



Impact of Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) on Women Entrepreneurship in Gombe Main Market- A Review

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Abstract

The study examines the impact of small and medium enterprise development agency of Nigeria (SMEDAN) on women entrepreneurship in Gombe main market. The study utilized different related literatures sourced from current journal articles, text books, and previous researches of scholars that are related to the study. The finding revealed the positive impact. The study draws its conclusion based on the comprehensive overview of the phenomenon and considers the implications of logistics of reviewed related literatures, that SMEDAN has positive impact on the women entrepreneurship. The study recommends that; Scale up training programs: Increase the frequency and scope of training programs to reach more women entrepreneurs, focusing on advanced business skills and industry-specific knowledge. Access to finance: Collaborate with financial institutions to provide affordable loan options and increase access to capital for women entrepreneurs. Mentorship initiatives: Establish a mentorship program, pairing successful women entrepreneurs with new entrants, to provide guidance and support.

Keywords: Agency, Enterprise, Entrepreneurship, Medium & Women.

Introduction

People of both genders can start successful businesses, alter the direction of our business communities, and ensure their own survival because of the world's constant change and dynamism. Women entrepreneurs have a significant influence on global economic development since their companies create new job opportunities (Faisal et al., 2017). Additionally, women-owned enterprises are the fastest-growing companies globally and have significantly contributed to innovation, job creation, and wealth building; it is estimated that they have contributed 40% of all economic development (Bamidele, 2023). Because they create jobs, speed up development, and promote wealth, female entrepreneurs are therefore vital to the economies of the majority of industrialized and emerging countries.

According to recent data, there are 8 million women entrepreneurs in India, or 14% of all entrepreneurs. Additionally, women own 10% of all formal businesses. Women-led firms account for about 20.37 percent of India's MSME industry and employ roughly 23.3% of the labor force. Women run between 13.5 and 15.7 million enterprises and employ between 22 and 27 million people (Onuoha & Okafor, 2023). In a similar vein, Al Mamun et al. (2019) asserted that female entrepreneurs globally contribute significantly to economic growth and the decrease of poverty. Women-owned businesses in the US are creating jobs directly supporting 23 million people, growing at a rate more than twice as fast as the overall business growth rate, and contributing close to \$3 trillion to the economy. There are roughly 8 million to 10 million formal small and medium-sized firms (SMEs) with at least one female owner in developing nations, where female entrepreneurship is also growing (Raman et al., 2022).

Furthermore, a number of African nations acknowledged women entrepreneurs as a significant driver of economic expansion; nevertheless, in many of these nations, their full potential has not yet been attained (Sajjad et al., 2020). Focuses on female entrepreneurship and firms owned or managed by women in Africa, according to Al Mamun et al. (2019). They also focused more on a 2008 World Bank report that stated that Ghana (44%), Cape Verde (43%), and

Rwanda (41%), were the three nations with the largest percentages of female entrepreneurs. These show that a nation's appropriate practice of gender equality is demonstrated by the highest percentage of female entrepreneurs in the nation. In addition, the Mastercard Index of Women Entrepreneurs (2018) found that nations with the highest proportion of female business owners outnumber all other nations with the highest number of female entrepreneurs. This indicates that women have long been involved in entrepreneurship in Rwanda and Ghana. With about 26% of adult females engaged in entrepreneurial activity, Sub-Saharan Africa does, in fact, have the greatest percentage of female entrepreneurs worldwide. Women form the backbone of the African economy, with female entrepreneurship contributing an estimated 7–9% of the continent's GDP, according to the 2020 Women in Africa Philanthropy Report.

One could argue that the way Nigerian women are treated by female entrepreneurs is a traditional African mentality that hinders their ability to start their own businesses. Furthermore, socio-traditional barriers, religious beliefs, and the never-ending family duties and responsibilities that women are obligated to perform all too often impede women's access to equal opportunities with males (Agrawal et al., 2023). Although women's experiences in Western and African nations are often comparable, African women entrepreneurs face particular social challenges. As such, it is imperative to investigate the characteristics of female entrepreneurship in the Nigerian setting (Besher, 2022). This is justified by the significant differences between Nigerian social structure, the family, and the workplace compared to other African nations (Sajjad et al., 2020). Previous research has looked at the difficulties faced by female entrepreneurs in Nigeria. For instance, Aladejebi (2020) showed that discrimination, social constraints, restricted access to capital, opportunities for the development of human capital, difficulties making decisions, juggling work and family obligations, navigating patriarchal societies, and gender discrimination all pose barriers to women's entrepreneurship. However, because of patriarchal norms that place women in a subservient position to males, African women entrepreneurs suffer gender inequality and persistent difficulties (Faisal et al., 2017).

It is assumed, however, that appropriate government interventions (like GEEP, NSIPs programs, Nirsal programs, and Conditional Cash Transfer Scheme) will assist female entrepreneurs in obtaining funding, avoiding discrimination (societal and gender-based), engaging in skillful business decision-making, and overcoming other sociocultural disparities (Faisal et al., 2017). Based on these claims, the study set out to find out how the Nigerian Small and Medium Enterprise Development Agency (SMEDAN) affected the female business owners in the Gombe main market.

The purpose of the study is to determine the nature of the connection between women's entrepreneurship in Gombe's major market and the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN).

Literature Development

Concept of Women Entrepreneurship

Entrepreneurship was first characterized in the eighteenth century by the French economists Cantillon as self-employment, regardless of the type or direction, and when the organization of production components and risk tolerance are required to generate a thing or service for the market (Aladejebi, 2020). According to Cunningham and Lischeron (1991), the word "entrepreneur" originates from the French word "entreprise," which means to "undertake". Cantillon coined the term "entrepreneur" in the early 1700s to characterize a person who took a chance by buying certain items at one price and selling them for an undetermined amount (Salamzadeh et al., 2023). Furthermore, Stam and Spigel (2017) claimed that entrepreneurship is a process by which an individual creates opportunities for innovation that result in additional and distinctive contributions to society. According to Bamidele (2023), an entrepreneur is viewed as someone who is brave, self-reliant, willing to take risks, and skilled at pooling resources to start a profitable business. A broad spectrum of women-owned or run businesses are referred to as women entrepreneurs. In the United States, a small firm that is owned, managed, and controlled by one or more women to the tune of at least 51 percent is considered a woman-owned business (Onuoha & Okafor 2023). A woman who started a firm, actively manages it, owns at least 50% of it, and the company has been operating for a year or more is considered a female entrepreneur, according to Raman et al. (2022). According to Agrawal et al. (2023), a woman who demonstrates initiative, has a sharp eye for chances, is prepared to take risks, and who can use her entrepreneurial abilities and creative thinking to create wealth and employment opportunities for others is considered a woman entrepreneur. Six factors have been identified as a means of measuring successful female entrepreneurship, according to the United Nations Conference on Trade and Development (UNCTAD, 2014). The factors include ease of access to capital for business expansion, ease of connecting with suppliers, consumers, and business partners, balance between work and personal life, growth in literacy and educational attainment, independence and income generation, and global presence.

Concept of Small and Medium Enterprise Development Agency of Nigeria (SMEDAN)

Promoting and enabling development programs, instruments, and support services to accelerate the development and modernization of MSME; initiating and articulating policy proposals for small and medium enterprises' growth and development. The mission of the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) is to support small and medium-sized businesses in overcoming obstacles such as inadequate infrastructure for managing operations and obtaining financial services (Nwobilor et al.,

2023). With the primary goal of introducing small and medium-sized businesses (SMEs) to opportunities inside the Africa Continental Free Trade Area (AfCFTA), the agency arranged a packaging and branding program for SMEs' products in October 2022 (Onuoha & Okafor 2023). In April 2023, SMEDAN and Niger State collaborated to host a cluster empowerment program for firms engaged in butter manufacturing and marketing in Minna. The company Bloc, which offers software and solutions for managing financial services to small and medium-sized businesses for both internal operations and client servicing, has worked with the organization (Salamzadeh et al., 2023). Furthermore, SMEDAN denotes the Nigerian Small and Medium Enterprise Development Agency, which was founded and is still in operation in accordance with the Nigerian Small and Medium Enterprise Development Agency (foundation) Act 2003 (Bamidele, 2023).

The government has launched several initiatives in recognition of the value of entrepreneurship, including the Small and Medium Industries Equity Investment Scheme (SMIEIS), the National Directorate of Employment scheme, the Bank of Industry, and the promotion of the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN). As a result, according to Raman et al. (2022), SMEDAN will be given the necessary executive and infrastructure capabilities, and it will work with the pertinent State and Local Government agencies to coordinate, promote, and facilitate all SME policies (Nwobilor et al., 2023). All parties involved in the fund distribution process, including SMEDAN, work together to route bankable business plans from their clients to the fund in order to reach a larger number of SMEs in need of funding. In addition, the National Poverty Eradication Program (NAPEP) was introduced, along with the creation of Peoples Banks, the Agricultural Development Bank, the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN), and the National Economic Empowerment Development Strategy (NEEDS) SURE-P. In a similar vein, a list of SMEDAN (2019) registered SMEs together with their contacts was acquired. An increase in non-labor assets that has been adjusted for GDP growth and depreciation is referred to as investment. Measurement units. Sort the following categories: micro, small, medium, and large enterprises (using the SMEDAN definitions as a guide). Companies owned or managed by men or women. Effects, both direct and indirect. SMEDAN's policy goal was to encourage and assist the Central Bank of Nigeria (n 39) 25.118. The facility was established to give banks liquidity to support their financing of the economy's productive sectors, such as the manufacturing of information technology and agriculture (Besher, 2022).

Empirical Review

Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) and Women Entrepreneurship

Tope Jegede and Eunice Irewole (2020) determined the distinction between Small/Medium Enterprises (SMEs) and entrepreneurship, explained the mistaken practice of Researchers/Practitioners using both terms interchangeably, categorized the agencies that provide support and summarized their contributions, limitations, and recommendations for further consideration. In order to analyze their contributions, 1200 stakeholders in the Nigerian state of Osun were specifically chosen as a sample population. The overall results showed that the high rates of bureaucracy, corruption, and the inability to distinguish between entrepreneurial and non-entrepreneurial SMEs have limited the impact of agencies. These agencies are classified as participatory, facilitating, and regulatory, and they are primarily public sectors with a low orientation toward entrepreneurship. According to the report, agencies and government representatives can encourage supplementary marketing strategies for SMEs in order to be more entrepreneurial.

Subsequently, Nwekeaku and Ossai (2019) intended to demonstrate the impact of SMEDAN on the growth of small and medium-sized enterprises in Nigeria's Nasarawa State. Data were gathered from 130 small and medium-sized enterprises that were randomly selected from 210 small and medium-sized firms in the Keffi, Nasarawa, and Lafia local government districts of Nasarawa State using a survey study design and a structured questionnaire. Basic percentage analysis was used to analyze the data. According to the report, SMEDAN had a marginally significant influence on small and medium-sized enterprises in Nasarawa State, particularly in the areas of job creation, expanding prospects for entrepreneurship, and raising the socioeconomic standing of the local populace.

Furthermore, Onoshakpor et al. (2023) investigate how financial inclusion and access to capital affect the growth of female-owned businesses in Nigeria. By doing this, we can have a deeper understanding of the ramifications for business growth as well as the gendered context of entrepreneurship. In order to investigate the social reality that entrepreneurship is practiced in, this chapter employs an interpretivist paradigm. Ten Nigerian business owners—five men and five women—participated in semi-structured interviews from which qualitative data were analyzed. The results show that, despite obvious infrastructure support, societal norms around gender play a role in the entrepreneurial financing process. We offer an understanding of what it means to be entrepreneurial in practice by means of this social perspective on entrepreneurship.

Furthermore, Akinyele et al. (2021) examined the performance and entrepreneurial inclination of female entrepreneurs operating small businesses in the Odeda local government area of Abeokuta, Ogun state. This study's specific goals are to ascertain the impact of entrepreneurial risk-taking on profitability, assess the relationship between entrepreneurial aggressiveness and productivity, and investigate the relationship between entrepreneurial pro-activeness and business growth. It also assesses the relationship between entrepreneurial innovativeness and sales growth. An organized

questionnaire was used to gather data and obtain information in order to achieve the outlined objectives. A basic random sample method was employed to choose the research areas' respondents. 104 respondents in all were chosen from the study area. Tools for descriptive analysis were used in the data analysis. The results showed that the dependent and independent variables had a positive association.

Moreover, Ogundana et al. (2021) present a crisis management model that can direct the development of policies to support women's entrepreneurship in emerging economies in the event of a health crisis. We employed a case study research design in order to accomplish this, which entailed conducting in-depth interviews with four female entrepreneurs who ran small firms in Lagos, Nigeria. We applied the results to create a gender-responsive approach to health crisis management. This is important because it provides the framework for stakeholders to create tailored policies that have a significant influence on women-owned enterprises. It also provides information on tactics that can be used both before and during a crisis to lessen its negative effects.

Additionally, Nwobilor et al. (2023) evaluates the effect of the requirement for entrepreneurial training among Southeast Nigerian women business owners. 360 sample respondents provided copies of a structured questionnaire, which was used to collect primary data for the study, which used an exploratory research design. Multiple regression analysis and spearman's rank correlation were used to analyze the gathered data. The study's conclusions showed that improving the performance of female entrepreneurs was significantly influenced by their requirement for bookkeeping and credit recovery training. However, the performance of female entrepreneurs was significantly negatively impacted by their inability to obtain the necessary financing for training. The study suggests that government agencies, non-governmental organizations (NGOs), and other pertinent stakeholders work together to provide comprehensive and easily available bookkeeping, financing access, and credit recovery training in light of the findings.

Theoretical Framework

Theory of Shane (Underpinning Theory)

The foundation of this study is Shane's (2005) Entrepreneurship Theory. The three components of the theory are the identification of an opportunity, its assessment, and the choice to take advantage of it. The theory also covers corporate performance and operation, as well as self-employment. The idea emphasized four operational success metrics: initial public offering (IPO), expansion, profitability/income, and survival. While growth refers to an increase in the venture's sales and employment, survival refers to the continuing of entrepreneurial activities. While an initial public offering (IPO) refers to the selling of stock to the general public, profitability is defined as a fresh surplus of revenue over cost (Shane, 2005).

The external or institutional environment creates opportunities for entrepreneurs to start or grow their firms, which in turn improves their wellbeing. Different entrepreneurs have different capacities for spotting and seizing these kinds of chances. It also depends on how easily they can obtain information and how risk-aversely they are willing to act on that information. Individual characteristics influence the identification of business opportunities. It is composed of psychological and demographic elements like intentions, risk-taking mindset, schooling and experience, professional background, age, and social standing. Opportunity discovery is also impacted by changes in the corporate environment, including those related to economic, financial, political, legal, and social aspects. A few factors that may influence the finding of an entrepreneurial opportunity include the entrepreneur's income level, the availability of capital, political stability, regulations pertaining to private enterprise and property rights, and the entrepreneur's desire for increased social standing. Opportunity discovery is also influenced by industry type.

Entrepreneurs are more drawn to industrial sectors like manufacturing, distribution, catering, Agriculture, and business services (Jha et al. 2018). The concentration of industries in a certain area may also have an impact on how people there identify business opportunities. Another step in the entrepreneurial process is evaluating the opportunity that has been identified. Making the right choice at this point leads to the decision to take advantage of the opportunity. The entrepreneur's intention determines whether or not to take advantage of the opportunity, and the right yardstick for measuring entrepreneurial decision-making is intention that results in the identification of opportunities. The entrepreneur's degree of education, abilities or information gained from job experience, social networks, credit, and a cost-benefit analysis of the company all play a role in how well they utilize the chance.

The relationship between every variable, dependent and independent, is explained in detail by this theory. The idea goes on to describe how women's entrepreneurship and GEEP, SMEDAN, and conditional cash transfer programs are related. These are the grounds for which the study chose this hypothesis as its foundation.

Methodology

A study titled Impact of SMEDAN on women entrepreneurship in Gombe main market was conducted through review of related literatures and other sources, including textbooks and past scholarly investigations. The study conclusion was based on the findings of reviewed literatures.

Discussion of Findings

SMEDAN (Small and Medium Enterprises Development Agency of Nigeria) has indeed had a positive impact on women entrepreneurship in Gombe main market. Here are some points to consider: SMEDAN has provided various training programs for women entrepreneurs in Gombe, focusing on business management, financial literacy, and vocational skills. This has enhanced their capacity to run successful businesses.

Additionally, SMEDAN has facilitated access to credit facilities and grants for women entrepreneurs, enabling them to expand their businesses and improve their products and services. Subsequently, SMEDAN has helped women entrepreneurs in Gombe access larger markets, both locally and internationally, thereby increasing their customer base and sales. Furthermore, SMEDAN has created platforms for women entrepreneurs to connect with other business owners, mentors, and industry experts, fostering valuable relationships and collaborations.

Consequently, SMEDAN's initiatives have instilled confidence and empowerment in women entrepreneurs, enabling them to take ownership of their businesses and make informed decisions. Also, the growth of women-owned businesses in Gombe, supported by SMEDAN, has led to the creation of employment opportunities for others, contributing to the local economy. Moreover, Successful women entrepreneurs in Gombe, supported by SMEDAN, serve as role models, inspiring other women to venture into entrepreneurship and promoting gender equality in the business sector.

These points highlight the positive impact of SMEDAN on women entrepreneurship in Gombe main market, contributing to economic growth, empowerment, and social development.

Recommendations

Based on the positive findings, here are some recommendations to further enhance the impact of SMEDAN on women entrepreneurship in Gombe main market:

- i) Scale up training programs: Increase the frequency and scope of training programs to reach more women entrepreneurs, focusing on advanced business skills and industry-specific knowledge.
- ii) Access to finance: Collaborate with financial institutions to provide affordable loan options and increase access to capital for women entrepreneurs.
- iii) Mentorship initiatives: Establish a mentorship program, pairing successful women entrepreneurs with new entrants, to provide guidance and support.

By implementing these recommendations, SMEDAN can further empower women entrepreneurs in Gombe main market, contributing to sustainable economic growth and social development.

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