

Entrepreneurship as Key to Socio–Economic Development: A Study of Selected Small and Medium Scale Enterprises in Delta State

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Abstract

This study explored the different paradigms of entrepreneurship as key to socio-economic development of some selected small and medium enterprises (SMEs) in Delta State, Nigeria, by comparing the current trends, and issues in the domain of this academic work. The author of this paper critically, yet objectively and comparatively, examined the different ideas and strategies aimed at improving and promoting innovation and entrepreneurial development in SMEs in Delta State. It provides a relatively broad view of the role of entrepreneurial development in socio-economic development. It evaluates the concepts of development and entrepreneur, entrepreneurship for development, issues, problems and possible solutions, innovation and entrepreneurial development. The study's research design was a descriptive approach and data were analyzed using the statistical package for the social sciences (SPSS) version 22. Descriptive statistics (frequencies and percentages) were performed. Regression analysis was used to determine the relationship between variables, and Cronbach's alpha reliability analysis was used to measure the reliability of the instrument. The study observed that entrepreneurship is key to socio-economic development when provided with adequate, creative and inspiration for entrepreneurship. The possibilities remain that SMEs as a career will increase among young people. Therefore, Delta State government should sustain and foster development through innovation and entrepreneurial knowledge and skills by providing a favourable environment.

Keywords: Entrepreneurial Development, Socio-Economic Development, Problems, Solutions, Innovation, Small and Medium, Enterprises, National Development.

INTRODUCTION

The concepts 'entrepreneurship' and 'SMEs' are most of the times used interchangeably; however an entrepreneur plays a different role than a small business manager. Not all entrepreneurs are great managers, and not all managers are cut out to be entrepreneurs (Hill, n.d). Entrepreneurship is the self-motivated force behind the planning and launching of a new business enterprise. An entrepreneur may be involved in all aspects of organizing a business venture throughout its life span right from the inception to the final stage (Lucky, 2012). An entrepreneur handles matters that concern the organization throughout the product design to determining the most efficient production methods and the supply chain, as much as finding the venture's first customer to the larger customers (Smortiff, 2009). SMEs managers are people who

operate business ventures that have survived the setup stages. Their goals are to keep the venture growing under an efficient operation system. In selected circumstances, entrepreneurs bring in skilled SMEs managers to build the venture into a bigger conglomerate (Tagrafa & Akin, 2009). Entrepreneurs recognize that their vision and mission can take the business venture to a greater height, but hire experienced managers to direct day-to-day operations of the business to mature and grow (Tapan, 2001; Hill, n.d).

Entrepreneurial awareness is a means of transmitting entrepreneurial knowledge and skills from one generation to another and the process of bringing about a relatively permanent change in the socio-economic development of a nation. Small and medium enterprises (SMEs) are the oldest industry, they are age long means used to make society to preserve, maintain and upgrade citizens' socio-economic equilibrium. In human societies, SMEs are meant to pass on to generations existing role and importance, knowledge and skills in the physical environment they operate. The importance of SMEs to the organization of human society's economic and social wellbeing give operators of SMEs the skills to perform their daily duties that will promote socio-economic development. In other words, entrepreneurial development is a process used by societies to assists the younger generation in understanding the heritage of their past, participating productively in the society of the present and contributing to the future (Ololube, Dudafa, Uriah & Agbor, 2013). With these functions, entrepreneurial development draws motivation and sustenance from government, with the aim of contributing to the growth, renewal of human socio-economic and development of a nation.

Presently, Nigeria is lacking the crucial elements in averting the danger of unemployment. However, the provision of conducive physical environment for the development of SMEs will advance the social and economic development of Nigeria, if confidences are given to SMEs with focus on profitable socio-economic development (Ololube, Uriah & Dudafa, 2014). Unemployment is on the high side in the country, and has resulted in the growth of violence, poverty and exclusion amongst citizens, because the government on its own has failed to empower the existing SMEs. The core of government SMEs policies in Nigeria is devoid of proactive strategies that emphasize the need to fully implement and empower the country's SMEs development (Anochie, Ude & Egbo, 2015). Thus, for SMEs to develop here is a greater need for the government to propel the country to work towards enduring peace and harmony (Araba, 2012). Successive Nigerian governments always charge SMEs with the responsibility to try and compete favourably with their counterparts in other parts of the world to ensure sustainable national development, without giving the SMEs the enabling environment to operate (Anochie et al., 2015).

Nonetheless, the subsequent arrival and the growth of British commercial and colonial interests in Nigeria in the 19th century, brought about the radical transformation of SMEs in Nigeria (Ololube & Egbezor, 2012; Onuaha, 1994). Between 1842 and 1914, approximately ten different Christian missions arrived and began intensive work in Nigeria. Schools were built and missions struggled for pupils/members so much that there was a proliferation of schools aimed at creating understanding between the colonial masters and the natives. Granted that the literary education then was dominated by the 4Rs (reading, writing, arithmetic and religion), this missionary education provided and prepared recipients for the emerging job opportunities of teaching, church evangelists or pastors, clerks, interpreters and SMEs (Mkpa, 2013).

SMEs for national development in this context and in its basic level means reaching an acceptable standard of socio-economic development for citizens such that they have the basic things they need to live (Ololube & Uzorka, 2008). National social and economic development is

a cooperative effort of governments at all levels. The governments of poor countries work to improve their SMEs standing, and, in most cases, to improve the lives of their people, and the governments of rich countries try to help them to do so. Institutions like the World Bank and other charitable groups provide money and projects intended to improve the lives of poor people and the poor themselves struggle regularly to provide more for themselves and their families (United Nations, n.d). Different countries have different priorities in their development policies and as such different indicators exist to help measure the relative progress they make, of which SMEs are one of such tools used for measuring relative progress (Ojha, 2016).

Development in the context of this paper refers to the growth of humans throughout their lifespan, from conception to death. Scientific study of human development seeks to understand and explain how and why people change (Ololube et al., 2014).

Numerous issues affecting SMEs development in Nigeria appear to be common; however, their relationship to entrepreneurship as key to socio-economic development for sustainable national development is only partly understood (Ogbo & Nwachukwu, 2012). Bearing in mind the growth in SMEs globally and efforts made toward entrepreneurial development tend to anchor to a large extent on several limitations, which constitute a major problem and are bound to cause increasing challenges for entrepreneurial development in Delta State, Nigeria. This situation has become a major apprehension for government, entrepreneurs, and stakeholders. Thus, the purpose of this paper is to highlight some of the ways SMEs can foster sustainable national development in Nigeria and their impression on the realization of socio-economic development. Specifically, this paper evaluates the production and supply chain mechanism, role and importance of SMEs, problems confronting the SMEs and the benefits that can be derived from SMEs in Delta State of Nigeria. To this end, this study is aimed to:

- Determine the production and the supply chain mechanism of SMEs in the socio-economic development of Delta State of Nigeria;
- Determine the role/importance of SMES in the socio-economic development of Delta State of Nigeria;
- Determine the problems confronting SMEs in the socio-economic development of Delta State of Nigeria;
- Determine the benefits of SMEs in the socio-economic development of Delta State of Nigeria.

Hypotheses

To direct and guide the research study in line with its purpose, four hypotheses were raised:

- There is no significant relationship between the production and the supply chain mechanism of SMEs in the socio-economic development of Delta State of Nigeria;
- There is no significant relationship between the role/importance of SMEs and the socio-economic development of Delta State of Nigeria.
- There is no significant relationship between the problems confronting SMEs and the socio-economic development of Delta State of Nigeria.
- There is no significant relationship between the benefits of SMEs and the socio-economic development of Delta State of Nigeria.

LITERATURE REVIEW

Who is an Entrepreneur?

An entrepreneur in this context is an innovating individual who has developed an ongoing business activity where none existed before. An entrepreneur can be seen as a person or persons who possess the ability to recognize and evaluate business opportunities, assemble the necessary resources to take advantage of them and take appropriate action to ensure success (Ogbo & Nwachukwu, 2012). An entrepreneur constantly discovers new markets and tries to figure out how to supply those markets efficiently and maximize profit. An entrepreneur searches for change, responds to change, and exploits change by converting change into business opportunity. Thus, entrepreneurship is the process of bringing together creative and innovative ideas, coupled with management and organizational skills in order to combine human and material resources toward accomplishing pre-determined goals (Ololube et al., 2014).

The Concepts of SMEs and Socio-Economic Development

Socio-economic development is a complex concept. At its most basic level, development means reaching an acceptable standard of living for all people such that they have the basic things they need to live. National social and economic development is a cooperative effort of many. SMEs account for a large percentage of the aggregate employment of several countries including Nigeria, they are regarded as the bedrock of industrialization, and large corporations develop new customer base that may not be accessible to the traditional distribution of their networks. SMEs to a large extent symbolize important sources of innovation and development (Etuk, Etuk & Baghebo, 2014).

The governments of undeveloped countries work to improve their standing through SMEs, and, in most cases, SMES are used to improve the lives of their people. However, the governments of developed countries empower underdeveloped countries to improve their living standard. International financial institutions (IMF, World Bank) and other benevolent groups provide money and initiate capital projects intended to improve the lives of people living in undeveloped countries struggling to provide for its citizens through SMEs (United Nations, n.d). Different countries have different priorities in their socio-economic development policies, and as such different parametres exist to measure the relative progress they make. At the same time, national socio-economic development can refer to the growth of humans throughout their lifespan, from conception to death.

Entrepreneurial Education for Development

Entrepreneurship is one of the most important inputs for the well-being of any society and entrepreneurial education is a powerful instrument of social progress without which neither an individual nor a nation can attain the economic growth that is necessary for development. Given this, good entrepreneurial education is essential (Ololube, 2013).

There is no doubt that the best way to enhance effective SMEs is through defined entrepreneurial educational programmes, which are key in understanding the knowledge and skills required for SMEs to flourish. Entrepreneurial education is meant to help students grow and develop, provide them with desired skills and professional abilities, assist them in acquiring

the necessary understandings, concepts, values and attitudes to manage future tasks, and show them how to be productive members of the society into which they are born, grow and live (Ladebo, 2005). As such, it is believed that with high-quality entrepreneurial education programmes, it is possible to ensure the effective first-class SMEs knowledge needed to raise achievements and foster national development (Anyamele, 2004).

Ololube et al. (2013) observed that the central objective of entrepreneurial education is to raise the level of skills, especially technical and management skills, needed to support SMEs growth and to provide an adequate supply of the whole range of professional expertise needed to run and develop modern SMEs.

Hurn (1995) theorised that society functions much better economically when there is quality education for the individuals or for society at large. Also, according to Hurn (1995), those who excel in society are those who have worked the hardest for their position, a social phenomenon Hurn calls 'meritocracy'. In this type of society, ability and effort count for more than privilege and inherited status (Schaefer, 2005). Society needs SMEs and the best SMEs to function at the highest levels, and therefore it offers the greatest rewards to these groups of SMEs (Anochie et al., 2015). According to Ololube et al. (2014), human capital theorists see SMEs as worthwhile investment and those who feel that the benefits of SMEs outweigh the costs of owning one are the ones who rise to the top of the socio-economic development pyramid. Those who do not decide to own SMEs are seen as less deserving of the social and financial rewards that national economies offer.

Working from a developmental perspective, Ololube (2013a,b) noted that the principal functional requirements of development are first, to empower the young into prevailing norms and attitudes so as to preserve social and economic stability, and to stratify individuals in accordance to the complex network of roles that sustains the existing socio-economic order. The critical idea here is that entrepreneurial development does not operate in isolation and their function in society is imperative to the overall development and continuity of a nation. Thus, entrepreneurial development provides insight into how the social and economic mechanism operates in countries, as such entrepreneurial development could be constantly modified to ensure that the stability of society and its developments are maintained.

Innovation

Innovation is regarded as the focal point of SMEs strategy and a central factor for its competitive strength and survival (Naylor, 1999). Entrepreneurs are supposed to introduce innovation into their business in order to create sustainable business solutions. Innovation is a process that creates knowledge, which is collected, shared and integrated. In other words, it takes the form of new technology or new product or services. Thus, innovation is related to change that can be integrated or incremental. Generally, innovation can be considered as implementation of exploration and process that shapes outcomes and products (Lam, 2011).

For this reason, SMEs requires a culture of innovation that supports new ideas, processes and generally new ways of doing business. In promoting a culture of innovation, SMEs must foster functional team building while discouraging single building, creative thinking to see things from a new perspective and putting oneself outside of the parameters of a job function; and risk taking by employees while lessening the status quo are important components of building a reliable innovation in the SMEs. The value and importance of knowledge and skill in SMEs innovation is crucial. If innovation is about change, new ideas, and looking outside of oneself to

understand the Nigerian environment, then entrepreneurial development and earning is a requirement of SMEs innovation success. The value of knowledge and skills can only be realized once SMEs put them into practice. The road to SMEs innovation lies in the ability to impart new entrepreneurial knowledge to its employees and in the application of that knowledge. Entrepreneurial development is a new way of thinking and it is a stepping stone towards creativity, change and innovation within the SMEs world.

Entrepreneurial Tendencies

Entrepreneurial tendencies and wonder is the mother of all science. Curiosity is often considered to be the desire to gain information, which, in turn, results in exploratory behaviour and knowledge acquisition (Jeraj & Marič, 2013). Entrepreneurial tendencies are the propensity to recognize and seek out new information and experience, including an intrinsic interest in learning and developing one's knowledge. Since entrepreneurs need knowledge in order to act appropriately in the market, entrepreneurial Tendencies seems to be as one of the strongest determinants that influence them (Kashdan et al., 2013). Entrepreneurial Tendencies is a positive emotional/motivational system oriented to investigation in the entrepreneurial framework, to learn tasks related to entrepreneurship and to incorporate new experiences to improve business. Entrepreneurial Tendencies is awakened when an entrepreneur faces different stimuli related to entrepreneurship in the environment (Jeraj & Antoncic, 2013). Entrepreneurial tendency is an interest in novelties or observations of society and a tendency to search for answers that indicate which demands should be met. It also represents guidance and competitive advantages for entrepreneurs relative to the competition (Jeraj & Marič, 2013; Ololube et al., 2014).

Problems/Challenges

SMEs do not operate without a number of challenges that impede their successful entrepreneurial drive for national development. Amongst the notable challenges: in almost all sub-Saharan African countries' basic ICT infrastructures are inadequate. This is as a result of a lack of electricity to power the ICT materials, poor telecommunication facilities, and insufficient funds in general. Nigeria spends less than 12% of its annual budget on SMEs. In Nigeria, more than 85% of the population lives below the poverty line, as a result, even average middle-income SMEs cannot afford basic technological and communication gadgets. The cost of computer related gadgets in Nigeria is three times the monthly wage of average SMEs. Thus, computer related telecommunication facilities remain less than useful for most Nigerian SMEs, as computers are still a luxury in most SMEs, and many SMEs have not had the chance to develop the skills to use them. This has made the integration of necessary on-line business resources (e-mail and the world-wide-web) into SMEs in Nigeria most difficult (Ololube et al., 2009).

Most SMEs in Nigerian are not competent business operators. Competent SMEs are the single most significant resource that can lead to greater and efficient productivity and performance. The quality of SMEs in Nigeria should not be less than the basic acceptable standards worldwide.

The budgetary allocations that are available for SMEs development in Nigeria is nothing to write home about. Funds provided for SMEs is too small for proper planning to take off. The condition of the SMEs remains a thing of concern. Under-funding and systemic corruption

makes the matter worse. The insufficient funding of SMEs stands as one of the major factors working against effective SMEs, planning and implementation (Ololube, 2013b).

The death rate among SMEs in Nigeria is very high, according to Ogbo and Nwachukwu (2012), within their first five years of their existence because many prospective entrepreneurs do not have a clear vision and mission of what they intend to do and they are not business specific and hence have no focus. SMEs in Nigeria face intense competition from SMEs of other countries. SMEs in most countries of the world have enabling environment for production, distribution and marketing. The environment in which SMEs in Europe, South East Asia and America operate provides stable power and water supply, standard road and rail network, efficient water and air transport system, advanced technology, efficient and responsive financial system and above all good governance. This is unlike in Nigeria where many SMEs cannot survive global competitive drive.

Onwumere in Ogbo and Nwachukwu (2012) highlighted by summarizing 21 factors that characterise SMEs in Nigeria. They are:

- Labour intensive production processes
- Concentration of management on the key man
- Limited access to long term funds
- High cost of funds as a result of high 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 - hence they hardly enjoy economies of scale benefits
- Poor managerial skills due to their inability to pay for skilled labour
- Poor product quality output
- Absence of Research and Development
- Little or no training and development for their staff
- Poor documentations of policy, strategy, financials, plans, info, systems
- Low entrepreneurial skills, inadequate educational or technical background
- Lack of adequate financial record keeping
- Poor Capital structure, i.e. 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 rather outdated and inefficient technology especially as it relates to processing, preservation and storage.
- Lack of access to international market
- Lack of succession plan
- Poor access to vital information

BENEFITS OF SMEs

SMEs are labour intensive and they provide a clear solution to the growing problem of unemployment globally. The development of SMEs has high potential for employment generation and income creation. And their presence brings in or develops infrastructural facilities

like power, roads, bridges etc. It can help to check the migration of people from rural to urban areas in search of jobs. Rural entrepreneurship can dispel the concentration of industrial units in urban areas and promote regional development in a balanced way. The age-old rich heritage is preserved by protecting and promoting art and handicrafts through rural SMEs. Growth of rural SMEs can reduce the social evils like poverty, growth of slums, pollution in cities etc. and awaken the rural youth and expose them to various avenues to adopt entrepreneurship and promote it as career choices. Rural SMEs also increase the literacy rate of rural populace. SMEs education and self-employment propels prosperity of the communities, thus increasing their standard of living. Efficient and effective use of scarce resources by the SMEs may lead to overall economic development (Ojha, 2016).

In Nigeria, for example, several socio-economic conditions impede meaningful development in spite of many interventions and policy plans (Motilewa, Ogbari & Aka, 2015). However, if SMEs are fully developed and identified as being beneficial in alleviating poverty through wealth and job creation it will go a long way in solving the socio-economic problems of Nigeria. SMEs can benefit any government that develops it to the extent that it has the capacity to grow the country's GDP, generate taxes and other revenue, as well as contribute in the effort of bringing stability in the political stability of the country (Etuk, Etuk & Baghebo, 2014).

METHODOLOGY

Research design

The study's research design was a descriptive approach, because of the purpose of the study, which is to determine whether entrepreneurship is key to socio-economic development using SMEs in Delta State as benchmark (see figure 1). This paper x-rays the production and supply chain mechanism of SMEs, role and importance of SMEs, problems of SMEs and the benefits of SMEs to socio-economic development of Nigeria. To address the descriptive nature of this study, this paper reviewed literature on the relationship between the SMEs and socio-economic development. The empirical part of this paper included the collection of data from 89 respondents through a structured questionnaire. Data were analyzed using the statistical package for the social sciences (SPSS) version 22. The suggestive part portrayed the study's findings, and the need to enhance SMEs in Nigeria and Delta State in particular.

Sample and Procedure

The sample for this study consisted of owners of SMEs in the Asaba and Warri cities of Delta State, Nigeria. Data for this study was collected between December 15th 2016 and January 15th 2017 with the help of two research assistants. A manageable sample size of 89 was used in carry out the analysis. The respondents, 67(75.3%) were male, while 22(24.7%) were female. Respondents that were aged between 20-29 years were 28(31.5%), 30-39 years were 19(21.3%), 40-49 years were 25(28.1%) and those above 50 years were 17(19.1%). Respondents who own Small scale businesses were 29(32.6%) while medium scale business owners were 60(67.4%) (See table 1 for detail).

Table 1: Descriptive statistics of respondents' demographic variables

Demographic Variables		Frequency	Percent
Gender	Male	67	75.3
	Female	22	24.7
	Total	89	100.0
Age	20-29 years	28	31.5
	30-39 years	19	21.3
	40-50 years	25	28.1
	Above 50 years	17	19.1
	Total	89	100.0
SMEs	Small scale	29	32.6
	Medium scale	60	67.4
	Total	89	100.0

Survey Instrument

The survey instrument used for data gathering was a self-structured questionnaire, which was directed at finding out whether entrepreneurship is key to socio-economic development using SMEs in Delta State as benchmark. The instrument is aimed at collecting data on the production and supply chain mechanism of SMEs, role and importance of SMEs, problems/challenges of SMEs and the benefits of SMEs were used to measure the socio-economic development of Delta State. This study did not adapt any existing survey instrument because several searches of the internet revealed that there was limited questionnaires that relates to the theme of this study. The instrument consisted of a total number of 28 items, which were stated on the negative in line with the research hypotheses. The items on the survey used a 5-point Likert scale ranging from 1=strongly disagree (SD) to five 5=strongly agree (SA), and a neutral midpoint estimation of 3=neither agree nor disagree (NN).

Section one of the instrument dealt with the issues of participant's demographic variables. Section two included information on how the production and supply chain mechanism of SMEs relates to socio-economic development. Section three concerns the role and importance of SMEs relates to socio-economic development. The forth section investigates the problems and challenges of SMEs and how it relates to socio-economic development. Section five consisted of how the benefits of SMEs relates to socio-economic development.

Validity and Reliability of Instrument

The validity and reliability of the instrument were measured in two ways. For validity: first, the questionnaire was validated by experts in the measurement and evaluation from the Delta state University. Second, the instrument was administered to 20 SMEs outside the sample used in this study. In the case of the instrument reliability: first the reliability of the items in the questionnaire comprising of each dimensions of SMEs: role and importance, problems and challenges, and the benefits of SMEs were scrutinized to ensure that the items collectively measure what they intend to measure. Second, the internal consistency of the 21 items were examined by calculating Cronbach alpha, which ranged from .688 to .706. As such, the instrument was pronounced to be reliable (Gay & Airasian, 2000).

Data Analysis

The statistical analyses used in this study were carried out using statistical package of the social sciences (SPSS) version 22. Descriptive statistics (frequencies and percentages) were performed. Regression analysis was used to determine the relationship between variables, and Cronbach's alpha reliability analysis was used to measure the reliability of the instrument. The mean scores were used to determine the acceptance or rejection of the rating items in the analysis. In order to make decisions, the mean responses were computed on the basis of the 5 point Likert scale of the questionnaire using a 2-tailed scale. Thus, the Regression analysis was set at $p < 0.05$ significance level.

RESULTS AND DISCUSSION

The regression analysis conducted as depicted in Table 2 showed that most of the relationships were significant and positive with an R of .468, Rsquare of .219, and an adjusted R square of .119 for the entire variables entered.

The ANOVA analysis depicted the sum of square for the regression to be 24.119 and that of the residual is 86.084, and a degree of freedom (df) = 3, with an F-value of 7.938 and a significance of .000. This implies that role/importance, problems and challenges, and the benefits of SMEs have significant relationships to the socio-economic development of Delta State.

The estimated Coefficient analysis for SMEs and socio-economic development of Delta State was positive. This implies that respondents view towards production and supply chain mechanism of SMEs and socio-economic Development with a significance level of .002 and a calculated t-value of -3.169, role/importance of SMEs and socio-economic Development with a significance level of .000 and a calculated t-value of -3.944; problems of SMEs and socio-economic development were significant at .048 with a calculated t-value of -1.749; and benefits of SMEs and socio-economic development were significant at .014 with a calculated t-value of 2.504. Thus, hypotheses 1, 2 3 and 4 were rejected because there are significant relationships between respondents' perceptions of the role/importance of SMEs and socio-economic development; also there are significant relationships between the problems of SMEs and socio-economic Development; and there are significant relationships between the benefits of SMEs and socio-economic Development of Delta State.

The results found in this study are in line with the study of Anochie et al. (2015) and Ojha (2016). They stated that following the role and importance of SMEs, small and medium scale businesses need support, entrepreneurs need higher level of support to enable SMEs play their catalyst role in employment generation and socio-economic development. The challenges identified by empirical studies, which militate against entrepreneurship development were basically highlighted: they include environmental hazards, infrastructural inadequacies, high level of insecurity and the incidence of wide spread corruption. SMEs should be properly encouraged and assistance should be provided to entrepreneurs by setting up marketing co-operatives.

Ogbo and Nwachukwu (2012) study is of the opinion that SMEs in Nigeria have performed below expectation due to a combination of problems, which ranges from attitude and habits of SMEs themselves through environmental related factors, instability of governments and frequent government policy changes etc. Therefore, SMEs should ensure the availability or

possession of managerial capacity and acumen before pursuing financial resources for the development of their business.

Table 2: Regression analysis of the relationships between SMEs and socio-economic development

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error		
1	.468 ^a	.219	.191	1.00635		
ANOVA Analysis						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	24.119	3	8.040	7.938	.000 ^b
	Residual	86.084	85	1.013		
	Total	110.202	88			
Coefficients						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	3.636	.664		5.480	.000
	Production/supply of SMEs and socio-economic Dev.	-.119	.037	-.350	-3.169	.002
	Role/importance of SMEs and socio-economic Dev.	-.510	.129	-.382	-3.944	.000
	Problems of SMEs and socio-economic Dev.	-.137	.079	-.168	-1.749	.048
	Benefits of SMEs and socio-economic Dev.	.289	.115	.242	2.504	.014

CONCLUSION

In spite of the aforementioned challenges, entrepreneurship scholars have long been searching for constructs of individual characteristics that are unique to entrepreneurs. This paper revealed that entrepreneurial tendencies are important for entrepreneurial characteristics. An extension of these unique SMEs characteristics is a predictor of socio-economic development.

It is possible that when governments at all levels provide adequate motivation and creative inspiration for entrepreneurship, the possibility remains that choosing an entrepreneurial career might increase among young people. This is crucial in economies that are as open such as the Nigeria's economy. Thus, the SMEs environments in Delta State should provide applied practical environments to complement SMEs exercises and case study approaches to studying SMEs in Nigeria.

Nigerian government system will continue to fail in its socio-economic development agenda, if the focus is on how many SMEs are established, other than the effectiveness of the existing ones. It is the thinking of this paper that with the global economic meltdown, many businesses will outlive their value and fold up, and Nigeria in her present conditions will go down on its knees to beg for help from proactive economies, if she fails to develop her human

resources base towards entrepreneurship and maintain businesses that will stand the ordeal of its trade and industrial environments. On a final note, Nigerian government at all levels should sustain and foster national socio-economic development through SMEs innovation and entrepreneurial tendencies. This academic work recommends that there should be a working partnership that bridges the gap between the SMEs and socio-economic development.

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