these programs reported higher rates of employment growth. The training programs equipped entrepreneurs with essential skills in business management, financial planning, and innovation, which in turn enhanced their operational efficiency and competitiveness. These skills enabled business owners to expand their enterprises and create more job opportunities. They emphasized the importance of continued support for entrepreneurship training initiatives. They recommended scaling up these programs to reach more entrepreneurs and integrating practical components to ensure the applicability of the skills learned. The study concluded that fostering entrepreneurship through targeted training programs is a vital strategy for promoting job creation and supporting the broader economic development of Lusaka.

Akinwale and Adepoju (2017) conducted a significant study in Abeokuta, Ogun State, Nigeria, examining the role of affordable credit facilities in job creation among small-scale service providers. Using structured questionnaires and business surveys, they collected data from a sample of 150 small-scale service businesses. The data was analyzed through descriptive statistics and logistic regression to determine the impact of access to credit on employment growth. The study found that access to affordable credit facilities was crucial for job creation within small-scale service providers. Businesses that secured credit were able to invest in necessary resources, expand their operations, and subsequently hire more employees. The availability of credit allowed these businesses to overcome financial constraints, leading to increased productivity and growth. However, the study also noted that many small-scale businesses faced challenges in accessing credit due to high-interest rates and stringent lending criteria. Akinwale and Adepoju recommended enhancing the accessibility and affordability of credit facilities for small-scale service providers. They suggested that financial institutions should offer more favorable lending terms and that government policies should support credit access for small businesses. The study concluded that improving credit access is essential for fostering job creation and supporting the economic development of Abeokuta and similar regions.

Adeyemi and Oyewole (2021) conducted an insightful study in Ilorin, Kwara State, Nigeria, focusing on the impact of business diversification and strategic planning on job creation within small-scale construction firms. The researchers collected data through questionnaires and

administrative records, engaging a sample of 170 small-scale construction businesses. They employed multivariate analysis and descriptive statistics to analyze how these strategic factors influenced employment growth. The study findings indicated that business diversification and strategic planning were significant drivers of job creation. Construction firms that diversified their services beyond traditional construction activities and engaged in strategic planning practices demonstrated higher employment rates. These firms were better able to adapt to market changes, optimize resource utilization, and explore new revenue streams, all of which contributed to their capacity to hire more employees. The study underscored the importance of strategic foresight and versatility in enhancing business performance and employment potential. The study recommended that small-scale construction firms adopt diversification strategies and incorporate comprehensive planning processes to ensure sustainable growth and job creation. They also suggested that industry support programs should focus on training business owners in strategic management and diversification techniques. The study concluded that fostering these practices is crucial for maximizing the employment capabilities of small-scale construction firms and promoting broader economic development in Ilorin.

2.5 Research Gap

The study on the impact of small-scale businesses on job creation in Benin City, Edo State, Nigeria, aims to fill a notable research gap within the specific context of this urban setting. Despite recognizing the potential benefits of small-scale businesses in generating employment

opportunities, there is a dearth of comprehensive empirical research that delves into the unique dynamics and challenges faced by these enterprises within Benin City. Existing studies often generalize findings from broader contexts or different geographical areas, failing to capture the nuanced factors that influence job creation within this particular locale. Consequently, the absence of context-specific research impedes the development of targeted policies and interventions tailored to address the distinctive barriers and opportunities faced by small-scale businesses in Benin City. This study seeks to bridge this gap by conducting a detailed examination of identifying specific challenges, and proposing location-relevant strategies for enhancement. By filling this research gap, the study aims to provide valuable insights that can inform evidence-based policy decisions and interventions aimed at fostering a conducive environment for small-scale businesses to thrive and significantly contribute to job creation in Benin City's local economy.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter focused on the following subheadings; research design, area of the study, nature and sources of data, population of the study, sample and sampling technique, validity of the instrument, reliability of the method of data collection, instrument for data collection and method of data analysis.

3.2 Research Design

A descriptive survey research design was used. It enabled fact analysis and aids in the development of a thorough grasp of the study difficulties for the researcher.

3.3 Area of Study and Source of Data

The area of study is Ugbowo, Benin-City, Edo state. This study used primary source of data and it was obtained through a well-designed and structured questionnaire.

3.4 Population of the Study

The population of the study comprised of all the registered SMEs in Benin City, Edo State. According to SMEDAN (2017) there are eleven thousand eight hundred and seven-nine (11,879)

registered SMEs (SMEDAN, 2017). For the purpose of this study, the target population is limited to SMEs in Ugbowo, Benin City.

3.5 Sample and Sampling Technique

In order to get the sample size for this study, Taro Yamane (Yamane, 1973) formula was used. By using Taro Yamane (Yamane, 1973) formula 90% confidence level was applied.

The calculation formula of Taro Yamane is presented as follows.

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

Where:

n = sample size required

N = number of people in the population

e = allowable error (%)

When this formula is applied to the above sample,

$$n = \frac{11,879}{1 + 11,879 (0.1)^2}$$

$$n = \frac{11,879}{119.79}$$

$$n = 99.2$$

Based on the sample size above, a total number of 120 questionnaires was administered because of the possibility of no return of questionnaires and possible invalids by respondents. A convenience sampling technique was adopted to select SMEs across Ugbowo, Benin City which

the researcher gather data quickly with minimal resources and the questionnaires were distributed accordingly.

3.6 The Research Instrument

The research instrument used in this study was a questionnaire consisting of two sections. Section A and Section B. Section A collected demographic data from the respondents, while Section B focused on the main subject matter of the study. The questions in Section B was designed using a Likert-type scale with response options ranging from “strongly agree” to “strongly disagree”.

3.7 The Validity of the Instrument

The need to ensure validity in this research affects all aspects of the research design. A means was put in place to ensure that proper understandings of the questions in the questionnaire were made to the respondents.

3.8 Reliability of the Method of Data Collection

In order to ascertain the reliability of the instrument, twenty (20) retailers selected from the population but excluded from the main study were administered questionnaires. Data collected was analyzed using Cronbach Alpha that provides a reliability co-efficient of 0.85 value and there was no need for adjustment.

3.9 Operationalization of Variables

The operationalization of variables is presented in the Table 3.1 below. The variables were measured using the 4-point Likert scale which ranges from strongly agree to strongly disagree.

Table 3.1: Operationalization of Variables

S/N	Variable	Operationalization	Measurement
1.	Gender	Sex of the respondents	Two-point categorical scale
2.	Age group	Respondents age group as at last birthday	Four-point categorical scale
3.	Marital Status	Respondents marital status whether married or not	Two-point categorical scale
4.	Educational Qualification	Respondents' highest level of education	Four-point categorical scale
5.	Working experience	Respondents total duration in the working field.	Four-point categorical scale
6.	Types of business	Respondents nature of business	Three-point categorical scale
7.	Scope of business	Respondents size of business	Two-point categorical scale
8.	Skill development effect	The respondents belief that skill development affects job creation	Four-point Likert scale
9.	Contribution of small scale business	The extent to which the respondents believe that small scale business contributes to job creation	Four-point Likert scale
10.	Small scale business challenges	The respondents belief that small scale businesses are faced with some major challenges	Four-point Likert scale
11.	Small scale business enhancement strategies and recommendation	The extent to which the respondent believe that some measures can enhance job creation	Four-point Likert scale

Source: Field Survey (2024)

3.10 Method of Data Analysis

For this study, the method of data analysis involved the use of descriptive statistics to examine and interpret the collected data. Descriptive statistics provide a concise summary of the main characteristics of the data set, allowing for a better understanding of key trends, patterns, and relationships. The analysis included calculating percentages, frequencies, mean, and standard deviation to summarize the responses obtained from the questionnaires. Additionally, Statistical Package for the Social Sciences (SPSS) was utilized to organize and present the data in tables for easy interpretation and visualization.

CHAPTER FOUR

DATA ANALYSIS AND RESULTS

4.1 Introduction

This chapter presents the results obtained from analysis of data collected. It highlights the results of analysis of demographic information of respondents, research objectives and discussion of findings from the results. Frequency count and simple percentage are used to depict the demographic characteristics of respondents and results presented in tables. The research questions are answered using descriptive statistics (mean and standard deviation). On the other hand, inferential statistics; (Wilcoxon signed rank test; which is a non-parametric one-sample t-test) is used to ascertain the relationship between skill development and job creation performance of small scale businesses and the contribution of small scale businesses to job creation.

4.2 Data Presentation

Table 4.1: Demographic Characteristics of Respondents (n = 99)

S/N	Variable	Categories	Frequency	Percentage
1.	Gender	Male	62	62.6%
		Female	37	37.4%
2.	Age (years)	25 and below	10	10.1%
		26 – 35	36	36.4%
		36 – 45	37	37.4%
		46 and above	16	16.2%
3.	Marital Status			

	Married	71	71.1%
	Single	22	22.2%
	Divorced	06	6.06%
4.	Educational Qualification		
	SSCE and below	26	26.3%
	OND/NCE	21	21.2%
	BSc/HND	33	33.3%
	Master/PhD.	19	19.2%
5.	Working experience		
	0 – 5 years	15	15.2%
	5 – 10 years	18	18.2%
	10 – 15 years	37	37.4%
	More than 15 years	29	29.3%
6.	Types of business		
	Sole proprietorship	46	46.5%
	Partnership	33	33.3%
	Others	20	20.2%
7.	Scope of business		
	Micro	65	65.7%
	Small	34	34.3%

Source: Fieldwork, 2024

Table 4.1 shows results on the demographic characteristics of respondents. It is observed that majority of the respondents (62.6%) are male, while 37.4% are female. Age distribution showed that majority (37.4%) are within 36-45 years, 36.4% and 16.2% are within 26-35 years and 46 years and above respectively, whereas the least represented age group were those 25 years and below (10.1%). Educational qualification indicated that majority (33.3%) had B.Sc./HND, whereas the least represented group were those with Masters/Ph.D. degrees (19.2%). Based on years in business (experience), majority (37.4%) had 10-15 years, 29.3% affirmed more than 15 years, 18.2% reported 5-10 years, while the least proportion (15.2%) affirmed being in business

between 0 – 5 years. Scope of business indicated that majority (65.7%) are micro/cottage, whereas 34.3% are small-scale businesses.

4.2.1 Analysis of Research Questions

Research Question One: To what extent does skills development influence the job creation performance of small-scale business in Benin City, Edo State?

Table 4.2: Extent to which skill development influence job creation performance of small scale business

S/ N	Items	SA F (%)	A F (%)	D F (%)	SD F (%)	Mean	Std.	Remark
1.	Skills development programs significantly contribute to enhancing the job creation capabilities of small-scale businesses in Benin City, Edo State.	50 (50.5%)	41 (41.4%)	06 (8.06%)	02 (2.02%)	3.40	.47	Agree
2.	The acquisition of managerial skills through training initiatives positively correlates with the job creation potential of small-scale enterprises in this region.	37 (37.4%)	39 (39.4%)	15 (15.2%)	08 (8.08%)	3.06	1.02	Agree
3.	Entrepreneurs who actively engage in ongoing training programs are more likely to create jobs within their small-scale businesses in this local context.	43 (43.4%)	41 (41.4%)	13 (13.1%)	02 (2.02%)	3.26	.23	Agree
4.	The lack of access to skills development initiatives poses a significant barrier to job creation for small-scale businesses operating in	62 (62.6%)	32 (32.3%)	04 (4.04%)	01 (1.01%)	3.56	.45	Agree

Grand Mean**3.32****Agree**

Mean Criterion/Benchmark = $\frac{4+3+2+1}{4} = 2.50$ (based on 4-Point Likert Scale)

Decision/Remark: Mean values $> 2.50 =$ Agree/High Extent; Mean value $< 2.50 =$ Disagree/Low Extent

Table 4.2 shows that mean responses for items 1, 2, 3 and 4 were 3.40, 3.06, 3.26 and 3.56 respectively. Since these values are greater than the 2.50 benchmark, it infers that respondents agreed with these items as it relate to skill development and job creation of small scale businesses. A grand mean (average) of 3.32 was obtained, which is greater than 2.50, implying that respondents agreed/affirmed that skill development had high impact on job creation. The most identified statement as it relates to skill development and job creation was item 4 “The lack of access to skills development initiatives poses a significant barrier to job creation for small-scale businesses operating in Benin City, Edo State” (mean 3.56), while the least identified was item 2 “The acquisition of managerial skills through training initiatives positively correlates with the job creation potential of small-scale enterprises in this region” (mean = 3.06). Standard deviation ranges from .23 to 1.02, inferring that respondents differed most in their responses to item 2 “The acquisition of managerial skills through training initiatives positively correlates with the job creation potential of small-scale enterprises in this region” (std. = 1.02) and showed least differing opinion/responses to item 3 “Entrepreneurs who actively engage in ongoing training

programs are more likely to create jobs within their small-scale businesses in this local context.” (std. = .23). This finding is in line with Eze and Ike (2021) who reported that business management skills, such as inventory control, customer relationship management, and marketing contributes to employment potential of small scale businesses in Enugu, Nigeria.

The finding of this current study points to the fact that small businesses with requisite skills and expertise are able to compete favourably and capable of expanding their market reach, which in turn lead to the hiring of more employees (job creation). In situation, where these skills are lacking, small businesses could find it difficult to expand, which affects their profitability and hence drive towards job creation.

Table 4.3: Relationship between skill development and job creation (Wilcoxon signed rank test; Non-Parametric One sample t-test).

Null hypothesis	Test	Sig.	Decision
1 The median of influence of skill development on job creation equals 2.50	One-sample Wilcoxon Rank test	.00	Reject null hypothesis

Asymptomatic significances are displayed

The significance level is .05

Table 4.3 shows results for relationship between skill development and job creation. The Wilcoxon signed rank test, which is a non-parametric form of one-sample t test was applied. The null hypothesis assumes that the median value for responses on skill development and job creation equals 2.50, a significant. (p-value) of .00 was obtained. Since the p-value is less than

the .05 level of significance, the null hypothesis is rejected. This infers that there is a significant relationship between skill development and job creation ($p < 0.05$). This finding is similar to Chigunta and Mlambo (2019) who reported that entrepreneurship training programs (skill development) significantly contribute to job creation within SMEs businesses in Lusaka, Zambia.

Research Question Two: How significant is the contribution of small-scale businesses to job creation in Benin City?

Table 4.4: Contribution of small-scale businesses to job creation

S/N	Items	SA F (%)	A F (%)	D F (%)	SD F (%)	Mea n	Std.	Remark
5.	The economic development of Benin City is closely tied to the success and job creation impact of small-scale enterprises.	49 (49.5%)	43 (43.4%)	04 (4.04%)	03 (3.03%)	3.39	.37	Agree
6.	The expansion of small-scale businesses significantly contributes to reducing unemployment rates in Benin City.	52 (52.5%)	33 (33.3%)	12 (12.1%)	02 (2.02%)	3.36	.31	Agree
7.	The majority of job opportunities in Benin City are a result of the activities and growth of small-scale businesses.	51 (51.5%)	37 (37.4%)	05 (5.05%)	06 (6.06%)	3.34	.78	Agree
8.	The impact of small-scale businesses on job creation is noticeable and substantial within the local economy of Benin City.	41 (41.4%)	45 (45.5%)	06 (6.06%)	07 (7.07%)	3.21	.66	Agree
9.	Small-scale businesses play a crucial role in generating employment opportunities in Benin City, Edo State	54 (54.5%)	39 (39.4%)	05 (5.05%)	01 (1.01%)	3.47	.35	Agree
Grand Mean						3.34		

Mean Criterion/Benchmark = $\frac{4+3+2+1}{4} = 2.50$ (based on 4-Point Likert Scale)

Decision/Remark: Mean values > 2.50 = Agree/Contributes; Mean value < 2.50 = Disagree/No Contribution

Table 4.4 shows results on the contribution of small scale business to job creation. Mean responses for items 5, 6, 7, 8 and 9 were 3.39, 3.36, 3.34, 3.21 and 3.47 respectively. Since these values are greater than the 2.50 benchmark, it implies that respondents affirmed/agreed with these items as it relates to contribution of small businesses to job creation. A grand mean of 3.34 was obtained which is greater than 2.50, implying that respondents agreed to majority of the items on contribution of small-scale businesses to job creation. The most identified item contributing to job creation was item 9 “Small-scale businesses play a crucial role in generating employment opportunities in Benin City, Edo State” (mean = 3.47), while the least identified was item 8 “The impact of small-scale businesses on job creation is noticeable and substantial within the local economy of Benin City” (mean = 3.21). Standard deviation ranges from .31 to .78, implying that respondents showed most differing responses/opinion on item 7 “The majority of job opportunities in Benin City are a result of the activities and growth of small-scale businesses” (std.. = .78) and least differing opinion on item 6” The expansion of small-scale businesses significantly contributes to reducing unemployment rates in Benin City” (std.= .31).

Table 4.5: Contribution of small scale businesses to job creation (Wilcoxon signed rank test; Non-Parametric One sample t-test).

	Null hypothesis	Test		Sig.	Decision
1	The median of contribution of small scale businesses to job creation equals 2.50	One-sample Signed Rank Test	Wilcoxon	.02	Reject null hypothesis

Asymptomatic significances are displayed

The significance level is .05

Table 4.5 shows results for test on significant contribution of small scale businesses to job creation. The null hypothesis states that contribution of small scale businesses to job creation equals 2.50. A sig. (p-value) of .02 was obtained. Since the p-value is less than the .05 level of significance, the null hypothesis is rejected, which implies that there is a significant contribution of small businesses to job creation ($p < 0.05$). This finding is in agreement with Adeyemi and Oyewole (2021) who reported that small businesses are significant drivers of job creation in Ilorin, Kwara State, Nigeria.

Research Question Three: What are the main challenges faced by small-scale businesses in Benin City that hinder their impact on job creation?

Table 4.6: Challenges faced by small businesses that hinders impact on job creation

S/N	Items	SA F (%)	A F (%)	D F (%)	SD F (%)	Mean	Std	Remark
10.	Market competition and saturation in Benin City make it challenging for small-scale businesses to expand and create more job opportunities within the local economy.	20 (20.2%)	22 (22.2%)	41 (41.4%)	16 (16.2%)	2.46	.34	Disagree
11.	Limited access to skills development and training programs for entrepreneurs in Benin City hampers the job creation performance of small-scale businesses.	41 (41.4%)	33 (33.3%)	15 (15.2%)	10 (10.1%)	3.06	.49	Agree
12.	The complex regulatory environment in Benin City creates barriers for small-scale businesses, impeding their ability to thrive and contribute to job creation.	33 (33.3%)	28 (28.3%)	31 (31.3%)	07 (7.07%)	2.88	.96	Agree

13.	Inadequate infrastructure, such as poor transportation and utilities, poses a hindrance to the growth and job creation potential of small-scale businesses in Benin City.	61 (61.6%)	38 (38.4%)	00	00	3.62	.23	Agree
14.	Access to adequate financing is a significant challenge for small-scale businesses in Benin City, limiting their capacity to create employment opportunities	55 (55.6%)	30 (30.3%)	09 (9.09%)	05 (5.05%)	3.36	.29	Agree

Grand Mean

3.08

Mean Criterion/Benchmark = $\frac{4+3+2+1}{4} = 2.50$ (based on 4-Point Likert Scale)

Decision/Remark: Mean values > 2.50 = Agree/Challenge; Mean value < 2.50 = Disagree/Non-Challenge

Table 4.6 shows results on challenges faced by small-scale businesses that hinder job creation. Mean responses for items 11, 12, 13 and 14 were 3.06, 2.88, 3.62 and 3.36 respectively. Since these values are greater than the 2.50 benchmark, it implies that respondents agreed/affirmed these items as challenges facing small-scale business and job creation. Mean response for item 10 was 2.46 which is less than the 2.50 cut-off, inferring that respondents disagreed/refuted this item as being challenge facing small business in job creation. A grand mean of 3.08 was obtained, which implies that majority of the items were identified as challenges facing small businesses in relation to job creation. The most identified challenge was item 13 “Inadequate infrastructure, such as poor transportation and utilities, poses a hindrance to the growth and job creation potential of small-scale businesses in Benin City” (mean = 3.62), while the least identified was item 12 “The complex regulatory environment in Benin City creates barriers for small-scale

businesses, impeding their ability to thrive and contribute to job creation.” (mean = 2.88). Standard deviation ranges from .23 to .96, inferring that respondents exhibited most differing opinion on item 12 “The complex regulatory environment in Benin City creates barriers for small-scale businesses, impeding their ability to thrive and contribute to job creation” (std. = .96) and least differing responses on item 13 “Inadequate infrastructure, such as poor transportation and utilities, poses a hindrance to the growth and job creation potential of small-scale businesses in Benin City” (std. = .23).

This finding is in line with Adeoye and Ilori (2019) who reported that major impediments, such as inconsistent government policies and inadequate implementation of support programs hampered small scale businesses ability to create jobs in in Ibadan, Oyo State, Nigeria. More so, it is in agreement with Nkwabi and Mboya (2018) who reported that inadequate infrastructure, including unreliable electricity and poor transportation networks, constrains business operations, expansion efforts and job creation potential of small-scale manufacturers in Dar es Salaam, Tanzania. The current study did not identify market competition and saturation as challenge for small-scale businesses to expand and create more job opportunities, hence it is contrary to Amankwah and Boateng (2016) who found out that poor market access and supply chain inefficiencies are major constraints limiting the job creation potential of many small-scale agribusinesses in Kumasi, Ghana.

The findings of the current study, which identifies infrastructural deficits, credit and financing as influencing small businesses capability for job creation underlines the importance of the critical role of supportive business environment in driving job creation through small-scale businesses. This is due to the fact that for small business to contribute to job creation and economic development, essential ingredients such as financing, credit facilities, training and capacity-building must be available; otherwise, small businesses may not be able to fulfill business objectives. Moreover, when the business environment is conducive for small businesses, they benefit from reduced operational costs, and increased sales, which facilitates business growth and employment opportunities. Contrary, challenging business environment not only limit their productivity but could also affect investment, hence low drive for job creation. Furthermore, since study did not identify market competition and saturation as a challenge for small-scale businesses in expanding and creating job opportunities, it could imply that there are market opportunities for small scale businesses in the studied area, hence competition and saturation of market is not a major challenge to expansion and drive for job creation.

Research Question Four: What strategies can be employed to enhance the role of small-scale businesses in job creation in Benin City?

Table 4.7: Possible strategies to enhance the role of small scale business in job creation

S/N	Items	SA F (%)	A F (%)	D F (%)	SD F (%)	Mean	Std.	Remark
15.	Implementing or enhancing credit support schemes and targeted financial programs can significantly improve	42 (42.4%)	52 (52.5%)	05 (5.05%)	-	3.37	.35	Agree

	the capacity of small-scale businesses in Benin City to create employment opportunities.							
16.	Investing in training programs and capacity-building initiatives for small-scale entrepreneurs can enhance their skills, managerial abilities, and overall business acumen, contributing to increased job creation.	50 (50.5%)	39 (39.4%)	08 (8.08%)	02 (2.02%)	3.38	.40	Agree
17.	Addressing infrastructural deficits, such as inadequate transportation and utilities, through government interventions can create a more conducive environment for small-scale businesses to thrive and generate jobs.	51 (51.5%)	42 (42.4%)	06 (6.06%)	-	3.45	.20	Agree
18.	Ongoing assessment and reform of policies affecting small-scale businesses, including streamlining regulatory processes and implementing business-friendly policies, can positively influence their growth and job creation potential.	39 (39.4%)	41 (41.4%)	09 (9.09%)	10 (10.1%)	3.10	.67	Agree
19.	Encouraging the adoption of modern technologies and fostering innovation within small-scale businesses can not only improve efficiency but also open up new opportunities for job creation	57 (57.6%)	30 (30.3%)	10 (10.1%)	02 (2.02)	3.43	.31	Agree
Grand Mean						3.35		

Mean Criterion/Benchmark = $\frac{4+3+2+1}{4} = 2.50$ (based on 4-Point Likert Scale)

Decision/Remark: Mean values > 2.50 = Agree/Strategy; Mean value < 2.50 = Disagree/Non-Strategy

Table 4.7 shows results on possible strategies to enhance role of small scale businesses in job creation. Mean responses for items, 15, 16, 17, 18 and 19 were 3.37, 3.38, 3.45, 3.10 and 3.43

respectively. Since these mean values are greater than the 2.50 benchmark, it infers that respondents affirmed these items as possible strategies. A grand mean of 3.35 was obtained. The most identified/affirmed strategy was item 17 “Addressing infrastructural deficits, such as inadequate transportation and utilities, through government interventions can create a more conducive environment for small-scale businesses to thrive and generate jobs” (mean = 3.45), while the least identified was item 18 “Ongoing assessment and reform of policies affecting small-scale businesses, including streamlining regulatory processes and implementing business-friendly policies, can positively influence their growth and job creation potential” (mean = 3.10). Standard deviation ranges from .20 to .67; implying that respondents differed most in their responses on item 18 “Ongoing assessment and reform of policies affecting small-scale businesses, including streamlining regulatory processes and implementing business-friendly policies, can positively influence their growth and job creation potential” (std. = .67), and differed least on item 17 “Addressing infrastructural deficits, such as inadequate transportation and utilities, through government interventions can create a more conducive environment for small-scale businesses to thrive and generate jobs” (std. = .20).

This finding is in agreement with Mensah and Ofori (2020) who reported that adoption of innovative practices and integrated new technologies (modern technologies) into operations has the capacity to improve small-scale businesses’ ability to create jobs. More so, it is in line with Akinwale and Adepoju (2017) who reported that access to affordable credit facilities was crucial

for job creation within small-scale service providers in Abeokuta, Ogun State, Nigeria. In addition, the finding is similar to Adeoye and Ilori (2019) who found out that government support in the form of financial subsidies, grants, and infrastructural improvements plays a critical role in enhancing the job creation potential of small-scale enterprises in Ibadan, Oyo State, Nigeria.

The finding of this current study underlines the need for government to simplify regulatory procedures and investing in essential infrastructure to create a more conducive environment for small businesses in order to drive for job creation. More so, targeted skill development and capability-building for small businesses could be a necessary tool in sustaining growth and job creation drive of small businesses. In addition, provision of credit facilities by government could act as stimulant to small businesses to overcome financial constraints, leading to increased productivity and increase employment opportunities.

CHAPTER FIVE

SUMMARY AND CONCLUSION

5.1 Introduction

This chapter presents the summary of findings, conclusion and recommendations made based on the findings of this study. More so, summary of the study and suggestions for further studies are highlighted.

5.2 Summary of Findings

This study assesses the impact of small scale businesses on job creation. Four research questions were raised to guide the study. The study specifically focused on small scale businesses in Ugbowo, Ovia North-East Local Government Area, Benin City, Edo State. A review of related literature was carried out under three major sub-headings; conceptual framework, theoretical framework and empirical review. The concept of small scale businesses, types of small scale businesses, importance/role of small businesses in Nigerian economy as well as challenges of small scale businesses were discussed. More so, skill development and job creation as it relate to small scale businesses was explored. The Resource-Based View (RBV) Theory and Institutional Theory were the bases on which the study was justified. The study adopted the descriptive research design. The population comprised of small-scale businesses in the studied area, whereas a sample size of ninety-nine (99) was selected using the convenient sampling technique. Primary

source of information (questionnaire) was used as instrument for data collection. Data collected was analyzed using descriptive and inferential statistics. Findings showed that:

1. Skill development impacted job creation performance of small scale businesses. It was affirmed that skills development programmes, acquisition of managerial skills, active engagement in ongoing training programs correlate with job creation of small-scale businesses. The relationship between skills development and job creation was found to be significant.
2. Small businesses significantly contribute to job creation. Specifically, it was affirmed to contribute to economic development, reduction in unemployment. The contribution to job creation was found to be significant.
3. Small businesses were reported to face challenges in relation to job creation. These challenges include limited access to skills development, complex regulatory environment, inadequate infrastructure and access to adequate financing.
4. Possible strategies to enhance the role of small businesses in job creation were identified to include implementation or enhancing credit support schemes and targeted financial programs, investing in training programs and capacity-building, addressing infrastructural deficits, ongoing assessment and reform of policies affecting small-scale businesses, encouraging the adoption of modern technologies and fostering innovation

5.3 Conclusions

The critical role played by small scale businesses in Nigerian economy cannot be overemphasized. The spike in rate of unemployment in the country has been a source of concern for government and citizens as well. In order to address the issue of unemployment and economic decline, small scale businesses becomes a major hope, hence its impact on job creation is worthy of investigating. This study concludes that small-scale businesses significantly contribute to job creation and employment in Benin City, Edo State and skill development predicts ability of small businesses' drive for job creation, however small businesses are faced with challenges in fulfilment of this objective.

5.4 Recommendations

Based on the findings of this study, the following recommendations are made;

1. Policy-makers should as a matter of necessity address the issue of complex regulatory environment. This will enhance the ease of doing business, hence making the business environment friendly for small businesses to thrive and create employment.
2. Government at all levels should endeavour to prioritize the issue of infrastructural deficits which has plagued the nation for so long. Since poor infrastructure is a potential drawback for small businesses success, it must be addressed in order to enhance small businesses ability to expand and create jobs.

3. There is need for government at all level to tackle the issue of financing for small businesses. Since access to finance by small business hinders them from fulfilling their business purpose, there is need for government to strengthen policies that enhances access to financing by small-scale businesses.
4. Since the contemporary business world is driven mainly by knowledge and capacity, small business owners should avail themselves of opportunities to improve and develop their skills in other to enhance their competitiveness and success, hence expansion and job creation.

5.5 Suggestions for Further Studies

This study has been able to assess the impact of small businesses on job creation in Benin City, however, the results is subject to limitations, some of which are not within the control of the researcher. Consequently, the following topics are suggested for other individuals who may wish to contribute to the subject.

1. The impact of digital marketing on performance of small and medium scale enterprises (SMEs) in Benin City, Edo State.
2. Entrepreneurial characteristics associated with performance of small and medium scale enterprises (SMEs) in Benin City, Edo State.

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APPENDIX

**DEPARTMENT OF ENTREPRENEURSHIP,
FACULTY OF MANAGEMENT SCIENCE,
UNIVERSITY OF BENIN,
BENIN-CITY, EDO STATE.**

QUESTIONNAIRE ON THE IMPACT OF SMALL SCALE BUSINESS ON JOB CREATION IN BENIN-CITY.

Dear Respondent,

I am currently conducting an academic research on the IMPACT OF SMALL SCALE BUSINESS ON JOB CREATION IN BENIN-CITY, in partial fulfillment for the award for Bachelor of science in Entrepreneurship, university of Benin.

This questionnaire is designed to obtain relevant information in relation to this work. You are kindly requested to complete the questionnaire attached to the letter.

All your responses will be strictly use for academic purpose and treated with utmost confidentiality.

Thank you for your cooperation.

Yours faithfully,

Ruth

(Researcher/Student)

Instruction: please tick (✓) or fill in the appropriate

SECTION A: Demographic information

1. Gender: Male () Female ()
2. Age group: 25 and below () 26-35 () 36-45 () 46 and above ()

3. Marital Status: Married () Single () Divorce ()
4. Educational Qualification: SSCE and below () OND/NCE () BSc/HND ()
Master/PHD ()
5. Working experience: 0-5 years () 5-10 years () 10-15years () More than 15 years ()
6. Types of business: sole proprietorship () partnership () Others ()
7. Scope of business micro () small ()

SECTION B

1. To what extent does skills development influence the job creation performance of small-scale business in Benin City, Edo State?

S/N	ITEMS	SA	A	D	SD
1	Skills development programs significantly contribute to enhancing the job creation capabilities of small-scale businesses in Benin City, Edo State.				
2	The acquisition of managerial skills through training initiatives positively correlates with the job creation potential of small-scale enterprises in this region				
3	Entrepreneurs who actively engage in ongoing training programs are more likely to create jobs within their small-scale businesses in this local context				
4	The lack of access to skills development initiatives poses a significant barrier to job creation for small-scale businesses operating in Benin City, Edo State.				

2. How significant is the contribution of small-scale businesses to job creation in Benin City?

S/N	Item	SA	A	D	SD
5	The economic development of Benin City is closely tied to the success and job creation impact of small-scale enterprises				

6	The expansion of small-scale businesses significantly contributes to reducing unemployment rates in Benin City				
7	The majority of job opportunities in Benin City are a result of the activities and growth of small-scale businesses				
8	The impact of small-scale businesses on job creation is noticeable and substantial within the local economy of Benin City				
9	Small-scale businesses play a crucial role in generating employment opportunities in Benin City, Edo State				

3. What are the main challenges faced by small-scale businesses in Benin City that hinder their impact on job creation?

S/N	Item	SA	A	D	SD
10	Market competition and saturation in Benin City make it challenging for small-scale businesses to expand and create more job opportunities within the local economy				
11	Limited access to skills development and training programs for entrepreneurs in Benin City hampers the job creation performance of small-scale businesses				
12	The complex regulatory environment in Benin City creates barriers for small-scale businesses, impeding their ability to thrive and contribute to job creation				
13	Inadequate infrastructure, such as poor transportation and utilities, poses a hindrance to the growth and job creation potential of small-scale businesses in Benin City				
14	Access to adequate financing is a significant challenge for small-scale businesses in Benin City, limiting their capacity to create employment opportunities				

4. What strategies can be employed to enhance the role of small-scale businesses in job creation in Benin City?

S/N	Item	SA	A	D	SD
15	Implementing or enhancing credit support schemes and targeted financial programs can significantly improve the capacity of small-scale businesses in Benin City to create employment opportunities.				
16	Investing in training programs and capacity-building initiatives for small-scale entrepreneurs can enhance their skills, managerial abilities, and overall business acumen, contributing to increased job creation				
17.	Addressing infrastructural deficits, such as inadequate transportation and utilities, through government interventions can create a more conducive environment for small-scale businesses to thrive and generate jobs				
18.	Ongoing assessment and reform of policies affecting small-scale businesses, including streamlining regulatory processes and implementing business-friendly policies, can positively influence their growth and job creation potential				
19.	Encouraging the adoption of modern technologies and fostering innovation within small-scale businesses can not only improve efficiency but also open up new opportunities for job creation				