

## Analysis of Entrepreneurial Performance of Multi-purpose Co-operative Societies in Abi Local Government Area of Cross River State, Nigeria

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**Abstract:** This study analyzes the entrepreneurial performance of the membership of multipurpose cooperative societies in Cross River State of Nigeria. The study examined the impact of factors such as availability of infrastructure, use of local resources, availability of training programmes, availability of credit from financial institutions, location of the business, government support, the effectiveness of management, availability of market facilities and favourable natural conditions on the performance of cooperative small scale businesses. The study employed the double sampling method where 150 cooperators were randomly sampled from 400 members of five randomly selected cooperative societies in Abi Local Government Area of Cross River State. The ordinary least square (OLS) regression approach and descriptive statistics approach were used in analyzing the data obtained for the study. The findings of the study revealed that the factors that significantly impact positively on the performance of cooperative small scale businesses include the availability of infrastructural facilities, government support, availability of market facilities, and favourable natural conditions while the provision of credit facilities by financial institutions was found to negatively impact on the performance of cooperative small scale businesses at 5% level of significance. The obtained regression model was found to be adequate and useful for the estimation of the performance of cooperative small-scale businesses with R-square value of 68% and a significant F-value of 12.78 at 5% level of significance. The study recommends the need for governments to establish training and research centres for cooperative small-scale operators to enable them to acquire requisite skills and knowledge on the provision of credit facilities by the financial institutions in Nigeria and evidence-based administration of their businesses.

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### Introduction

The cooperative organization is defined in so many ways by different scholars and cooperative economists. A socialist approach to the definition of cooperative sees it as an important step in the socialist process of transformation from capitalism and eventually to communism. Various types of cooperative societies exist. Farmers' Multipurpose Cooperative societies play a dynamic role in the socio-economic development of the nation. This type of cooperative society takes into account all the agricultural oriented activities of the farmers' socio-economic life. Usually, cooperatives have common small scale businesses apart from the member-patron business economic unit. The performance of these small scale enterprises of the cooperatives goes a long way to show the extent of sustainability of the cooperatives in Nigeria, where many cooperatives are no longer viable because of several factors, such as non-attendance to meetings, poor record-keeping, low capitalization, infighting and conflict situations, inadequate regulatory framework, weak business management, insufficient production and economic and financial crises.

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A cooperative is not an end in itself, but a means to achieve certain goals. One of the primary goals of a cooperative society is the advancement of the members' economic interests, protecting and maintaining the economic independence of the small entrepreneurs by balancing economic weakness through the pooling of resources and thus achieving economies of scale. A high-level goal of the cooperative is to eliminate the competitive capitalistic system and replace it with an economic system based on cooperation.

The importance of small scale businesses in developing countries cannot be underestimated. The definition of small scale, however, varies from one country to another. Nzilibe (1996) posited that perhaps the most functional definition is the one made by the United Nations Industrial Development Organization (UNIDO), which suggests that a small scale business is characterized by at least two of the following:

- i. ownership and management are usually in the same individuals, that is, management is not independent of owners,
- ii. the small scale business controls a small share of the markets and therefore constitutes a small quota in the large-size market,
- iii. capital is made available by the owner and policy decisions are in the hands of the individual or small groups of entrepreneurs,
- iv. the area of operation is localized and workers and owners concentrate on the local community, and
- v. the owners participate very actively in all decision making on a day to day operational basis with a high degree of rigid control. In Nigeria, these small scale businesses tend to enjoy the advantages of lower taxes or non-taxation, lower or relaxed government regulations and lower overhead expenses.

Small enterprise development is increasingly seen as a crucial ingredient of strategies to create employment and to alleviate poverty. The smallest firms play a crucial role in economic development. Small enterprises provide jobs for between a third and a half of the labour force in many economies (Udechukwu, 2003). In developing countries, small enterprises contribute to the alleviation of poverty. Small enterprises also form a pool from which larger enterprises such as cooperative apex organizations may grow. Atoloye (2007) discussed that the ability of small enterprises to grow depends in part on the efficiency with which capital is channeled towards them. The smallest enterprises present unique challenges for capital markets. They have high birth and mortality rates, and their owners often have few assets, which can be used for collateral. The desired loans are generally of small size. Given the administrative cost, traditional collateral-based lending may not be profitable. Anyanwu (2003) acknowledged small and medium enterprises as the bedrock of the industrial development of any country, pointing out that apart from the numerous goods produced by small and medium enterprises, they provide veritable means of large-scale employment, as they are usually labour intensive. According to him, they also provide training grounds for entrepreneurs even as they generally rely more on the use of local materials. These contributions thus explain why governments and international agencies mobilize efforts toward the realization of sustainable industrial growth and the creation of mass employment through the rapid growth and development of small scale enterprises. Olorunshola (2003) opined that the concept of small and medium enterprises is relative and dynamic. According to him, the definition changes over a period and depends largely on a country's level of development. Lawrence (2003) maintained that while finance is not the only problem militating against the development of the small and medium enterprises sub-sector, it is certainly the most formidable. He argued that government-sponsored schemes for the concessionary financing of the sub-sector have petered out. Adelaja (2003) argued that access to institutional finance has always constituted a pandemic problem for small and medium enterprise development in Nigeria. He recalled that in the past, several schemes have been put in place to provide special credit lines/windows for small and medium enterprises but this achieved very limited impact. He further maintained that despite the roles played by small and medium enterprises in the Nigerian economy, the sub-sector has continued to suffer from other myriads of problems, which include inadequate planning information on the market, high cost of production, inadequate indigenous technical expertise and inadequate supply of domestic raw materials.

### Objectives of the Study

The aim of the study is to determine the factors affecting the entrepreneurial performance of the multipurpose cooperative societies in Abi Local Government Area of Cross River State of Nigeria. The specific objectives are:

- i. to formulate an appropriate regression model for estimating the performance of cooperative small scale businesses, and
- ii. to identify the factors that impact on the performance of cooperative small scale businesses on members' welfare.

### Review of Relevant Literature

#### *Determinants of an entrepreneur's performance*

By determinant, one refers to the factors that are decisive for entrepreneurial performance. The determinant of entrepreneurial performance could be a single factor or multiple factors, depending on a given situation. Katz and Kahn (1966) focused on behavioural aspects such as loyalty, reliability and innovativeness as necessary determinants of organization performance. Swayne and Tucker (1973) identified four determinants of entrepreneurial performance: personal characteristics, financial resources availability, technology and political regulations. These exist in addition to management problems of varying degrees facing entrepreneurs.

Reimann (1975) considered management as the basic determinant of organizational performance. Oni (1988) identified a group of environmental factors as determinants of performance: these are economic, politico-legal, socio-cultural factors and the body of government incentives. Inegbenebor (1995) singled out the structure of the entrepreneur's organization as the determinant of performance. The determinants of entrepreneurial performance are multi-dimensional, just as in the cases of emergence and behaviour. They included both personal and environmental factors. Some of these factors (i.e. size or structure, technology, and communication) are internal to the entrepreneur's organization. Human elements in the nature of management and employees are also important. Therefore, it could be seen that entrepreneurial performance and organizational performance are complex concepts. Dess and Robinson (1984) stated that regardless of the framework chosen, operationalizing such complex concepts was inherently difficult. Because of the complexity, organizational performance is viewed in this study as the totality of organization goodness. Organization performance viewed in this way includes elements of both economic and behavioural components (Macy and Mirvis, 1976). In dealing with theoretical concepts, such as organization performance, one could not but agree with Katz and Kahn (1966) in their views where they stressed that such a concept should begin with input, output, and the functioning of the organization as a system, that is, including all the processes involved and not only the rational purposes of its leaders. Gaerthner and Ranmmarayam (1983) also expressed similar views by noting that there were four (4) major levels of analysis in evaluating organization performance. These are: i. Individual-level, ii. Subunit level, iii. Organization level, and iv. Organization-environment level. This study adopted the individual, organizational and organization and environmental levels of analysis.

Performance is described in this paper as what it takes to be successful in qualitative and quantitative terms in a particular field. Three frameworks of assessing performance based on the literature have been highlighted. These represent broadly the goal systems and contingency approaches. It is also shown that the criteria for assessing organizational performance are as varied as there are writers on the concept. The relevant individual, groups and situations would determine the set of criteria that are applicable. In addition, the literature revealed that the determinants of entrepreneurial performance include both personal and environmental factors. At the personal level, the characteristics of the individual including physical fitness are relevant determinants. The environmental determinants range from socio-cultural, economic, political and technological factors among others. The perception of the entrepreneurs in this study was analyzed to ascertain the determinants of their performance. This will be at both personal and environmental levels. In fact, each entrepreneur is both a self and a business organization. This is because the entrepreneur is the central figure behind such an organization.

The literature reviews on the independent variables have shown the emergence phase as distinct from the behaviour and performance phases. Several factors were shown to influence entrepreneurial emergence. These include social

relations, economic factors, ecological factors, previous work experiences, training and development, formal education, political factors and innovation among others (Killy, 1965; Akeradolu – Ale 1975; Osoba, 1987; and Bouwen and Steyaert, 1990). Entrepreneurial behaviour is also influenced by several determinants ranging from social relations, political, economic, technological, ecological, training and development and previous work experiences among other factors (Stevens and Gumpert, 1985; Singh, 1986, and Lewis, 1989). It was also reported that the performance of entrepreneurs was equally influenced by a combination of determinants. These include economic, social relations, political, technological and ecological determinants. Others are training and development, formal education, previous work experiences and the internal structural arrangements (Swayne and Tucker, 1973; Drucker, 1985; Dess and Robinson, 1983; Shan 1990; and Ogundele, 2007). It could be seen that multiple determinants affect the three processes of emergence, behaviour and performance of entrepreneurs. In addition, these determinants affect them in combinations. This tended to lend support to a multi-factor and interactive approach to entrepreneurial study. Writers that emphasized the single-factor approach include Akeredolu-Ale (1975) on historical approach, Singh (1986) on developmental approach and Inegbenebor (1995) on structural approach, all of which gave a partial explanation of the entrepreneurial phenomenon. The works of a number of researchers on entrepreneurship in Nigeria are relevant to the focus of this paper. These are Schatz (1962 and 1964); Harris and Rowe (1966); Haris (1971); Kilby (1971); Akeredolu-Ale (1975); Osoba et al (1987); Inegbenebor (1995); Ogundele (2000); Lawal (2005) and Hassan (2006). These serve as representative studies on entrepreneurial performance in Nigeria.

### Methodology

The study was carried out among five cooperative small scale businesses in Abi Local Government Area of Cross River State of Nigeria. Abi Local Government is one of the 19 Local Government Areas of Cross River State. The inhabitants of the Local Government Area engage in farming, trading and fishing as their major economic activities. The population of the study comprises ten cooperative societies in Abi Local Government Area with a total membership of four hundred. These cooperatives are: Agbara Multipurpose Cooperative Society Limited; Akarefor Multipurpose Cooperative Society Limited; Ezomezom Multipurpose Cooperative Society Limited; Akpoza Traders Cooperative Society Limited; Ediba Farmers' Cooperative Society Limited; Lekpacheel Thrift and Credit Cooperative Society Limited; Elemiegbele Multipurpose Cooperative Society Limited; Abe-Ugo Farmers' Cooperative Society Limited; Esomezom Thrift and Credit Cooperative Society Limited; and Etotom Thrift and Credit Cooperative Society Limited.

The present study employed the random sampling technique in selecting five cooperative societies out of ten cooperative societies which are virile and viable in the area under study. The profiles of the five randomly selected cooperative societies are presented in Table 1. Also, a random sample of 30 members /respondents were selected from each of the five randomly selected cooperative societies to constitute one hundred and fifty members/respondents selected for the present study. Primary and secondary sources of data were collected and used. Oral interview and questionnaire methods constituted the primary sources of data, while books, records of the Divisional Cooperative Officer and journals formed the secondary sources of data.

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**Table 1: Profiles of the five randomly selected societies**

S/N	Names of organization	Date of Formation	Location	Membership strength	Activities
1	Ezomezom Multipurpose Cooperative Society	15 <sup>th</sup> August 1976	Ezomezom community	20	Farming, Rice Milling, Gari processing and oil processing, etc.
2	Etotom Thrift and Credit Society Limited	20 <sup>th</sup> February 1980	Etotom community	15	Accepting saving from members, credit/loans extension, disbursement and monitoring of loans, etc.
3	Ezomezom Fishery Cooperative Society Limited	7 <sup>th</sup> July, 1970	Ezomezom community	40	Purchasing of fishing tools and selling of members' products.
4	Akpoza Traders Cooperative Society Limited.	27 <sup>th</sup> Nov. 1984	Akpoza community	25	Buying and selling of Palm oil, Palm kernel, Gari, Rice, beans, melon, etc.
5	Ediba Farmer Multipurpose Cooperative Limited	3 <sup>rd</sup> March 1979	Ediba Town	50	Planting and harvesting of Palm trees, Yam, Cassava, Mazi, Rice, Wheat Cocoa, etc.

**Source:** Divisional Cooperative Officer, Abi L.G.A., Cross River State, 2019.

***Factors Determining the Performance of Cooperative Small-Scale Businesses***

An attempt to identify factors determining the performance of cooperative small scale business was undertaken. For each of the determinants, brief explanations are provided below. All the determinants become operational as dummy variables.

- i. Availability of infrastructural facilities, like water, electricity, etc., whether they affect cooperative performance. This variable is equal to one when it affects performance and is zero otherwise.
- ii. Use of local resources such as hoe, cutlass, etc., whether it affects productivity or not. It is equal to one when it does and zero when it is otherwise.
- iii. Availability of training program. Whether training programs organized for members can help in determining performance. It is equal to one when it does and zero when it is otherwise.
- iv. Availability of credit from financial institutions. Whether credit extension to members can boost cooperative performance. It is equal to one when it does and zero when it is otherwise.
- v. Location of business. Whether business premises will increase cooperative performance or not. It is equal to one when it does and zero when it is otherwise.
- vi. Government support through grants, loans, subsidy, and extension services to members. Whether it is a determining factor for cooperative performance or not. It is equal to one when it is and zero when it is otherwise.
- vii. Effectiveness of management. Whether the management of the various societies under study is efficient and effective or not. It is equal to one when it is positive and zero when it is otherwise.
- viii. Availability of market facilities. Whether their farm produce gets to the final consumers in time or not. It is equal to one when it does and zero when it is otherwise.

- ix. Favourable natural conditions. This implies whether natural endowment can help increase agricultural production or not. It is said to help when it is equal to one and zero when it is otherwise.

The statistical tools employed for analyzing the data obtained for this study include the ordinary least square (OLS) regression analysis, tables, and percentages.

Regression analysis involves examining the nature of the relationship between a dependent variable and one or more independent variable(s).

The explicit specification of the regression model is presented below:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \dots + \beta_9 X_9 + e \quad (1)$$

Where,

Y = Performance index of cooperatives which is an average rating of responses on the effectiveness of their societies in carrying out their services such as supply agricultural marketing, processing, the supply of consumer goods and crop production.

X<sub>1</sub> = Availability of infrastructural facilities like water, electricity (I = yes, O=no)

X<sub>2</sub> = Use of local resources (I = yes, O=no)

X<sub>3</sub> = Availability of training programme (I = yes, O=no)

X<sub>4</sub> = Availability of credit from financial institutions (I = yes, O=no)

X<sub>5</sub> = Location of business (I = yes, O=no)

X<sub>6</sub> = Government support (I = yes, O=no)

X<sub>7</sub> = Effectiveness of management (I = yes, O=no)

X<sub>8</sub> = Availability of market facilities (I = yes, O=no)

X<sub>9</sub> = Favourable natural conditions (I = yes, O=no)

e = Error term

$\alpha$  = is the intercept and  $\beta_1$  to  $\beta_9$  are the regression coefficients to be estimated, while e is the error term designed to capture other variables not included in the model.

The hypothesis for this study is stated as:

H<sub>0</sub>: The factors such as availability of infrastructural facilities, training, provision of credit, business government support, the effectiveness of management, availability of market facilities, and favourable natural conditions do not significantly impact on the performance of cooperative small scale business.

## Data Analysis and Discussion of Result

### Age:

The below table provides details of the age distribution of the respondents.

**Table 2: Distribution of Respondents According to Age**

Age	Frequency	Percentage
16-30	40	26.7
31-45	62	41.3
46-60	38	25.3
61 and above	10	6.7
<b>Total</b>	<b>150</b>	<b>100</b>

**Source:** Field Survey, May 2019.

The result of Table 2 shows that 26.7% of the respondents fall between 16-30 years, 41.3% of the respondents are between 31-45 years, 25.3% of the respondents are within the age limit of 46-60 years, while 6.7% of the respondents are 60 years and above. This result indicates that the majority of the cooperative members fall between 31-45 years which implies that the majority of the cooperative members fall within the active population.

### Occupation:

The below table summarizes the major activities of the respondents involved.

**Table 3: Distribution of Respondents According to Occupation**

Occupational status	Frequency	Percentage
Processing	20	13.3
Marketing	15	10
Fishery	40	26.7
Trading	25	16.7
Farming	50	33.3
<b>Total</b>	<b>150</b>	<b>100</b>

**Source:** Field Survey, 2019.

The result obtained in Table 3 shows that 13.3% of the respondents are engaged in cooperative processing of small business, 10% of the respondents are involved in the marketing of farm produce, 26.7% of the respondents are involved in fishery, 16.7% are involved in trading, sales of grocery items and marketing of farm inputs, while 33.3% of the respondents are involved in farming activities.

### Gender:

**Table 4: Distribution of Respondent According to Gender**

Gender	Frequency	Percentage
Male	100	66.7
Female	50	33.3
<b>Total</b>	<b>150</b>	<b>100</b>

**Source:** Field Survey, 2019.

The result obtained in Table 4 shows that 66.7% of the respondents involved in cooperative small scale businesses in the area are male while 33.3% of the respondents are female.

**Income Status:**

The below table summarizes the income range of the respondents.

**Table 5: Distribution of Respondents According to Income per Month**

Income Range	Frequency	Percentage %
₦10,000 – ₦30,000	50	33.3
₦31,000 – ₦50,000	79	52.7
₦51,000 – ₦70,000	10	6.7
₦71,000 – ₦90,000	11	7.3
₦91,000 – ₦110,000	5	3.3
<b>Total</b>	<b>150</b>	<b>100</b>

**Source:** Field survey, 2019.

All the respondents are income earners. From the above table, it is clearly stated that 50 respondents representing 33.3% earn between 10,000-30,000 naira per month in their economic business activities. 79 respondents representing 52.7% earn between 30,000 and 50,000 naira in small business activities. 10 respondents representing 6.7% earn between 51,000-70,000 naira per month. 11 respondents representing 7.3% earn between 71,000-90,000 naira per month, while 5 respondents representing 3.3% earn between 91,000-110,000 naira per month.

**Educational status:**

**Table 6: Distribution of Respondents According to Educational Status:**

Educational background	Frequency	Percentage
No formal education	42	28
Primary	50	33.3
Secondary	37	24.7
Tertiary	21	14
<b>Total</b>	<b>150</b>	<b>100</b>

**Source:** Field survey, 2019.

The result obtained in Table 6 shows that 42 respondents representing 28% had no formal educational background but they have skill and knowledge, 50 respondents representing 33.3% had primary education, and 37 respondents representing 24.7% acquired secondary education, while 21 respondents representing 14% acquired tertiary education.

**Table 7: Major Activities of the Selected Cooperative Small-scale Business**

Items	Frequency	Percentage
Input supply	25	16.7
Credit/loan facilities	30	20
Agricultural marketing	40	26.7
Agricultural processing	20	13.3
Crop production	35	23.3
<b>Total</b>	<b>150</b>	<b>100</b>

**Source:** Field Survey, 2019.

The responses in the above Table 7 show that 16.7% of the respondents agreed the major activity of their society is to supply inputs to their members, 20% said that the major activity of their society was to give credit/loan facilities to their members, 26.7% opined that the major activity of their society was the marketing of agricultural produce, while 23.3% said that the major activity of their society was operating and producing crops.

#### *Contribution of the Cooperative Small Business to Socio-economic Development*

The result presented in Table 8 analyzes the various ways through which cooperative small scale businesses help in the development of members' welfare.

**Table 8: Economic Contribution of Cooperative Small-scale Business**

Area of Contributions	Frequency	Percentage
Creation of employment	120	80
Development of entrepreneur skills	90	60
Mobilization and utilization of financial resources	50	33.3
Aid large industries	75	50
Form the basic local technology	40	26.7

**Source:** Field Survey, 2019.

The responses obtained in Table 8 show that 80% representing 120 respondents believed that cooperative small scale businesses create employment opportunities for members as well as non-members thereby increasing members' self-reliance. 60% representing 90 respondents said it helps in the development of their entrepreneurial skills while 33.3% representing 50 respondents believed that it helps in mobilization and utilization of financial resources, which would have been otherwise kept idle, and channeled them to productive uses. 50% representing 75 respondents also said that it aids large industries in the sense that small businesses form an integrated agro-industry and growing urbanization in different parts of the country, while 26.7% representing 40 respondents agreed that cooperative small scale businesses form small units operating and innovating indigenous technology to suit a particular need and utilizing the local value of resources, products, equipment and manpower.

**Table 9: Summary Result of OLS Model for Identifying Factor(s) that Impact on the Performance of Cooperative Small Scale Businesses**

	Coefficients	Standard error	t-statistic
(Constant)	1702414		
X <sub>1</sub> Availability infrastructural facilities	371.97	(221.57)	(1.68)*
X <sub>2</sub> Use of local resources	-1003.65	(4444.92)	(-0.23)
X <sub>3</sub> Training	2478.81	(7838.50)	(0.32)
(X <sub>4</sub> ) Provision of credit facilities by financial institutions	-1247.36	(655.38)	(-1.90)*
X <sub>5</sub> Location	-71.53	(495.20)	(-0.14)
X <sub>6</sub> Government support	24643.96	(2379.14)	(10.36)
X <sub>7</sub> Management activities	-643.94	(1621.54)	(-0.40)
X <sub>8</sub> Availability of market facilities	1788.84	(1302.15)	1.37*
X <sub>9</sub> Favourable natural conditions	2.70	(23.57)	(0.12)*
Significant at 5% level			
R <sup>2</sup>	=	0.68	
Adj. R <sup>2</sup>	=	0.63	
F*	=	12.78*	

Dependent Variable: Cooperative Effectiveness Index

Note: \* represents statistical significance at a 5% level

The results obtained in Table 9 find that factors such as X<sub>1</sub> (Availability of infrastructural facilities), X<sub>6</sub> (Government support), X<sub>8</sub> (Availability of market facilities), and X<sub>9</sub> (Favourable natural conditions) have a positive significant impact on the performance of cooperative small scale businesses since their respective coefficients were positive and t-values significant at 5% significance level. Also, variable X<sub>4</sub> (Provision of credit facilities by financial institutions) was found to have a negative significant impact on the performance of cooperative small scale businesses with a negative coefficient and t-value significant at 5% significance level. This result indicates that changes in the availability of infrastructural facilities, government support, availability of market facilities and favourable natural conditions will positively influence the performance of cooperative small scale businesses significantly while changes in the provision of credit facilities by financial institutions are expected to negatively influence the performance of cooperative small scale businesses.

The model obtained an adequate coefficient of determination (R<sup>2</sup>) value of 0.68 which indicates that the explanatory variables were able to explain about 68% of the total variation in the dependent variable "Cooperative Effectiveness Index". Also, the F-value for the model was found to be significant at 5% level of significance with a measure of 12.78, which implies that the model is useful in estimating the performance of cooperative small scale businesses within the observed period.

### Conclusion and Recommendations

The small scale business sector has been identified as an effective tool for rapid industrialization of the Nigerian economy. However, small scale businesses in Nigeria are largely not properly structured, labour intensive and of low-level capacity in management. This prompted the need to determine the factor(s) that can impact the growth of cooperative small scale business in Abi local government area of Cross Rivers State, Nigeria. The findings of the study revealed that the factors that significantly impact positively on the performance of cooperative small scale

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businesses include the availability of infrastructural facilities, government support, availability of market facilities, and favourable natural conditions while the provision of credit facilities by the financial institutions was found to negatively impact the performance of cooperative small scale businesses.

The findings indicate that members of the cooperatives are benefiting from the services the cooperatives are rendering to them in terms of input supply, agricultural marketing, agricultural processing, crop production and supplying members with consumer goods.

In the course of the present study, a multitude of problems facing the multipurpose cooperative societies in Cross River State and indeed Nigeria were encountered. Some of these problems include unfavourable environmental conditions in terms of poor or non-existent infrastructure like bad roads, housing and epileptic power supply. Other major problems which have contributed to the poor entrepreneurial performance of cooperative small scale businesses are inadequate access to finance, high cost of short-term financing, dearth of requisite managerial skills, inefficiency in the administration of incentives that discourage rather than promote small scale business growth and low entrepreneurial skills arising from inadequate educational and technical know-how. Since the present study identified factors such as availability of infrastructural facilities, government support, availability of market facilities, and favourable natural conditions to have a positive significant impact on small scale business growth, there is an urgent need for appropriate policy formulation and implementation on availability of infrastructural facilities, government support, and availability of market facilities to ease the sufferings of Nigerian small scale businesses. Also, governments should tackle accelerated development and upgrade rural and urban infrastructural facilities in favour of local manufacturers and small scale business operators.

However, it was observed that the mortality rate of small scale businesses is high which can be attributed to the negative significant impact of the provision of credit facilities by financial institutions, lack of favourable natural condition, and lack of required skills and knowledge to positively manage the business. We recommend that governments should establish training and research centres for cooperative small scale operators to enable them to acquire requisite skills and knowledge on the provision of credit facilities by financial institutions in Nigeria and evidence-based administration of their businesses. To complement government efforts and realize the objectives of revamping cooperative small scale businesses, it is recommended that small business promoters and entrepreneurs must brace up to the challenges posed by environmental factors to succeed in their entrepreneurial pursuits.

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