PERCEPTION OF BENEFICIARIES ON SMALL AND MEDIUM ENTERPRISES DEVELOPMENT AGENCY OF NIGERIA (SMEDAN) ACTIVITIES IN NORTH CENTRAL NIGERIA

[1]Ibitoye, S.J., [2]Shaibu, S. O. and [2]David, M. J.

[1]Department of Agricultural Economics and Extension, Prince Abubakar Audu University, Anyigba

[2]Department of Agricultural Technology, Kogi State Polytechnic, Itakpe Campus

*Corresponding Author's Email: shaibuojone01@gmail.com

ABSTRACT

The perception of SMEDAN activities among the beneficiaries in North Central Nigeria was appraised in this study. Multistage sampling was used for selecting a sample of 346 beneficiaries and non-beneficiaries of SMEDAN. A well-structured questionnaire was used to collect the required primary data used for the study. Frequencies, percentages and mean scores from a five-point Likert scale were used to analyze the data collected. Results showed that the mean age of the respondents was 48 years, most (53.2%) of the respondents were female, and most (55.5%) of the respondents were married. Also, the mean household size of the respondents was four (4) persons. The majority (77.2%) of the respondents had farming as their major occupation. Beneficiaries agreed strongly that SMEDAN facilitated securing workspaces (mean = 4.96), the programme fulfilled its poverty reduction objective (mean = 4.59), beneficiaries were skeptical about SMEDAN being perceived as government propaganda (mean = 4.51), beneficiaries preferred more inputs to cash disbursement (mean = 4.46). Conversely, there was less support for 100% cash financing of projects instead of direct input supply (mean = 3.57), beneficiaries agreed that SMEDAN prepares youths for the future (mean = 4.49), they believe the programme can divert attention from white-collar jobs (mean = 4.16), and SMEDAN was viewed positively as a government initiative (mean = 3.49).

Keywords: Perception, Beneficiaries, SMEDAN, Activities, Nigeria, North Central

INTRODUCTION

The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) was established in 2003, to facilitate the promotion and development of the micro, small and medium enterprises (MSMEs) sub-sector in the economy. The overall objective was reducing poverty through wealth and job creation, with the overall goal of facilitating socio-economic transformation. Small and Medium Enterprise Development Agency (SMEDAN) was established to promote, boost, and sustain the development of small and medium enterprises (SMEs) in Nigeria (Etuk *et al,* 2020). The Federal Government tasked SMEDAN with a clear mandate to resuscitate, boost, and sustain the SMEs to become the drivers of the national economy. SMEDAN was designed to serve as a vanguard for rural industrialization, poverty reduction, job creation, and enhanced livelihoods.

The agricultural programs embarked upon by SMEDAN to reduce poverty in rural areas include Y-BON (Young Business Owners in Nigeria), an intervention for small business owners in the workspace, and the OLOP Programme (One Local Government One Product), which focuses on cooperatives and interventions in acquiring equipment for processing agricultural products.

The successive Nigerian government established various poverty alleviation programs to fight poverty and provide safety nets for the poor in the economy (Olowa 2020). These programs include the Small and Medium Enterprise Development Agency (SMEDAN), the People's Bank, Community Bank, Better Life Programme/Family Economics Advancement Programmes (FEAP), Directorate of Food, Roads and Rural Infrastructure (DFRRI) and Primary Health Care (PHC), others are the Federal Urban Mass Transit Scheme, the National Agricultural Land Development Authority (NALDA), the Poverty Alleviation Programme (PAP), and now, the National Poverty Eradication Programme (NAPEP). Other initiatives are the Nigeria Agricultural Cooperative Bank (NACB), now the Bank of Agriculture, River Basin Development Authorities, and Operation Feed the Nation of the Federal government which targeted the reduction of poverty.

METHODOLOGY

This study was carried out in the North Central States of Nigeria. Nigeria is the seventh most populous nation in the world. Based on Worldometer elaboration of the latest United Nations Data, the current population of Nigeria (as of April 30, 2023) is 223,804,632 people, representing 2.70% of the total world population (Worldometer, 2022). North-central is one of the six geopolitical zones of Nigeria, also known as the Middle Belt region, and is in the Northern Region of Africa with a total land mass of 242,425 square kilometres (Map of World, 2022). Nigeria is a multi-ethnic country with Hausa, Yoruba, and Igbo as the three dominant ethnic groups and national languages. The six states in North-Central are Benue, Kogi, Kwara, Nassarawa, Niger, and Plateau, along with the Federal Capital Territory (FCT) stretching across the country longitudinally (My Guide, 2019). This zone has two distinct seasons: the rainy and the dry seasons. Agriculture is the most common means of livelihood for most of the rural population. Among these states of the North Central, two states purposively selected for the study were Benue and Kogi states.

The population for the study was obtained from the SMEDAN North Central zonal office. It comprised 1,325 and 2,126 registered beneficiaries of Small and Medium Scale Enterprises Development Agency of Nigeria (SMEDAN) poverty alleviation schemes from Benue and Kogi States respectively, making a total of 3,451 registered beneficiaries of the SMEDAN programme in the study area. Krejcie and Morgan's table was used to determine the sample size of 346 for the study.

The data for this study was analyzed using descriptive statistics and the five-point Likert-type scale. The perception of beneficiaries on activities of SMEDAN was measured on a 5-point Likert type of scale: Strongly Agree (5 points); Agreed (4 points); Undecided (3 points); Disagree (2 points) and Strongly disagree (1 point). The mean was calculated using the mean score formula. As a rule of thumb, any mean score greater than 3 is high while the mean score less than 3 is low.

RESULTS AND DISCUSSION
Socio-economic characteristics of Beneficiaries of SMEDAN

The socioeconomic characteristics of the respondents are described in Table 1. It showed that the mean age of the respondents was 49 years. This implies that the respondents were strong, active and in their productive age. This finding aligns with Thomas and Eforuoku (2016), who reported a mean age of 48 years among rural farming households in North Central Nigeria. Table 1 showed that most (52.02%) of the respondents were female. This implies that women benefited from SMEDAN activities more than their male counterparts. The higher proportion of women in SMEDAN activities might be because many poverty reduction programmes in Nigeria are targeted at the poor and vulnerable in communities, where women constitute the majority. This finding concurs with that of Abubakar and Danjuma (2021), who reported that a large number of women benefited from a poverty reduction program in Gombe State. The result on marital status showed that 67.63% of the beneficiaries were married, implying that most of the respondents were married with responsibilities. This finding is in agreement with that of Nuhu et al. (2015) who found that a high proportion of beneficiaries in a poverty alleviation scheme in Borno State were married. Married individuals are more prone to poverty due to large family size. This finding also concurs with that of Akujuru and Enyioko (2019) who reported that the majority of beneficiaries of government intervention programs in Nigeria are married. The mean household size of the respondents was four (4) persons. This finding contradicts that of Igberaese and Dania (2020), who reported that the majority of rural households in Edo State have an average household size of more than six persons. Based on the level of education, 25.4% of the beneficiaries, had at least primary or secondary education.

The result showed that the majority (88.44%) of the respondents had farming as a major occupation, implying that farming is the dominant occupation among the respondents in the study area. This is consistent with Pelemo et al. (2020), who reported that a majority of Nigerians engage in full-time or part-time farming. Based on non-farm income sources, the outcome showed that most (54.49%) of the respondents had sources of income other than farming. This finding is supported by Baiphethi and Jacobs (2015) who reported that additional income enables farmers to mitigate risks associated with farming practices and contributes to reducing poverty levels. Table 1 also showed that the mean annual income of the beneficiaries was ₦51,219.65, indicating that respondents had a low annual income. This could contribute to the incidence of poverty in North Central Nigeria. This finding is consistent with Ajagbe et al (2014), who reported that most farmers in Rivers State, Nigeria, were low-income earners.

Based on farm size Table 1 showed that 79.8% of the respondents cultivated less than two hectares of land. This implies that the majority of the respondents operated on a small scale, primarily cultivating for consumption with minimal sales. This finding is consistent with that of Osanyinlusi et al. (2016), who reported that most farmers in Ekiti State operate on a small scale.

Perception of the beneficiaries on SMEDAN activities

Table 2 reveals beneficiaries' perspectives on SMEDAN activities in North Central Nigeria. They indicated strong agreement that SMEDAN facilitated securing workspaces (mean = 4.96), highlighting its role in establishing beneficiaries and potentially reducing poverty. The program's fulfilment of its poverty reduction objectives was also acknowledged (mean = 4.59), emphasizing its impact on enhancing beneficiaries' incomes. However, there was skepticism about SMEDAN being perceived as government propaganda (mean = 4.51), suggesting it may not fully achieve its goals and is overly publicized. Beneficiaries expressed a preference for receiving more inputs rather than direct cash disbursement (mean = 4.46), indicating a desire for supportive resources over monetary aid. Conversely, there was less support for 100% cash financing of projects instead of direct input supply (mean = 3.57), suggesting a balanced approach is preferred. Beneficiaries agreed that SMEDAN prepares youths for the future (mean = 4.49), indicating its effectiveness in youth empowerment. Moreover, they believe the programme can divert attention from white-collar jobs (mean = 4.16), implying it successfully engages youths, reducing dependence on white-collar employment. Overall, SMEDAN was viewed positively as a government initiative (mean = 3.49), suggesting it effectively addresses various challenges faced by farmers.

Table 1: Socio-economic characteristics of Beneficiaries of SMEDAN

Socio-economic characteristics	Frequency	Percentage
Age		
30	108	31.21
31-40	74	21.39
41-50	152	43.93
$\leq$50	12	3.47
Total	**346**	**100**
Mean	**49**	
Sex		
Male	166	47.98
Female	180	52.02
Total	**346**	**100**
Marital status		
Single	82	31
Married	234	67.63
Widow	58	16.74
Widowed	0	0
Divorce	46 1	13.29
Total	**346**	**100**
Household size		
1-5	296	85.55
6-10	50	14.45
>10	0	
Total	**346**	**100**
Mean	4.0	
Level of education		
No formal	88	25.4
Adult	78	22.5
Primary	54	15.6
Secondary	88	25.4
Post-secondary	38	10.9
Total	**346**	**100**
Major occupation		
Farming	306	88.44
Trading	30	8.67
Civil servant	10	2.89
Total	**346**	**100**
Other source of income		
Yes	192	55.49
No	154	44.51
Total	**346**	**100**
Total Income		
$\leq$10000	4	1.2
10001-20000	34	9.8
20001-30000	162	46.8
30001-40000	98	28.3
>40000	48	13.9
Total	**346**	**100**
Mean	51947	
Farmland cultivated		
$\leq$2	276	79.8
2.1- 4	70	20.2
>5	0	
Total	**346**	**100**

Source: Field Survey, 2023

Table 2: Perception of the beneficiaries on SMEDAN activities (n=346)

Variables	SA	A	U	D	SD	SS	MEAN
SMEDAN devalues participants	0	0	0	36	310	382	1.10
SMEDAN equipment for training are not readily available	198	132	16	0	0	1566	4.52*
SMEDAN skill acquisition has helped graduates to become self employed	0	0	0	266	80	612	1.77
The loan granted by SMEDAN is too meagre to start up business	12	94	106	134	0	1022	2.95
Stipends provided by the Federal Government through SMEDAN does not readily come	0	0	154	178	14	832	2.40
SMEDAN duration of training is very short for one to acquire the necessary skills	12	2	4	130	198	538	1.55
SMEDAN gives room for innovation	220	124	2	0	0	1602	4.63*
SMEDAN have no contribution to my financial status	62	16	32	98	138	804	2.32
SMEDAN is a good programme initiated by the government	116	104	30	26	70	1208	3.49*
SMEDAN exposes hidden talents	88	42	58	58	100	998	2.88
SMEDAN is a waste of resources	92	30	56	92	76	1008	2.91
SMEDAN prepares youths for the future	226	64	56	0	0	1498	4.49*
The programme is capable of reducing attention on white collar jobs	146	110	90	0	0	1440	4.16*
SMEDAN is fulfilling its stated objectives	214	122	10	0	0	1588	4.59*
The programme is one of government propaganda	212	120	2	2	10	1560	4.51*
SMEDAN assisted me to secure work space	322	12	0	0	0	1658	4.96*
I support that more inputs be supplied rather than direct cash disbursement	160	186	0	0	0	1544	4.46*
I prefer 100% supply of cash to finance projects to direct supply of inputs	118	20	162	36	10	1232	3.57*

Sources: Field survey, 2023
Note: SA=Strongly Agree, A=Agree, Un=Undecided, D=Disagree, SD=Strongly agree, DE=Decision

CONCLUSION AND RECOMMENDATIONS

Conclusively, beneficiaries agreed that SMEDAN helped them secure workspaces and that SMEDAN is fulfilling its objective of poverty reduction. There was skepticism about SMEDAN being perceived as government propaganda. Beneficiaries preferred more inputs to cash. In converse, there was less support for 100% cash financing of projects instead of direct input supply. Beneficiaries also agreed that SMEDAN prepares youths for the future. It is therefore recommended that more inputs in the form of fertilizers, farming machines, seeds, training programme, and skills acquisition programmes should be provided by the government and more beneficiaries should be covered.

REFERENCES

Ajagbe, B.O., Oyediran, W.O., Omoare, A.M. and Sofowora, O.O. (2014). Assessment of post-harvestpractices among tomato farmers/processors in Abeokuta North local government area of Ogun State, Nigeria. *International Journal of Education and Research, vol.2. No.3 pp.1-12.*

Akunjuru C. A, Enyioko, N.C. (2019). Impact of N-Power programmes on poverty Alleviation in Nigeria. *European American journals,* vol5 pp120-142

Baiphethi M.N. and Peter T.Jacobs (2015). The contribution of subsistence farming to food security in south Africa African Research Review, 3(4), 283-297.

Etuk, R.U., Etuk, G.R. & Michael, B. (2014). Small and medium scale enterprises (SMEs) and Nigeria's economic development. *Mediterranean Journal of Social Science.*2014 APN 30; 5(7):656.

Okoli C., Mohammed H. and Rasheda K.(2017). Geographical and socioeconomic inequalities in the utilization of material health care services in Nigeria.

Olowa, W. O. (2012), Concept measurement and causes of poverty: Nigeria in perspective. *America Journal of Economic*, 2, 1: 25-36.

Osanyinlusi, O.I. and Adenegba, K.O. (2016). An evaluation of Rural Electrification and Households poverty in Ikole Local Government Area, Ekiti state, Nigeria-An FGT Approach

Pelemo J.J., Usman Mohammed, Mohammed O. and Susan Opara.(2020). Analysis of the poverty status of cashew farmers in kogi state.

Thomas, K.A. and Eforuoku F. (2016). Determinants of participation in Youth- in-Agriculture programme in Ondo State, Nigeria. *Journal of Agricultural Extension.*20(92) pp104-117.