Small and Medium Scale Enterprises (SMEs) as a Strategy for Employment Generation in Nigeria: A Study of Selected Manufacturing Companies in Delta State of Nigeria

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Abstract

This study evaluated Small and Medium Scale Enterprises (SMEs) as a strategy for employment generation in Nigeria, using selected manufacturing companies in Delta State as a case study. Efforts toward providing solution to the problem of unemployment in Nigeria and the world at large face stiff opposition from their conception. The study is aimed at providing significant analysis of the effectiveness of SMEs as a medium for employment generation in Nigeria. The study adopted a descriptive research design and data were analyzed using the Statistical Package for the Social Sciences (SPSS) version 21. Mean, Frequency, Percentages and One-Way Analysis of Variance (ANOVA) were employed to statistically analyse the retrieved data. Using reliability coefficients that range from .81-.91, the results revealed significant relationship between SMEs product branding and marketing, finance, policies and problems, and employment generation in Nigeria. SMEs product branding and marketing technique should be sophisticated to enhance competitiveness in order to generate employment in Nigeria. SMEs finance base should be improved through favorable policies and effective tax reduction for Nigerian SMEs to remain in business. Measures should be put in place to cushion the impact of the problems confronting SMEs to enhance employment generation in Nigeria. This academic work is directed to professionals in SMEs, scholars, government, SMEs and stakeholders in the sector.

Keywords: SMEs, Employment generation, Manufacturing companies, Product brands, Marketing, Finance, Government policies, Problems, Delta State, Nigeria.

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INTRODUCTION

Over the years, Small and Medium Scale Enterprises (SMEs) has continued to emerge as a business term in the international business world. This is as a result of the role the sector is playing as it serves as a catalyst for employment generation, which propels national growth aimed at poverty reduction and economic development (Aremu & Adeyemi, 2011). SMEs the world over has the capacity to boast huge employment generation if given the proper environment and support from economic policies. SMEs employ over sixty percent of the workforce globally, especially in the advanced world (Kadiri, 2008, 2012). The everyday needs of Nigerians are products of SMEs; however, the production and supply chain of these products are done with little or no high-tech mechanization.

The over-dependence on oil over the last six decades has made Nigeria to depend largely on oil for exports instead of diversifying the economy to other productive sectors like SMEs and agriculture. The high price of petroleum products in the 90s brought enormous inflow of oil revenues that raised the per capita income in most oil producing countries of which Nigeria is one of such countries. A drastic decline in the international oil price marked a turning point in the drop in real per capita income of these countries that were over dependent on oil, which resulted in increase in the level of poverty in some of these countries, especially in Nigeria (Ololube & Uzorka, 2008).

Because of the increase in the population of unemployed graduate in Nigeria, Nigeria as a nation started shifting her efforts towards SMEs to see if the increase in the unemployment rate could reduce, and if possible reduce poverty significantly (Ogbo & Nwachukwu, 2012). SMEs as a strategy for employment generation in the context of this paper and in its elementary term means reaching an acceptable standard of employment generation for citizens to be able and willing to afford the basic necessities of life (Ololube & Uzorka, 2008).

Major world powers depend on SMEs to grow their economies. For example, in the United State and the United Kingdom, SMEs account for over eighty percent of the countries workforce. Same is true of China, Germany and France. SMEs in these countries employ over seventy-five percent of its workforce (Ololube & Uzorka, 2008). Therefore, in recognition of the importance and consequences of SMEs in employment generation, the alleviation of poverty and for national economic development, there is keen interest in the recent years in the development of Nigeria’s SMEs (Aremu & Adeyemi, 2011).

The argument stand that to be able to move the economy of any nation forward, greater attention has to be offered to the growth of SMEs to encourage employment generation (Sanda, Dogon-Daji & Abdullah, 2006). Furthermore, in Sanda et al. (2006) and Kadiri (2012) assessment of large and small companies’ ability to create employment observed that small firms are comparatively better at employment generation than large firms.

Statement of the Problem

Several problems affecting the inability of SMEs to generate employment in Nigeria seem to be common and unattended to. Nonetheless, the relationship of SMEs as key to employment generation for poverty reduction and sustainable national economic development is hardly and partly understated. However, the global shift to SMEs for employment generation and efforts made toward SMEs development for national economic growth is inclined to focus to a great magnitude on more than a few major problems that are assured to cause increasing problems for
SMEs efforts towards employment generation in Delta State, Nigeria. This problematic situation has become a major nervousness for SMEs themselves, government, and stakeholders like financial institutions.

**Purpose of the Study**

The purpose of this study is to highlight some of the ways SMEs as a strategy can foster employment generation for sustainable national economic development, and the reduction of poverty in Nigeria. The insignificant performance of SMEs in employment generation presently and in the recent past has generated a lot of research interests on their problems and prospects. Unambiguously, this study approaches SMEs and employment generation in Delta State by evaluating the relationship between SMEs product branding and marketing technique and employment generation, the relationship between SMEs finance and employment generation, SMEs policies and employment generation and the relationship between the problems confronting SMEs in employment generation in Delta State of Nigeria. Thus, the purpose of this study is to:

- Evaluate the relationship between SMEs product branding and marketing technique and employment generation in Delta State of Nigeria;
- Examine the relationship between SMEs finance base and employment generation in Delta State of Nigeria;
- Appraise the relationship of government SMEs policies and employment generation in Delta State of Nigeria;
- Assess the relationship between the problems confronting SMEs and employment generation in Delta State of Nigeria.

**Hypotheses**

The hypotheses that guided this study are:

- There is no significant relationship between SMEs product branding and marketing technique and employment generation in Delta State of Nigeria.
- There is no significant relationship between SMEs finance base and employment generation in Delta State of Nigeria.
- There is no significant relationship between government SMEs policies and employment generation in Delta State of Nigeria.
- There is no significant relationship between the problems confronting SMEs and employment generation in Delta State of Nigeria.

**LITERATURE REVIEW**

**SMEs Defined**

SMEs are small scale manufacturing companies of small scale entrepreneurship. Globally there seem to be no agreed and accepted definition of SMEs. Authors and scholars have different perspectives regarding SMEs capital outlay, number of employees, sales turnover, fixed capital
investment, available plant and machinery, market share and the level of development (Ayozie, Jacob, Umukoro, & Ayozie, 2013). However, the Third National Development plan of Nigeria, defined SMEs as a manufacturing establishment that employ less than ten people and their total investment in machines and equipment does not exceed six hundred thousand naira.

Indian official definition of SMEs initiated in 1950, when the Fiscal Commission of the government of India, defined SMEs as businesses that are operated mainly with hired labor usually 10 to 50 hands. Whose capital base is above Rs. 25 Lakhs and up to Rs. 5 Crores (Jain & Gandhi, 2016). The UK government uses the EU definition of SME to mean: Micro Business = less than 10 employees & turnover under £2 million. Small Business = less than 50 employees & turnover under £10 million. Medium Business = Less than 250 employees & turnover under £50 million.

The United States, SMEs are defined as business that are independently owned and operated, and meets employment or sales standard developed by the owners. Their capital base ranges from 7-22 million Dollars.

**SMEs Branding and Marketing Technique / Employment Generation**

Globally SMEs compete within themselves in other to remain in business and they realize on daily basis that they are not just vending products or services but a lot of branded products and services to consumers. As a result, SMEs make great efforts through branding to capture market share. Therefore, marketing policies particularly branding is significant in helping SMEs become competitive and increase large market share (Baporikar&Deshpande, 2017). Marketing requires competence, which majority of SMEs in Nigeria find it difficult to accomplish because of the innovative approaches required to achieve success (Baporikar, 2017) to be able to generate substantial employment opportunities. Boost in market share leads to increase in employment (Ayozie et al., 2013).

Evidence (Ayozie et al., 2013) has shown that SMEs competition would be successful when there is innovation in products and services. As a result, SMEs need to take initiatives to deal with the growing competition amongst them. Deficiency in marketing strategies and fragile attitude in handling complex marketing circumstances form the operational obstacles in the selling of the products and services. Thus, the necessity to persistently push to improve the market share of SMEs will require excellent branding strategy. Products and services branding reveals that SMEs marketing policies especially branding strategies will significantly help SMEs become competitive to gain maximum market share (Baporikar & Deshpande, 2017).

Empirical evidence abound in Eniola (2014) study when he evaluated the role of SME firm performance in Nigeria and it was discovered that there are significant relationship between SMEs competitive marketing advantage and the sales-based performance, profitability, growth, productivity, level of sales revenue, market share of products and services, and products added value.

SMEs performance forms a significant part of the Nigerian economy. They are major avenues that encourage the growth of jobs and wealth creation in any economic system. SMEs performance is measured on their ability to effectively brand and successfully market their products and services significantly by strengthening and enhancing the development of the economy through employment generation. The SMEs performance and growth in manufacturing companies is considered the engine drive that will contribute to national economies, through
sustainable growth and increase in SMEs competitiveness, which will open doors for increased employment opportunities (Eniola & Ektebang, 2014).

**SMEs Finance and Employment Generation**

Small and Medium Enterprises (SMEs) has continued to occupy a place of pride globally because of their noteworthy role in employment generation, development and growth of economies (Ogbo & Nwachukwu, 2012).

According to Agwu and Emeti (2014), SMEs are major sources of employment opportunities for a wide cross-section of the workforce: the young, old part-time workers and the cyclically unemployed. They employ 22% of the adult population in developing countries.

For example, in a study by Kombo et al. (2011), they investigated the impact of risk management strategies on micro finance institutions’ financial sustainability in Kisii Municipality, Kenya and found that SMEs have contributed greatly to the growth of Kenya’s economy accounting for twelve to fourteen percent of GDP, through creating income and employment generation, by providing sources of livelihood for the majority of citizens, same is true in Nigeria, where SMEs have promoted enterprises and distribution of income and wealth, and a number of other positive economic benefits (Ogbo & Nwachukwu, 2012). However, the positive part of SMEs as veritable tools for attainment of national objective in terms of employment generation is very low. Researchers (Ololube & Uzorka, 2009; Opafunso & Omoseni, 2014) argued that the finance base of Nigerian SMEs stand as stumbling block towards the realization of the full potential of MSEs in employment generation for national economic, political and social development.

SMEs are capable of reducing the flow of citizens from rural to urban areas and can easily be established with minimal skill. They also contribute substantially to gross domestic product, export earnings and employment generation (Agwu & Emeti, 2014) if their financial base is large (Ololube & Uzorka, 2009). In addition, Kadiri’s (2012) study on SMEs and employment generation in Nigeria: the role of finance, found that SMEs are unable to achieve full employment generation capabilities because of their inability to obtain sufficient business finance for the sector. He further stated that virtually all the SMEs that were sampled for his study relied on the informal sources of finance to start their business. Thus, SMEs in Nigeria find it extremely difficult to access loans from financial institutions. Evidence from Kadiri’s study showed that poverty has continued to increase in the country at alarming rates owing to the growing unemployment in the country because, the majority of the SMEs in Nigeria cannot engage the services of other people.

**SMEs Policies / Employment Generation**

Nigeria National Policy on Micro, Small and Medium Enterprises (MSME) overall objective is to create, nurture and promote the necessary conditions for the growth and development of MSMEs. It includes seven broad policy and programme areas like finance, institutional, legal and regulatory framework, skill development, technology, R&D, extension and support services marketing and infrastructure and cost of doing business (FRN, n.d).

The government at all level in Nigeria has had and they are still having the exclusive right in determining the prevailing objectives and growth of SMEs through its policy. For instance, government policy measures place less emphasis on the interest rate in the banking sector and the tax policies (Ojeka, 2011), and the technological facets of SMEs development (Shahrodi, 2010) in Nigeria. However, government at all level in the past and in the present have
severally embarked on corrective measures to dissuade efforts towards the maximum exploitation of the nation’s natural resources, and have tried to discourage capital intensive method of production in the light of the abundant natural resources available (Agwu & Emeti, 2014). In this regards, Nigeria’s SMEs policy is focused mainly on local resources utilization through various forms of incentives worked out by governments. Some of the basic policy strategies aimed at revitalizing SMEs are to encourage the use of local materials more in the sector and encourage greater capacity utilization (Ayozie et al., 2013). Yet nothing seems to be working in the Nigerian SMEs sector.

In the same vein, Eniola and Entebang (2015) asserts that government regulations and bureaucratic procedures hinder SMEs activity such as new business origination, hinder SMEs performance when it introduces policies that can restrict the autonomy, as well as freedom of doing business. Thus, the performance of SMEs is forcefully laid low by government’s policies. The legal framework of the government of the day is tailored along the line of their political agenda, which might not be favorable to the interest of SMEs in the country. These policies have negative impact on competitiveness, ambitiousness and usefulness of SMEs in employment generation.

Problems of SMEs / Employment Generation

SMEs in Nigeria are characterized by ownership structure, which is largely based on individual or family. Thus, SMEs are either structured towards sole proprietorships or partnerships. Fundamentally, SMEs are characterized along a number of factors. Onwumere as cited in Ogbo and Nwachukwu (2012) and Agwu and Emeti (2014) identified factors as labor intensive production processes, concentration of management on the ownership, limited access to long term funding, high cost of interest rates and bank charges, high mortality rate especially within their first two years, over-dependence on imported raw materials and spare parts, poor inter and intra-sectoral linkages as a result SMEs hardly enjoy economies of scale benefits, poor managerial skills, poor quality of product output, dearth of research and development (R&D), little or no staff training and development, poor documentations of policy, strategy and financials plans, low entrepreneurial skills, inadequate education or technical background, and lack of adequate financial record keeping.

They further noted the problems that characterize SMEs to include low capitalization, poor management of financial resources and inability to distinguish between personal and business finance, high production costs due to inadequate infrastructure and wastages, use of outdated and inefficient technology in production and processing, lack of access to international market, lack of succession plan and poor access to vital information that will help propel growth.

A major problem that confronts Nigerian SMEs is the issue of products branding strategies. In the context of this study product branding is name, sign, symbol or design, or a combination of them intended for use to identify a particular goods and service so that customers can differentiate the goods and service from those of other vendors. This is so because according to Vaporikar and Deshpande (2017), strong brands enjoy customer loyalty, the potential to charge premium prices, and considerable brand power to support new product and service promotions.

As a result of this myriad of problems, SMEs have not positively impacted on the Nigerian economy in the area of employment generation, notwithstanding the efforts and supports by successive administrations (Ololube & Uzorka, 2008). Nevertheless, despite the
efforts and contributions of past and present administrations in Nigeria towards promoting SMEs, the contribution of this sector to the state and national economy still remain relatively low in relation of its impact on Gross Domestic Product (GDP), employment generation and poverty reduction (Opafunso & Omoseni, 2014). This is in spite of SMEs being generally viewed as the hub of economic growth for equitable development in developing economies. They are labor intensive, capital saving and are capable of helping to create most of the new jobs needed in Nigeria, and are perceived as strategic to Nigeria’s economic growth, poverty alleviation and employment generation (Agwu & Emeti, 2014).

METHODS

Study Area

The research area for this study is Delta State, which lies in the tropical rain forest of the South-South geo-political zone of Nigeria. Delta State is situated in the South-South geopolitical zone with an approximated population of 4,098,291. Delta State is an oil and agricultural producing state in Nigeria and its capital city is Asaba, located at the northern end of the state, with an estimated area of 762 square kilometers (294 sq. km.), while Warri is the economic nerve center of the state and also the most populated and it is located in the southern part of the state. The state has a total land area of 16,842 square kilometers (6,503 sq. km.).

The state covers a landmass area of which less than 40% is water. The state lies approximately between Longitude 5.00° and 6.45° East and Latitude 5.00° and 6.30° North, and it is bounded in the north and west by Edo State, east by Anambra, Imo, and Rivers States, southeast by Bayelsa State, and on the southern flank is the Bight of Benin which covers an area of about 160 kilometers of the state’s coastline.

The state has various solid mineral deposits like industrial clay, silica, lignite, kaolin, tar sand, decorative rocks, limestone, etc. These raw materials are used by industries for brick making, ceramics, bottles, glass manufacturing, chemical and insulators production, chalk manufacturing and sanitary wares.

Location of Delta State in the map of Nigeria
Source: https://en.wikipedia.org/wiki/Delta_State
Population and Sample

The population consists of SMEs in Delta State Nigeria. The sampling technique used was stratified random sampling. This sampling technique was used to choose SMEs in four Local Government Areas (LGAs) (Oshimili North and South and Warri north and South LGAs in Delta State; the sample was made up of 210 owners of small and medium scale manufacturing companies. The respondents were stratified and randomly selected from selected cities and towns in the selected LGAs. The small and medium scale manufacturing companies that were selected have between five to 30 employees.

Instrumentation

The questionnaire used for data collection in this study was a 32 item questionnaire, which was designed to produce information on small and medium scale enterprises as a strategy for employment generation in Nigeria, using selected manufacturing companies in Delta State as a case study. The first part of the instrument required respondents to state their gender, age, educational status and LGAs. The second part of the questionnaire required respondents to answer question on SMEs product branding and marketing technique and employment generation, the third part contained questions on SMEs finance and employment generation, the fourth pertain to SMEs policies and employment generation and the fifth relationship between the problems confronting SMEs in employment generation in Delta State of Nigeria.

Reliability of Instrument

To institute the reliability of the instrument used in this study, it was administered to 20 respondents who were not stratified as part of the sample. The reliability coefficients using Crombach Alpha in SPSS show that SMEs product branding and marketing (PBM) and employment generation (EG) = (SMEsPBM/EG) (.88), SMEs finance and employment generation (SMEsF/EG) (.81), SMEs policies and employment generation (SMEsP/EG) (.86) and problems confronting SMEs in employment generation (PCSMEs/EG) (.91). There liability coefficients of the sections revealed a high degree of consistency in the responses from the respondents. See table 1 and figure 1 for pictorial details.

Table 1: The reliability coefficients of Variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMEsPBM/EG</td>
<td>.88</td>
</tr>
<tr>
<td>SMEsF/EG</td>
<td>.81</td>
</tr>
<tr>
<td>SMEsP/EG</td>
<td>.86</td>
</tr>
<tr>
<td>PCSMEs/EG</td>
<td>.91</td>
</tr>
</tbody>
</table>
Data Analysis Procedure

The questionnaire used for this study was a Five Point-Likert scale questionnaire of 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree and 5 = strongly agree. The data collected were subjected to statistical analysis using mean, frequency and percentage distribution and One-way Analysis of Variance (ANOVA). ANOVA was chosen to determine the relationships between the variables and employment generation in Nigeria.

Analysis carried out (see table 2) showed that 41(19.5%) were aged between 20-30 years, 76(36.2%) were aged between 31-40 years, and 58(27.6%) were aged between 41-50 years, while 35(16.7%) were above 50 years. Respondents information revealed that male were 611(76.7%), while female were 49(23.3%). The data on the educational status of the respondents depict that those who have below Higher National Diploma (HND) were 71(33.8%) while those with HND/Degrees were 139(66.2%). Data for respondents based on LGAs revealed Oshimili North to be 40(19%), Oshimili South 44(21%), Warri North 66(31.4%) and Warri South 60(28.6%) respectively.

Table 2: Analysis for respondents’ demographic information based on gender, age, educational status and LGAs

<table>
<thead>
<tr>
<th>Respondents Demographic Information</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-30 years</td>
<td>41</td>
<td>19.5</td>
</tr>
<tr>
<td>31-40 years</td>
<td>76</td>
<td>36.2</td>
</tr>
<tr>
<td>41-50 years</td>
<td>58</td>
<td>27.6</td>
</tr>
<tr>
<td>Above 50 years</td>
<td>35</td>
<td>16.7</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>161</td>
<td>76.7</td>
</tr>
<tr>
<td>Female</td>
<td>49</td>
<td>23.3</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Educational Status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Below Higher National Diploma</td>
<td>71</td>
<td>33.8</td>
</tr>
<tr>
<td>HND/Degree Holders</td>
<td>139</td>
<td>66.2</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>LGAs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oshimili North</td>
<td>40</td>
<td>19</td>
</tr>
<tr>
<td>Oshimili South</td>
<td>44</td>
<td>21</td>
</tr>
<tr>
<td>Warri North</td>
<td>66</td>
<td>31.4</td>
</tr>
<tr>
<td>Warri South</td>
<td>60</td>
<td>28.6</td>
</tr>
<tr>
<td>Total</td>
<td>210</td>
<td>100.0</td>
</tr>
</tbody>
</table>
RESULTS AND DISCUSSION

Hypothesis 1: SMEs Product Branding and Marketing / Employment Generation

Hypothesis one states that “There is no significant relationship between SMEs product branding and marketing technique and employment generation in Delta State of Nigeria”. This hypothesis objective was to determine if SMEs product branding and marketing technique is significantly related to employment generation. The result in table 3 exposed to view that SMEs product branding and marketing technique is significantly (F-ratio =6.168; .014) related to employment generation. This study is in line with Ayozie et al. (2013), Baporikar and Deshpande (2017), Baporikar, (2017), Eniola (2014) and Eniola and Ektebang (2014) who are of the view that SMEs performance and growth in manufacturing companies is considered to drive and contribute to national economies through sustainable growth and increase in SMEs competitiveness, which will boost, improved and enlarged employment opportunities.

Hypothesis 2: SMEs Finance / Employment Generation

Hypothesis two positioned that “There is no significant relationship between SMEs finance base and employment generation in Delta State of Nigeria”. The hypothesis aims to determine if significant relationship exists between SMEs financial base and employment generation. The result in table 3 elucidates that SMEs finance is significantly related to employment generation as shown in the F-ratio = 26.792 at .000 significance level. This study is in line with Agwu and Emeti (2014), in which they noted that when SMEs financial position are high, they are major source of employment opportunities for a wide cross-section of the workforce, and when they are unable to borrow with low interest their financial capability goes slim. In addition, evidence from Kadiri’s (c.f., 2012) study on SMEs and employment generation in Nigeria: the role of finance, shows that SMEs are unable to achieve full employment generation capabilities because of their inability to obtain sufficient business finance for the sector.

Hypothesis 3: SMEs Policies / Employment Generation

Hypothesis three states “There is no significant relationship between government SMEs policies and employment generation in Delta State of Nigeria”. This hypothesis was meant to determine if significant relationship exist between SMEs policies and employment generation. The results obtained in table 3 revealed that significant relationship existed between SMEs policies and employment generation at an F-ratio of 6.288 and at a significant level of .013. For example, the high interest rate on loans and government tax policies frustrate the efforts of SMEs. This study is in line with Ojeka (c.f., 2011) and Shahrodi (c.f., 2010) when they argued that government policy measures place less emphasis on the interest rate in the banking sector and the tax policies including the technological facets of SMEs development in Nigeria. in the same way, Eniola and Entebang (c.f., 2015) found that government regulations and bureaucratic procedures hinder SMEs activity such as new business origination, hinder SMEs performance when it introduces policies that can restrict the autonomy, as well as freedom of doing business.
Hypothesis 4: SMEs Problems / Employment Generation

Hypothesis four states that “There is no significant relationship between the problems confronting SMEs and employment generation in Delta State of Nigeria”. The purpose of this hypothesis was to determine if problems of SMEs are significantly related to employment generation. The study revealed that significant relation exists between the problems of SMEs and employment generation at an F-ration of 32.905, and a significant level .000. this study is in line with the studies of Ogbo and Nwachukwu (c.f., 2012) and Agwu and Emeti (c.f., 2014). They found that labor intensive production processes, concentration of management on the ownership, limited access to long term funding, high cost of interest rates and bank charges, high mortality rate especially within their first two years, over-dependence on imported raw materials and spare parts, poor inter and intra-sectoral linkages as a result SMEs hardly enjoy economies of scale benefits, poor managerial skills, poor quality of product output, death of research and development (R&D), little or no staff training and development, poor documentations of policy, strategy and financials plans, low entrepreneurial skills, inadequate education or technical background, and lack of adequate financial record keeping, are all factors that hinder employment generation. Baporikar and Deshpande (c.f., 2017) also found that strong brands enjoy customer loyalty, the potential to charge premium prices, and considerable brand power to support new product and service promotions and the reverse is the case when banding is poor and weak.

Table 3: One-Way Analysis of Variance of relationship between SMEs product branding and marketing, finance, policies and problems, and employment generation

<table>
<thead>
<tr>
<th>Variables</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMEs Product Branding and Marketing / Employment Generation</td>
<td>Between Groups</td>
<td>6.786</td>
<td>1</td>
<td>6.786</td>
<td>6.168</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>228.838</td>
<td>208</td>
<td>1.100</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>235.624</td>
<td>209</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SMEs Finance / Employment Generation</td>
<td>Between Groups</td>
<td>38.438</td>
<td>1</td>
<td>38.438</td>
<td>26.792</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>298.419</td>
<td>208</td>
<td>1.435</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>336.857</td>
<td>209</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SMEs Policies / Employment Generation</td>
<td>Between Groups</td>
<td>2.972</td>
<td>1</td>
<td>2.972</td>
<td>6.288</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>98.309</td>
<td>208</td>
<td>.473</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>101.281</td>
<td>209</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SMEs Problems / Employment Generation</td>
<td>Between Groups</td>
<td>17.903</td>
<td>1</td>
<td>17.903</td>
<td>32.905</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>113.164</td>
<td>208</td>
<td>.544</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>131.067</td>
<td>209</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CONCLUSION

This study has highlighted the ways SMEs has positioned itself as a strategy for employment generation for sustainable national economic development, and poverty reduction in Nigeria. It exposed to view the inconsequential performance of SMEs in employment generation presently and in the recent past. Explicitly, this study approached SMEs and employment generation in Delta State by evaluating the relationship between SMEs product branding and marketing technique and employment generation, the relationship between SMEs finance and employment generation, SMEs policies and employment generation and the relationship between the problems confronting SMEs in employment generation in Delta State of Nigeria. The astonishing
findings of the weakness of SMEs in product branding, marketing, finance, government policies and problems SMEs in Nigeria, calls for the need to be concerned.

Notwithstanding, the major benefits of product branding and effective marketing is that, when products are properly branded and marketing strategies suitably used, subjective values are added to the product and customer begin to be attracted to such products, which will increase the market share of such products. Accordingly, profit margins will increase, financial based of the business will improve, the need for expansion will set in and employment will be generated.

However, SMEs generate employment for many Nigerians as much as their capacities can carry, but there is the need to do more because SMEs in the developed world generate over seventy percent of the workforce.

**Recommendations**

Following the finding in this study, this article recommends that:

- SMEs product branding and marketing technique should be sophisticated to enhance competitiveness in order to generate employment in Nigeria.
- SMEs finance base should be improved through favorable policies and effective tax reduction for Nigerian SMEs to remain in business.
- Measure should be put in place to cushion the impact of the problems confronting SMEs to enhance employment generation in Nigeria.

**REFERENCES**


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