

## EXPLORING SMALL SCALE BUSINESSES INFLUENCE ON EMPLOYMENT CREATION IN NIGERIA

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### ABSTRACT

This study investigated the role of small-scale businesses on employment creation in Anambra State Nigeria. The specific objective the study was to examine the effect of point of Sale (POS), real estate development, fast food restaurants, and e-commerce stores on employment creation in Anambra State Nigeria. The study used survey research design to generate data from respondents of firms under study through questionnaire. Data were analyzed with ordinary least square regression techniques. The study developed one model. The result showed that point of Sale (POS); real estate development; fast food restaurants, and e-commerce Stores have positive significant effect on employment creation of the sampled small-scale businesses during the period under study. Point of Sale (POS) has a t-statistics of 2.533 and p-value of 0.012 which is statistically significant at 5% level of significance. Real estate development has a t-value of 2.509 with a probability value of 0.013 which is statistically significant at 5% level of significance. Fast food restaurants recorded a t-value of 2.175 and a probability value of 0.07 which is within the acceptable threshold. E-commerce stores recorded a t-value of 4.928 with an alpha value of 0.000 which is highly statistically significant. The study concluded that explanatory variables of small-scale businesses have significant positive effect on employment creation selected small businesses in Anambra state Nigeria. The study recommended among others that Government through the CBN should enact a law on how to protect the interest of the POS customers, so that fund will not be withdrawn in their account unauthorized.

**Keywords:** Small Scale Businesses, Real Estate Development, Employment Creation, Point of Sale, E-commerce

### 1. INTRODUCTION

The world has come to recognize the significant role small scale businesses (Micro, Small and Medium Enterprises) play in any economy's development to include employment generation, increase in output and source of export (IFC, 2013). At the same time, the literature explains that 50% or more of these small businesses do not survive beyond five years of establishment (Oluseye, Ajuwon, and Akotey, 2017). Developing countries like Nigeria are faced with the crippling challenges of inequitable income distribution, low per capita income, extreme poverty and unemployment. As the world's fifth largest exporter of crude oil and the largest economy in Africa, with millions of acres of arable land, and a wealth of human capital by virtue of its estimated population of over 180 million people, Nigeria has the right fundamentals to create employment to meet the needs of its teeming population. Small businesses have the tendency to drive the economy of any country. The government has affirmed this sector as one of the four main drivers of growth. Small businesses account for over 80% of enterprises that employ 75% of the Nigeria's total workforce. Small businesses have strong influence on the development of any country, especially countries like Nigeria due to their potential to stimulate economic growth and create employment opportunities through entrepreneurship.

Entrepreneurship is an unwritten requirement for the social and economic development of any nation. Hence, small businesses are considered by several studies to be an engine of development and a veritable vehicle towards employment creation (Meshack, Nworie & Orji, 2022). Small businesses are responsible for driving innovation and competition in many economies of the world. The proliferation of small businesses is expected to be an antidote to the monumental scale of unemployment in the developing economies because of its great potential for employment generation. Small businesses also produce goods for exports, thereby generating additional foreign exchange and hence help to strengthen the national currency and the balance of payment position. Small scale business has a significant role in the economy of Nigeria and therefore to develop this sector the government has taken few good decisions to crake the difficulties of small and medium enterprises in large numbers (Qureshi, et

al., 2013). The fastest growth of SMEs will shoulder the responsibility to accept the challenge and will bring a positive change in the existing structure. The contribution of small-scale enterprises to make the economy strong in the long run is very important because they provide a creative channel for enterprising and hold up independent persons for self-employment. Lussier & Pfeifer (2021) view that in the open economy the significance of small enterprises as the main job provider, innovator, and foundation of growth is broadly known. As far as the development of the rural and urban areas in Nigeria is concerned, the role of small-scale enterprises cannot be under-estimated. The present administration realise the importance of these small scale ventures hence the various policies being put in place to encourage their growth. The small-scale businesses have the potentiality to reduce the rate of unemployment in Nigeria and thus to contribute to the Gross Domestic Product (GDP) and economic growth of the nation (Oshagbemi, 2019). The industrialized nations which have attained technological advancement today owe their present position to the establishment of small-scale industries in the past. The small-scale businesses served as pivot for technological take off and self-reliance. In the commercial world, there are numerous kinds of business undertakings. This varies from private enterprises to public corporations. A small-scale enterprise is defined as a business which is independent, small in size and often localized. Most small-scale businesses are operated by private individuals or group of individuals (Onuoha, 2020). Due to the positive contribution of small-scale businesses to the economic development of the nation, there is the increased need for the government to be seriously involved in the support and encouragement of the small-scale ventures to enable them realize their full potentials to the benefit of the whole nation.

Sometimes a small-scale enterprise is said to be a firm that is independently owned and operated and which is not dominant in its field of operation. In general, we should recognize that a small-scale business must have few employees, limited capital investment and small-scale operation (Obi, 2015). The prowess of small firms' job creation lies in the start-up and young businesses (Oluseye et al., 2017). Comparing these last two statements implies that some of the employment generated, wealth creation, output and export created by these small businesses are rather unsustainable because of the higher failure rates associated with the young small enterprises. If this is the case, then there is the need to ascertain if small businesses are actually fulfilling the role purported to it by the literature, and specifically, in the Nigerian economy. Organization for Economic Cooperation and Development (2019) observe that general environment for private enterprises in Nigeria like several other countries is formed by a huge figure of actors and institutions such as central government ministries, local administrations as well as economic institutions. Gabriellson & Huse (2022), argue that for both policymaker and researcher the small and medium entrepreneurial firms had been an important point during the 1990s. Kadiri (2022) suggest that in the business world small and medium enterprises development has continued to be a well-accepted phrase because this sector acts as a mechanism for the generation of employment, countrywide development, and poverty decline and economic development. The small and medium enterprises (SMEs) have more employment opportunities as compared to a major firm as well as multinationals firms (Oluseye et al., 2017). Nigerians are facing severe problem of unemployment. There is a debate that either small industries can solve the problem of unemployment. The research in hand intends to analyze "the role of small businesses on employment generation in Awka, Anambra State using point of Sale (POS) attendants, real estate developers, fast food restaurants and e-commerce Stores".

Unemployment is one of the fundamental developmental challenges facing Nigeria at the moment. Although research has shown that unemployment was high in the 1980s, available reports from various local and international bodies, as well as the glaring evidence of joblessness in these decades, indicate that there was no time in Nigeria's history when unemployment was not a problem. Youth and non-youth unemployment in Nigeria has been increasing as the number of students graduating from institutions has increased. Small businesses are saddled with the expectation of providing a sustainable road map towards achieving economic growth and alleviating the problem of unemployment. Most people start their own small businesses out of the quest to earn income for themselves. In the process, these small businesses flourish and they are able to transition from just self-employment to creating employment for other people.

However, the increasing rate of economic recession has worsened the unemployment in Nigeria. This has led to many of the citizens in scummy poverty. The question now is, whether small businesses contribute to employment generation and its sustainability? If small businesses contribute to income creation for those individuals engaged in them in Nigeria? What are the contributions of small businesses to poverty alleviation in Nigeria? What are the contributions of small businesses to economic growth in Nigeria?

There is a huge affirmative answer to those question. Small businesses are critical to the health of the Nigeria economy as they account for approximately 75% of all the employment created in the country. The introduction and availability of using point of Sale (POS), real estate development, fast food restaurants and e-commerce Stores

in Nigeria has in the long run brought smiles to people's faces and provided income opportunities for many jobless Nigerians.

## 2. Review of Related Literature

### Conceptual Framework

#### Employment Creation

Employment creation is one of the most important social and economic issues in Nigeria. It is seen as a relationship between two parties, usually based on a contract between employer and employee. In other words, employment is seen as the total number of people in a community, state or country that are gainfully working. The concept of employment creation varies from scholars, depending on their notion of what employment creation should be. According to Kareem (2020), employment creation varies from scholars, depending on their notion of what employment creation should be refers to the number of people who either work in government establishment or parastatals or private sectors. It could equally mean people who are self-employed or are unpaid family workers. Umar, (2020) defines the concept of employment creation in the following manner; "the process of providing new jobs for unemployed people, the process of providing jobs for yourself, and the process of providing more paid jobs". The above observations of what employment creation entails are that employment creation is the act of providing jobs for the unemployed, either by helping them to create jobs for themselves or providing a paid job where they can get salaries or wages as the case may be. The above definition given by the Director-General of Small and Medium Enterprises and Development Agency of Nigeria (SMEDAN) failed to capture the category of under-employed people, hence the search for a more comprehensive definition of what employment creation should mean. Another group of scholars have also defined employment creation in the following manner, Job Creation is the net new job that is created without displacing any other economic activity (Cray, Nguyen, Pranka, Schild, Sheu, & Whitcomb 2021). What can be deduced from the above definition is that job creation is the process of creating new jobs without necessarily creating unemployment in the other sector as a result of the jobs that have so far been created. The above definition is close to and also includes what job creation should mean, never the less it failed to include the category of people who are underemployed to seek a better one. Flowing from the above definitions, and for this study, job creation can be defined as the process of creating new jobs for the unemployed and the under-employed without necessarily displacing people who are already employed in other economic activities. The Nigerian National Bureau of Statistics (NBS) (2017) while inferring from the International Labour Organization's (ILO) definition of unemployment, states that the unemployed population are those in the labour force, or people of working age, that is, between ages 15-64, who were willing and actively looking for work, but could not find for not less than 20 hours (NBS, 2017).

In most civilized countries of the world, achieving full employment has been one of the main macroeconomic focuses of the government in order to attain economic growth and development. In Keynesian economic analysis, employment is envisaged as a pathway to enhance the growth rate of an economy. This is because when there is employment in a country, there is increase in productivity (Keynes, 1936). Apart from Nigeria, in most industrializing nations, employment generation is said to be a primary economic development goal. More jobs generally mean more economic activities, more tax revenues for the government, and less idle time. Job growth permits the expansion and improvement of public goods and services, leading to an improved quality of life and enhanced prospects for future employment growth.

#### Small Scale Business

The history of scale business in Nigeria can be traced to the period of our forefathers who were engaged in local farming and trading (Ubom, 2016 & Olagunju 2018). In an emerging market like Nigeria, a focus on entrepreneurs, entrepreneurship and the enterprise are critical within the important context of the necessary programming for sustainable human development and the creation of employment (Mantami, 2019). The definition of small-scale business varies from country to country, from industry to industry and from one financial institution to another. The parameters for the definition include value of assets, number of employees, sales revenue, size of capital, and turnover rate. If project cost is used as the criteria for measuring the size of a business, price inflation may render the definition meaningless over time. If the number of employees engaged in a business forms the yardstick for measurement, it may not be realistic bearing in mind that some firms are capital intensive needing only very few employees. Other firms are labour intensive employing large number of people but utilizing only small capital fund (Osadi, 2017).

The central bank of Nigeria, in its credit guidelines, according to Isyaka and Kaseem (2018) defines a small business as those businesses with an annual turnover of less than half a million naira (5,000,000.00). The Federal Ministry of Industries (2018) define a small scale enterprise as an enterprise whose total cost including working capital but excluding cost of land, does not fall below One Million Naira and does not exceed Forty Million Naira and having number of employees between 11 to 35 workers. The Committee for Economic Development in the United States of America consider a business to be small when, at least, two of the following features prevail: the

person managing the business is the owner; capital is provided by the individual owner(s) of the business; the area of operation is local and the size of the business within the industry is small when compared with the bigger units in its field (Broom & Bongenecker, 2020). The World Bank define small scale enterprise as any on-going concern whose total project cost is not more than N30,000.00 (Obi, 2015). A small-scale enterprise is one that is independently owned and operated, and in which the owner is the sole decision maker and the overall boss (Onuoha, 2020).

### **Point of Sale (POS)**

A point of sale, also known as a point of purchase, is a system that helps local debit cardholders to make withdrawal of money and pay for goods and services (Nworie & Okafor, 2021). It is a form of e-payment that handles balance inquiry, payment for goods and service, electronic fund transfer at a specific point of sale. The device allows customers to make payment for goods and services purchased without the physical use of cash. At POS terminals, when a customer slots in his card into the POS, he inputs his details and in the case of payment for goods or services, his account is debited at that point resulting in a transfer of funds to the service provider's account. This machine is mostly used in retail stores where consumers use their ATM cards to pay for goods or services. Any utility bills, such as power, airtime, cable or decoder subscriptions, are often paid using a POS device.

Hence, with the increasing use of advanced electronic technologies for e-funds around the world, the introduction of POS into the Nigerian economy has facilitated the ease of doing business without having to carry large sums of cash in one's wallet. The use of POS terminals to make financial payments in Nigeria was introduced by the Central Bank of Nigeria (CBN) in 2012 to promote its cashless policy with the aim of improving the payment system. Ever since the introduction, there has been increasing growth in the number of active POS terminals provided by banks to mobile money merchants. This was due to the acceptability of POS transactions in society. However, this opportunity was explored by the majority of Nigerians who were desperately seeking an employment opportunity and daily source of revenue (Carlos, 2014). The desire to make a living, despite Nigeria's devastated economy and unpalatable rate of unemployment, resulted in an astonishing increase in the number of money merchants or POS businesses in the country, because the opportunity was regarded as a potential and lucrative business and employment opportunity. Traceably, in the first three months of 2018, it was reported that a total of 17,193 POS terminals were registered by banks for carrying out cashless transactions in Nigeria (Ogunfuwa, 2018). Statistical figures from the Nigeria Inter-Bank Settlement Scheme (NIBSS) indicated that as of 2018, the number of active POS terminals in Nigeria was 164,607. This evidence therefore clarifies the fact that there is a massive increment in the number of POS businesses and money markets in Nigeria. Thus, this study is riveted towards assessing the very impact of POS as a business endeavor on employment generation in Nigeria.

### **Real Estate Development**

Real estate development is a key driver of economic growth and job creation in Africa, and it has the potential to make a significant contribution to poverty reduction and sustainable development." profit (Abraham, 2019). Real estate can be conceptualized as the properties that are domiciled in the form of land and landed properties, buildings, flora and fauna (Aderemi, Dolapo and Abaka 2019). The development of real estate is regarded as purchase, management, rental land, sales of real estate with a purpose of making profit (Abraham, 2019). Real estate is another promising sector of the economy that can be explored in order to insulate the country from the oil price shocks. Before the discovery of oil and the oil boom of 1970s, agriculture was the backbone of the Nigerian economy. But today the country is a mono-cultural economy which solely depends on the revenues from oil and gas for its economic activities. However, global oil prices dwindling coupled with the drastic reduction in the local production orchestrated by the actions and inactions of the Niger-Delta militants was the major factor that caused the recent recession in Nigeria in which the country has not recovered from the menace. It is worth of note that despite the downturn in the Nigerian economy, real estate has been rising in leaps and bounds in terms of high-rise buildings, hotels, shopping malls, springing up of event centers everywhere especially the major cities of the country. It has been reported that real estate development, construction and technology sector in developing economies, Nigeria inclusive have served a support to the global economy during the periods of financial crisis in the recent years (Aderemi, et al., 2019). Nigeria is one of the promising developing economies with great potentials in real estate. Nigeria's competitiveness in the global real estate market is making the country to become increasingly attractive to investors. As a matter of fact, real estate contributes about 8.7 % to Nigeria's GDP in 2014, which is greater than the average GDP growth rate of 7.4 % in the same year (Aderemi, et al., 2019).

### **Job creation**

Real estate investment provides a wide range of employment opportunities in areas such as construction, architecture, engineering, project management, real estate brokerage, property management, and maintenance. These jobs create direct and indirect employment opportunities for people in the communities where the real estate

projects are located. According to a report by the African Development Bank, the construction industry in Africa creates more jobs per unit of investment than any other sector. The report estimates that for every \$1 million invested in construction, around 25 jobs are created.

### **Wealth Generation**

Real estate investment has the potential to generate significant wealth for investors, developers, and property owners. As real estate values increase over time, investors can make profits from buying, developing, and selling properties. Property owners can also generate income from rent, which can be reinvested in other real estate projects or used for other purposes. A study by Oxford Economics found that the real estate sector in Africa has grown by an average of 3.4% annually since 2000, and is expected to continue to grow in the coming years. The study also found that real estate is a key driver of wealth creation in Africa, with returns on investment often exceeding those in other asset classes.

### **Infrastructure Development**

A report by PwC notes that real estate development in Africa is often a catalyst for infrastructure development, as developers are required to provide basic infrastructure such as roads, water, electricity, sewage systems, and other public services to their developments. This can help to improve living standards in the surrounding communities. The development of infrastructure not only benefits the real estate projects but also the surrounding communities, by improving access to basic services and amenities, thus improving the living standards. Real estate investment plays a crucial role in the economic development of Africa, as it is an important driver of job creation, wealth generation, and infrastructure development.

### **Fast Food Restaurants**

This sector of the hospitality industry is concerned with the preparation and service of food and Beverages quickly for immediate sales to the customer for consumption either on or off the premises (Raimi & Towobola 2019). Fast food outfit can be classified as either providing unstandardized and standardized service. The unstandardized outfits are usually the unregistered small operations, providing informal but fast casual table service to customers. In this category are the restaurants. On the other hand, the standardized outfits include the registered food retail outfit with formalized business names and organized structures, whose operations are usually large-scaled and certified by appropriate regulating authorities. In this category, are the single-branch eateries and chained quick service restaurants that provide minimal tabling service to customers. Also, unlike the former, which is considered to have existed for generations, the latter category is regarded as modern and emerging as a result of rapid urban development in various countries of the world. Outfits in the organized sector are usually established by either corporate individuals or multinational organizations concentrating mainly in urban centers.

The modern fast-food industry is highly commercialized and characterized by various pre-formulation procedures and food preparation methods usually set up with the intention of minimizing production cost delivery time greater emphasis is always placed in ensuring certain level of flavor and quality consistency of product and quick services as expected as customer (Fakokunde, et al., (2019). Various variants of cuisines and dishes are popularized by fast food restaurants across the global. While pizza wide known in the U.S, Sushi is common in Japan, kebab, and fish and chips are popular fast food in Europe, Australia, and Zealand. It is noteworthy that the business of fast-food retailing is fast spreading and striving globally with numerous fast-food ventures located all over the world, with over 31,000 restaurants located in 120 countries, on six continents (Raimi & Towobola 2019).

The fast food is linked to the food industry (Iwarere et al., 2018). Mainly, fast food outlets in Nigeria can be classified as either providing unstandardized or standardized services. The unstandardized outlets are usually the unregistered small operators, providing informal but fast casual table services to customers (Iwarere et al., 2018). In this category are the traditional food vendors, cafeterias and casual dining restaurants. On the other hand, the standardized outlets include the registered food retail outfits with formalized business names and organized structures, whose operations are usually large scaled and certified by appropriate regulating authorities. In this category are the single branch eateries and chained quick service restaurants that provide minimal table service to customers (Iwarere et al., 2018). Also, unlike the former, which is considered to have existed for generations, the latter category is regarded as modern and emerging, as a result of recent rapid urban developments in various countries of the world. Outlets in the organized sector are usually established by either corporate individuals or multinational organization concentrating mainly in urban centers. In this light, the Nigeria fast food industry can thus be divided into two: the formal sector and the informal sector. The formal fast-food industry consists of the newly emerging organized and registered outfits of different sizes providing large scaled standardized eat-in and take-away services to consumers. The informal sector consist of the plethora of usually unregistered small operators and restaurant providing unstandardized fast but casual table services to consumers.

### **E-commerce Stores**

Trade is the second largest generator of employment in Nigeria as a nation and world at large (Banescu et al., 2022). In 2016, this sector generated around 35% of the workforce in the Nigeria (IDEA Consult (2018). E-commerce emerged half a century ago, when Electronic Data Interchange (EDI) technology appeared, and a shift towards people being able to shop online began about 20 years later (MIVA, 2022). The emergence of e-Commerce has had an economic and social impact by changing the market, driving globalization, increasing interactivity in the economy, and increasing the importance of time (OECD, 2019).). The sale–purchase process of goods and services has become much more convenient and efficient through e-Commerce. This does not mean that this sales channel will replace the traditional ones, but it will be complementary. According to the European Commission, only 17.5% of small and medium enterprises in Europe sold products online, only 1.4 percentage points more than in 2016 (European Commission (2020). Economically developed countries immediately benefit from e-commerce (because the ICT infrastructure facilitates expansion of the e-commerce industry (Kumar, et al., 2018), while developing countries will benefit in the long run (Terzi, 2021). The retail industry is one of the sectors exposed to automation, and e-Commerce is seen as an advanced form of technology (Spatari, 2019). Some researchers emphasize that digitalization will create new jobs, change the structure of current ones, the work conditions will change, and thus the labor market will experience digitalization has led to an increase in employment in the labor market (Biagi, & Falk, 2017). E-Commerce is a very lucrative industry for labor, if we consider the flexibility offered by remote work. As a sector created by the digital economy, e-Commerce is known for its positive impact on the labor market, creating jobs (Alyoubi, et al 2020) and reducing social inequality (Mandel, 2017). Furthermore, the World Bank stated in 2016 that the emergence of e-commerce platforms has led to an increase in employment opportunities for those excluded from the global labor market (World Bank (2016). In other words, e-Commerce can be the industry that promotes the principles of an inclusive labor market by increasing the opportunities of people previously outside the labor market (women, young people, and the unemployed) (Tichawangana, 2022). While it reopens the door to the labor market for discouraged workers and creates new opportunities, this part of the trade industry is putting some pressure to redefine the skills of the workforce (Domadenik, 2018). Although it is a sector that has created jobs, it cannot develop in the same way in all states, due to the lack of skilled labor (Jing, 2021). A study showed that in order to develop the field of e-Commerce, specialists are required with skills and knowledge in three basic topics: marketing, social media and technical solutions (Sanz et al., 2020). The most sought-after e-commerce specialists will be skilled in in artificial intelligence, augmented or virtual reality, mobile applications, design, animation, and video processing (Nigel, 2021). The high-skilled industry requires experts with concentrated skills in their fields of activity (Fu, 2020). World Economic Forum projections indicate rapid growth of new jobs in sales, marketing, and content. In 2020 the data extracted from the LinkedIn social platform indicated a number of approximately 87 new opportunities in the three previously mentioned fields (out of 10,000 new opportunities), in 2022 it is expected to increase to 125 new opportunities in these fields (Banescu et al., 2022).

### **Relationship between POS and Employment creation**

The quality of life, scope and scale of the future greatness of a nation is always determined by the quality of investment in the condition of its youth (Emenike, Okeke & Chukwuma 2022). Okoye-Nebo, Iloanya and Udunze (2014) opine that the development and transformation of Nigerian and Sub-Sahara Africa are highly dependent on youth empowerment through entrepreneurship. Young entrepreneurs have created opportunities for themselves by offering their customers cash-back, while such customers are charged for the service. Cashback refers to a credit card benefit that rewards the card holder's account a small percentage of the sum spent on purchases (Investopedia). Whenever this cashback is done via a business POS terminal, the accounting terminal gets rewarded with the agreed charge which gives the entrepreneur an edge to make additional profits aside from that of the product (Edema & Etim, 2017). The Nigerian Government understanding the need to develop the entrepreneurial prowess of the youths have carried out different programmes. Prominent among others was the empowerment program carried out in October 2021 under the Mobile Money Agents Programme, introduced in 2020 aimed at training a total of 1,850 young Nigerians on mobile money-making business, otherwise known as Point-of-Sale, POS. The training will enable target beneficiaries selected across the country to meet the minimum technical and business requirements for becoming mobile money agents and enhance their entrepreneurial competencies to successfully start and manage mobile money businesses. The gesture would see the beneficiaries provided with start-up Kits that include a Point-of-Sale (POS) machine, fingerprint scanner and furniture (chairs, tables and umbrellas) as well as a modest capital of N20,000.00 (Iheanacho, 2021).

### **Relationship between real estate development and Employment creation**

Most countries have persistent Job shortage and Unemployment problem and since the employment does not increase while the economy grows, this phenomenon is called ‘Jobless Growth’. Due to chronic high unemployment in most countries, it has become as important and imminent question in Economics, how Employment growth is affected by real estate development. Growth is not a means to an end: it is designed to

serve people, promote development and reduce poverty. Creating jobs and incomes is crucial for real estate development. Most developing countries struggle with high unemployment or underemployment. Many people can barely live from what they earn. This is why creating new jobs through real estate, improving incomes and working conditions for existing jobs, is hugely important. Pro-development integration into global trade as well as foreign direct investment can facilitate this process.

Moreover, the following studies Jiboye (2018), Jiboye and Ogunmakin (2019), Oduwaye (2019) Olotuah and Ajenifujah (2019), Olotuah and Babadoye (2020) examined the relationship between housing and economic growth in Nigeria with a view to determining the contributions of the real sector to the economic growth of Nigeria. Despite the fact some of these studies were carried out from macroeconomic view point and microeconomic perspectives, the studies established among others that housing in propelled growth in Nigeria through the generation of employment opportunities for people in building business, enhancement of labour productivity and increase in household income which ultimately promoted the gross domestic product of the country in the long run. In other words, the results of those studies indicated that the real estate contributed a significant impact to the growth and development of the Nigerian economy.

### **Relationship between Fast Food restaurant and Employment creation**

The food sector from farm to consumer plays an essential role in the US economy, accounting for about 5 percent of gross domestic product, 10 percent of total US employment, and 10 percent of US consumers' disposable personal income (Welch & Mitchell, 2020). As such, it is a significant and stable contributor to economic well-being, through its role in regional economies and in ensuring the affordability of food. In addition to meeting consumer demand for a necessity, the sector also plays an important role in public health and nutrition, environmental sustainability, and the availability of adequate food supplies at the household and national levels (Welch & Mitchell, 2020).

Of the total \$1.4 trillion in food sector sales, the food and beverage industry alone generate \$164 billion in value added and accounts for 15.3 cents out of every consumer food (Olotuah & Ajenifujah 2019). This value added is paid out in \$83 billion in total salary and benefits (which includes pretax employee wages plus employer and employee costs for employee benefits), \$10 billion in taxes, \$62 billion in property income, and \$9 billion for imported inputs. Food manufacturing tends to have relatively high payments to salaries and benefits compared with other food sector industries. Salaries and benefits account for half of the value added in fast food restaurant (Coleman-Jensen et al., 2016). Jiboye and Ogunmakin (2019), opine that the fast-food restaurant has nearly 27,000 establishments employing 1.46 million workers and accounts for about 13 percent of all Nigerian employable and about 1 percent of all Nigerian on farm employment. The industry is dominated by bakeries and tortilla manufacturing (39 percent of establishments and 18 percent of employees) and by animal slaughter and processing (14 percent of establishments and 33 percent of employees) (Oduwaye 2019). The fast-food restaurant has been more stable in terms of employment creation and labor income than other manufacturing industries in the Nigeria, due to the consistent demand for food and the competitive prices of raw commodities (Jiboye 2018).

### **Relationship between E-Commerce stores and Employment creation**

According to Eurostat, in Europe in 2018, almost 360,000 students graduated with bachelor degrees in the fields necessary for e-Commerce (ITC, social and behavioral science, marketing and advertising, mathematics and statistics), out of the approximately 2.5 million graduated students, representing 14.7% of all students (Eurostat, 2021). The developing education system must address four main dimensions: vocational education, entrepreneurial education, financial education, and digital education (Sima, 2020). Why is digital education important? According to the 2014 European Skills and Jobs Survey, more than 70% of EU employees reported that they needed ICT skills to perform tasks at work (Loewen, 2018). Furthermore, by 2022, 133 million new jobs were predicted to be created as a result of the division of labor between people, machines, and algorithms, and the most requested skills will be those of advanced use of technologies (Future Learn 2020). Therefore, Loewen, draws attention to the fact that only 58% of the population in Nigerian has basic skills to use the Internet (Loewen, (2018). However, the adoption of cloud computing, big data, and e-Commerce remain the main priorities in the business environment (World Economic Forum, 2020), which offer growth potential for the labor market. In conclusion, the employment rate is positively influenced by the digital transformations that society is facing, due to the various opportunities that the digital economy has generated.

### **Theoretical Framework**

This study is anchored on the theory of resource constraints (TRC) as propounded by Eliyahu Goldratt in 1984. The theory is a methodology for identifying the most important limiting factor (constraint) that stands in the way of achieving a goal and then systematically improving that constraint until it is no longer the limiting factor. In small scale businesses, these constraints are referred to as bottlenecks. The theory of constraints takes a scientific

approach to improvement. It assumes that every complex system, including manufacturing processes, consists of multiple linked activities, one of which acts as a constraint upon the entire system (the constraint activity is the “weakest link in the chain”). The ultimate goal of most small-scale businesses is make profit- both in the short term and in the long term. The theory of constraints provides a powerful set of tools for helping to achieve that goal, including: a methodology for identifying and eliminating constraints; the thinking Processes: tools for analyzing and resolving problems; throughput Accounting: a method for measuring performance and guiding management decisions. One of the appealing characteristics of theory of resource constraints is that it inherently prioritizes improvement activities. The top priority is always the current constraint. In environments where there is an urgent need to improve, theory of resource constraints offers a highly focused methodology for creating rapid improvement. A successful theory of resource constraints implementation have the following benefits: increased profit; the primary goal of theory of resource constraints for most companies; fast improvement: a result of focusing all attention on one critical area -the system constraint; improved capacity; optimizing the constraint enables more product to be manufactured; reduced lead times; optimizing the constraint results in smoother and faster product flow; reduced inventory- eliminating bottlenecks means there will be less work-in-process.

Resource constraints in developing countries necessitate prioritization as to where to invest first. Unbalanced growth theory specifies that the key sectors for initial investment should be determined on the basis of industrial backwards and forward linkages. Small scale businesses activities have significant backwards and forward linkages to enhance income generation and employment creation and are capable of breaking the vicious cycle of poverty in the study area. The critical minimum effort presupposes that poverty is a serious human problem that is self-perpetuating. Thus, efforts must be geared towards supporting active participation in entrepreneurial activities if poverty must be reduced. Small scale businesses can be supported through the provision of finance to a level at which sustained development could be maintained to achieve that transition from a small scale to a larger one where one can expect steady secular growth and employment creation.

### **Empirical Studies**

Nwankwo, Okoli, and Ike (2024) evaluated the strategies for improving business performance of small-scale individual entrepreneurs (SIEs) in Awka South L.G.A. in Anambra State. Data were collected from 80 respondents from a population of 97 small scale individual enterprise operators in Awka South LGA. Descriptive and inferential were applied to collected data. The study applied descriptive statistics such as simple percentage, mean and frequency distribution to analyze the specific objectives of the study. The inferential statistics was used to test the formulated hypotheses. Hypotheses one to four were tested using Pearson Correlation Analysis at 0.05 levels. Test of hypotheses were accomplished through the application of Pearson Product Moment Correlation at the 5% level of significance. It was found that there is a significant positive relationship between finance strategy and performance of SIEs in Awka South LGA; there is a significant positive relationship between production strategy and performance of small business in Awka South LGA; and that there is significant positive relationship between marketing strategy and performance of SIEs in Awka South L.G.A. The study recommends among others, that the government should take up the responsibility of initiating, formulating and coordinating policies, incentives and support for small businesses promotion and development in Nigeria.

Ijirshar, Mile, and Mlumun (2023) examined the impact of SMEs on employment creation in the Makurdi metropolis of Benue state. A sample size of 340 entrepreneurs was chosen from the population of entrepreneurs (SMEs) in the Makurdi metropolis. The study used logistic regression to analyse the impact of SME activities on employment creation or generation in the estate and found that SMEs contribute significantly to employment creation in the state but are often faced with the challenges of lack of capital, absence of business planning, lack of confidence in the face of competition, unfavorable environment for the development of SMEs, high government taxes and inadequate technical knowledge.

Okoli and Nwakoby (2023) examined factors militating the growth of small-scale business and employment creation in Awka Metropolis. Three specific objectives, research questions and hypotheses were formulated with the decomposed variables of the study. The study was anchored on Active Learning Theory. This study adopted survey research design. The study population was five hundred and fifty-six (556) workers while the sample size was two hundred and thirty-three (233) arrived at using Taro Yamane formula. Data were collected using self-administered questionnaire from the sample of workers at Awka Metropolis. The simple random sampling technique was used for the study. Chi-Square was applied for hypotheses testing. The study found that poor financing, inadequate social infrastructures, lack of managerial skill constitute major challenges for small scale businesses to creation jobs. Therefore, the study revealed that there is a significant relationship between small scale business and employment creation. The study concluded that small scale businesses are essential agents of economic growth and national development. The study recommended among others that government need to put in place new policy guidelines aimed at making the acquisition of funds easier for the entrepreneurs of small-scale

businesses and also entrepreneurs should aim at giving some basic skills training to the unskilled and semiskilled people engaged to work for them so that they can contribute more positively to the growth of the enterprise. Emenike, Okeke & Chukwuma (2022) examined the adoption of POS and youth entrepreneurship development in Nigeria. Specifically, the study explored the determinants of POS adoption in Nigeria and the impact of POS business on youth entrepreneurship development in Nigeria, focusing on POS agents in the Southeast. The study was guided by the Diffusion of Innovation theory and Technology Acceptance Model (TAM). A survey research design was adopted and the major instrument for data collection was a questionnaire. The population of the study consist of all licensed POS business owners within the ages of 18-35 in the five Southeastern states (Anambra, Enugu, Imo, Ebonyi and Abia). 100 POS business owners were randomly selected from each state making it a total of 500 POS business owners and this formed the sample size. Out of the 500 questionnaires that were distributed, 429 were retrieved and used for the analysis. Descriptive statistics such as frequency count, mean score, percentage and Pearson Product Moment Correlation were used in analyzing data. The analysis revealed that security, electricity, ease of POS use and existing competition in selected terminal determines POS adoption in Nigeria. It was also found that POS business impacts strongly on the financial performance and business skills of young entrepreneurs in Nigeria.

Okoye, Orajaka and Nnebe, (2022) examined the impact of POS business in reducing unemployment rate in Anambra state. Structured Questionnaire were used to collect data from the owners of point of sales business. The population of the study were 3045, the researcher selected 100 respondents from Nnewi, Awka and Onitsha making it a cumulative sample of 300 respondents. The copies of questionnaires returned were two hundred and forty-seven. Purposive sampling techniques were adopted. The study used survey research design due to the nature of the work. Primary and secondary sources of data were used in the study. Analysis of variance were used to analyze the collection questionnaire. From the analyses, the study found out that, point of sales outlets has significant impact in reducing unemployment in Nigeria. Availability and the use of POS has served as a source of income for the owners of POS business centers in Anambra state.

Al-Haddad, Sial, Ali, Alam, Khuong, and Khanh, (2019) undertaken to find out how SMEs contribute to the economy in terms of employment generation and its impact on the economic growth of the country. Small and Medium Scale Enterprises (SMEs) is accepted globally as a tool for empowering the citizenry and economic growth. The total number of employees was 255 being selected randomly from Swat marble industries. A questionnaire was constructed and distributed to the selected respondents. The responses were collected and analyzed using the Statistical Package for Social Sciences (SPSS) analytical tool. The study exposes that SMEs play a vital role in employment generation. There is a positive relationship between SMEs and unemployment reduction. The result also shows that there is a positive relationship between SMEs and increase in income level.

Cray, Nguyen, Prank, Schildt, Sheu, & Whitcom, (2021) in the title of their working paper, "Job creation: A review of policies and strategies". The study finds out that, the federal and state-level strategies of the growing economy will result in job creation including fiscal policy and investment policies carried out at the federal and state level. The study concludes that; interest rate reductions, government hiring and purchases, infrastructural investments, short-time compensation programmes, workers' subsidies, and federal hiring credit enhance job creation. The methodology for the above study is a qualitative research method, where existing literature was reviewed along with information gathered from lecture series and interviews with economic development scholars and practitioners.

Safiriyu, and Njogo, (2020) explored the impact of small and medium scale enterprises in the generation of employment in Lagos state. In this research A total of a hundred (150) copies of the questionnaires were administered out of which one hundred and twenty (120) copies representing (80%) of the questionnaire were properly completed and retrieved while thirty (30) copies representing 20% were not retrieved. The instruments used to gather information for this study includes questionnaires and interview. Two different statistical methods were employed to analyze data for the study; the tools are simple percentage and chi-square ( $X^2$ ). The results show that small and medium scale enterprises and sustainable development of the Nigerian economy are related, just as promotion of SMEs and improvement in employment generation are related.

Ogbuabor, Malaolu and Iorwuese (2019) examined the efficacy of tackling the twin economic challenges of poverty and unemployment in Nigeria through the small-scale enterprise commonly known as burnt bricklaying. The results indicated that burnt bricklaying has a significant positive impact on poverty alleviation, job creation, and income generation in Nigeria.

Kadiri (2019) examined the contributions of Small and Medium Scale Enterprises (SMEs) to employment generation in Nigeria. The study provided a sectorial analysis of the efficacy of SMEs as a vibrant tool for

employment generation in the country. Binomial logistic regression analysis was employed as a tool for statistical analysis. The study showed that the sector was unable to achieve its goal due to its inability to obtain adequate business finance for the sector. It was also observed that virtually all the SMEs that were sampled relied on informal sources of finance to start their business.

Kalagbor and Harry (2019) in a study titled, Entrepreneurship development and youth employment in Nigeria: perspectives on selected entrepreneurship schemes. The research design for the study is a documentary method, where secondary sources of data were consulted. The study finds out that the programme has created many entrepreneurs and employment for young people all over the country.

Aderemi, Dolapo and Abaka (2019) examined the relationship between real estate development and economic growth in Nigeria between the periods of 1981 and 2016 using Johansen cointegration test, DOLS and Granger causality approach. However, the results of this study show that real estate development has a non-significant positive relationship with economic growth in Nigeria. In addition, there is a unidirectional causality which runs from inflation rate to real estate development and economic growth in the country.

Okoye. (2018) examined the effect of cashless banking on the unemployment rate in Nigeria, with a focus on the aggregate data of all the banks operating in the country as at 2012-2016, as documented in the CBN annual report. An ex-post facto research design was adopted for the study; and secondary source of data collection was employed. Cashless banking system as the independent variable of this study was measured with TATM, TPOS, TMPS and TIB, whereas the dependent variable was the Nigeria's unemployment rate (UR). Data gathered were presented in tables and analysed using multiple regression technique (ordinary least square regression) of model estimation. In order to determine the overall significance of the model, students' T significance test was observed in the model (t-transformation of regression coefficient) and was used to test the hypothesis formulated. Results show that there is a negative and insignificant effect of cashless banking system on unemployment rate in Nigeria ( $\beta = -0.790$ ,  $R^2 = 0.624$ ,  $t_{2.233}$ ,  $p = 0.112$ ). This means that cashless banking system in Nigeria does not contribute to the increased rate of Nigeria's unemployment as perceived by many people. Instead, more jobs are created for people expertise in operating the machines (ATM, POS, Internet and Mobile Phone) used in the cashless banking system.

Oluseye, Ajuwon, and Akotey, (2017) seek to evaluate the relationship between firm size and the net job creation in the Nigerian economy. The study employed dataset for 473 enterprises across all sectors of the economy comprising 110 micro enterprises, 218 small scale enterprises, 116 medium scale enterprises and 29 large scale enterprises. The dataset was sourced from the 2014 World Bank Enterprise survey on Nigeria. The variables employed in this study as indicators of employment generation include gross job creation, net job destruction and net job creation for sampled firms.

The non-parametric variance analysis that uses the locally-weighted scatterplot smoothing (LOWESS) method proposed by Cleveland (1979) and modified by Neumark et al., (2008) was employed to determine if small businesses are net creators or destroyers of jobs in Nigeria. Our result found that MSMEs performed better than large firms in term of employment generation, with small and medium size enterprises performing exceedingly. Empirical evidence emanating from this study confirms the theoretical literature expounded by Birch (1979) which states that small businesses are the most important source of employment generation in any economy.

Obi, (2015) examines the role of small-scale enterprises in the achievement of economic growth in Nigeria. Descriptive research method was adopted in this article. The study population used consists of 50 small-scale enterprises chosen through simple random sampling from businesses operating in two states (Lagos and Anambra States). A total of 250 questionnaires were administered (that is five questionnaires for each of the 50 enterprises). Tables and percentages were subsequently used to analyze the data extracted from the completed questionnaires. Apart from other supportive facts and figures, more than 77.7% of the respondents strongly believed that small-scale enterprises in Nigeria serve as veritable instrument for achieving economic growth.

Emeana, (2016) determined the role of small businesses on employment creation in Nigeria" with a case study of small businesses in the Wuse II district of Abuja. The study reviewed the concept and theory of small businesses. Both primary and secondary sources of data collection methods were explored in order to permit detailed inquiry into this study. The data collected were presented and analysed using relevant statistical tools to test the formulated hypotheses in line with the objectives of the study. The findings revealed that small businesses play significant role on employment creation in Nigeria.

### 3. METHODOLOGY

#### Research design

The research design used for this study is the cross-sectional survey research design. This is because the research is aimed at collecting and analyzing data gathered from owners and employees alike in selected small-scale businesses in Anambra State through the use of questionnaire. The study area for this study is selected small scale businesses operating in Anambra State. Anambra is a state in southeastern Nigeria and state was created on 27<sup>th</sup> August 1991. Anambra state has a common boundary with, Imo State, Enugu state, Kogi state and Delta state. The capital and seat of Anambra is Awka which is in Awka South LGA. Awka is both the state capital and headquarter of Awka South. Anambra State occupies about 45,917 square kilometers with a population as 4,177,828 according to 2006 population census. The study focused on small scale businesses operating at Awka Anambra state. The small-scale businesses include selected businesses, point of Sale (POS), real estate development, fast food restaurants and e-commerce Stores operating at Awka Anambra State Nigeria. Anambra State was chosen owing to the researcher's familiarity with the state which made the researcher observe that there are many small-scale businesses in Anambra State which need to be harnessed for economic growth, job creation and wealth generation which in turn increase per capita income the nation.

**Table 1: Selected Small-scale Businesses operating at Awka**

| S/N | Small scale business                                                                                                                 | Population |
|-----|--------------------------------------------------------------------------------------------------------------------------------------|------------|
| 1   | Ozoigbo POS- 22, Zik's Avenue, Awka, Anambra State, Nigeria                                                                          | 4          |
| 2   | TooGod Digital Agency- Ekwulobia Rd, Awka, Anambra State, Nigeria                                                                    | 7          |
| 3   | TMK Agency 59 Oby Okoli Street, Awka, Anambra Nigeria                                                                                | 6          |
| 4   | VachyGold Enugu- Onitsha Exp Unizik Junction Awka, Anambra State, Nigeria                                                            | 5          |
| 5   | Awka Capital Territory Development Authority (ACTDA)                                                                                 | 30         |
| 6   | E-fax Real Estate 25 Oby Okoli Street, Awka, Anambra Nigeria                                                                         | 18         |
| 7   | Donseaman Homes and Properties Limited 15 Umuike Road, Awka, Anambra Nigeria                                                         | 25         |
| 8   | Hugodiamond Properties & Developers B-Bus Stop Opposite Tonimas Plaza Ifite, Awka, Anambra Nigeria                                   | 15         |
| 9   | Chow County 23 Oby Okoli Avenue, Okpuno Awka, Anambra Nigeria                                                                        | 25         |
| 10  | Comeasy Restaurant 32, Zik's Avenue, Awka, Anambra State, Nigeria                                                                    | 25         |
| 11  | <a href="#">De Sunshine Small Chops</a> Unizik Temp Site Market, Awka, Anambra Nigeria                                               | 35         |
| 12  | De-Destination Restaurant & Bar 20/21, Road 1 Abuja Housing Estate off Enugu-Onitsha Expressway Opp. Government House, Awka, Anambra | 27         |
| 13  | Nikki's Restaurant and Lounge Igweze Street, Kwata Awka, Anambra Nigeria                                                             | 38         |
| 14  | <a href="#">Divine Favour Shopping Plaza, Awka</a> 59 Court Road, Kwatta Junction Awka                                               | 18         |

|    |                                                                                                        |            |
|----|--------------------------------------------------------------------------------------------------------|------------|
| 15 | <a href="#">Destiny Technology Hub</a> 1 Dike<br>Street Awka, Anambra State,<br>Nigeria, Awka, Anambra | 20         |
| 16 | <a href="#">Webfingers Limited</a> 8<br>Amachalla-Amaenyi Awka,<br>Awka, Anambra                       | 18         |
| 17 | <a href="#">Mejor Tech world</a> No 26 House<br>2 Nwakpadolu Estate GRA Agu-<br>awka, Awka, Anambra    | 35         |
|    | <b>Total</b>                                                                                           | <b>351</b> |

The researcher constructed the instrument and gave the draft copy to competent lecturers of the Nnamdi Azikiwe University Awka and Chukwuemeka Odumegwu University as well as experts (in this field of study) for vetting and modifications. Their criticisms were used to modify and make the final draft. The researcher also ensured strict adherence to the assessments given by these experts which were based on clarity, content, and coverage. Spearman rank correlation was used to ascertain the reliability of the instrument from 0.92 to 0.88 consistency and reliability of the multiple item scales with the aid of Statistical Package for Social Sciences (SPSS) version 21. If the Spearman rank correlation is greater than 0.70, the result of the study indicates an overall higher reliability factor (Cavana et al, 2019). Spearman rank correlation is of 0.812 was obtained indicating that the instrument is reliable.

However, Ordinary Least Square (OLS) regression technique was used to address the objectives of the study. The coefficient of the regression will answer the research questions while the t-statistics will be used to test the hypotheses. The degree or effect of the explanatory variables on dependent variable was captured by the coefficient of determination  $R^2$ . The F-statistics will test the overall objective of the study. Durbin-Watson (DW) test was used to check for the appropriateness of the model for analysis. Any equation with Durbin-Watson less than or greater than values not approximately 2 is not fit. The data for the study will be presented in tables, using the five likert system with the scale of:

SA=Strongly Agree 5  
 A=Agree 4  
 U=Undecided 3  
 D=Disagree 2  
 SD=Strongly Disagree 1

In line with prior studies (Ijirshar et al., 2023; Al-Haddad, et al., 2019; Cray et al., 2021; Safiriyu, & Njogo, 2020) used generation of employment; Ogbuabor, Malaolu and Iorwuese (2019) and Kadiri (2019) that have analyzed the role of small-scale business in employment generation. The study adopts the models of Emenike, et al., (2022),  $EMPG = f(\text{POS})$  and Aderemi, et al., (2019)  $EMPG = f(\text{ECG}, \text{INR})$  then modified on mathematical notation as  $EMPG = f(\text{POS}, \text{RED}, \text{FFR}, \text{ECS}) \dots\dots\dots (1)$

When transformed in econometric notation, the model becomes;

$$EMPERF = \beta_0 + \beta_1(\text{POS}) + \beta_2(\text{RED}) + \beta_3(\text{FFR}) + \beta_4(\text{ECS}) + \mu \dots (2)$$

Where:

Y= EMPG = (Employment Generation)

X<sub>1</sub>= Point of sale (POS)

X<sub>2</sub>= Real estate development (RED)

X<sub>3</sub>= Fast food restaurant (FFR)

X<sub>4</sub>= E-commerce stores (ECS)

#### 4. Data Analysis and Discussion

The data presented is based on findings extracted from the questionnaire distributed to the owners and employees of selected small-scale businesses operating in Awka Anambra state. The study distributed 351 copies of questionnaire to the respondents randomly selected. Out of the 351, copies of the questionnaire distributed, 311 were returned and 300 were properly filled and found relevant for the study, while the remaining 11 were not properly filled.

Likert type on five point ended scale were employed on the survey to measure the perceptions of the respondents on the role of small-scale businesses operating in Awka Anambra state. Data obtained were presented using the tabular format and research questions were analysed using simple percentage method and multiple regression analysis was used in testing the hypothesis.

**Table 2: Copies of Questionnaire distributed to Respondents**

| Items                     | Copies of Questionnaire | Percentage |
|---------------------------|-------------------------|------------|
| Distributed Questionnaire | 351                     | 100        |
| Return Questionnaire      | 311                     | 89         |
| Copies misplaced          | 40                      | 11         |
| Number found relevant     | 300                     | 96         |
| Improperly filled copies  | 11                      | 4          |

Table 2 shows that the researcher distributed 359 copies of the questionnaire to the respondents randomly selected. Out of three hundred and fifty-nine (359), three hundred and eleven (311) were returned giving a total percentage of 87% and 48(13%) were misplaced by the respondents. Three hundred (300) were properly filled and found relevant for the study while 11 were improperly filled.

**Table 3: Descriptive Statistics**

|                      | Minimum | Maximum | Mean  | Std. Deviation | N   |
|----------------------|---------|---------|-------|----------------|-----|
| Predicted Value      | 11.90   | 19.24   | 17.16 | .855           | 300 |
| Residual             | -11.867 | 9.070   | .000  | 4.258          | 300 |
| Std. Predicted Value | -2.647  | 2.428   | .000  | 1.000          | 300 |
| Std. Residual        | -2.767  | 2.115   | .000  | .993           | 300 |

**a. Dependent Variable: employment creation**

The descriptive statistics in Table 3 is used to describe the basic features of the data in the study. It provides simple summaries about the sample and the measures. Together with simple analysis, they form the basis of virtually every quantitative analysis of data. From table 3, the mean and standard deviation values of employment creation during the period under review are 17.16 and 0.855 respectively. The statistics equally reveals that maximum number for employee creation was 19.24 while the minimum was 11.90. However, the statistics showed that the sampled firm suffered negative minimum returns on her investment during the period of study.

**Analysis of the Regression results**

**Table 4: Model Summary**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-------------------|----------|-------------------|----------------------------|---------------|
| 1     | .697 <sup>a</sup> | .486     | .525              | 4.289                      | 1.840         |

a. Predictors: (Constant), POS, RED, FFR, ECS,

b. Dependent Variable: EMPCR

Source: SPSS Version 21.0

Table 4 recorded R square value of 0.486 indicating that point of Sale (POS), real estate development, fast food restaurants and e-commerce stores explain 48.6% of the variations in employment creation of small and medium businesses in Anambra State, Nigeria. This was confirmed with the adjusted R<sup>2</sup> of 53%. The Durbin-Watson statistics value of 1.840 in Table 4 shows that the variables in the model are not auto-correlated and are therefore, reliable for predication.

**Table 5: ANOVA**

| Model      | Sum of Squares | Df  | Mean Square | F     | Sig.              |
|------------|----------------|-----|-------------|-------|-------------------|
| Regression | 253.815        | 5   | 50.763      | 2.759 | .018 <sup>a</sup> |
| Residual   | 6291.848       | 342 | 18.397      |       |                   |
| Total      | 6545.664       | 347 |             |       |                   |

a. Predictors: (Constant), POS, RED, FFR, ECS

b. Dependent Variable: EMPECR

Source: SPSS Version 21.0

The F-ratio in the ANOVA Table 5 test whether the overall regression model is a good fit for the data. The f-statistics value of 2.759 with a probability value of 0.018 in Table 5 indicates that the independent variable (point of Sale (POS), real estate development, fast food restaurants and e-commerce Stores) has significant collective effect on the dependent variable (employment creation). This result indicates that point of Sale (POS), real estate development, fast food restaurants and e-commerce Stores can collectively account for the variations in employment creation in selected small-scale businesses in Anambra State, Nigeria and therefore has goodness of fit for the data.

#### Test of Hypotheses

**Table 6 Coefficient of the Regression Result**

| Model                         | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|-------------------------------|-----------------------------|------------|---------------------------|-------|------|
|                               | Beta                        | Std. Error | Beta                      |       |      |
| 1 (Constant)                  | 22.006                      | 2.618      |                           | 8.405 | .000 |
| Point of sale (POS)           | .143                        | .056       | .135                      | 2.533 | .012 |
| Real estate development (RED) | .144                        | .057       | .137                      | 2.509 | .013 |
| Fast food restaurant (FFR)    | .069                        | .059       | .063                      | 2.175 | .007 |
| E-commerce store (ECS)        | .067                        | .072       | .050                      | 4.928 | .000 |

a. Dependent Variable:

b. Source: SPSS Version 21.0

The unstandardized coefficients which indicate the variance of the dependent variables with an independent variable when all other independent variables are held constant are indicated below.

Emperf = 22.006 + 0.143 POS + 0.144 RED + 0.069 FFR + 0.067 ECS

The coefficient for the intercept is 22.006 implies that if the explanatory factors (point of Sale (POS), real estate development, fast food restaurants and e-commerce Stores) are equated to zero, then the employee performance will improve by a margin of 22.006. The beta coefficient of point of Sale (POS) is 0.143 implying that a unit increase in point of Sale (POS) will lead to an increase in employment creation by a margin of 0.143. Secondly, the beta coefficient of real estate development (RED) is 0.144 meaning that a unit increases in real estate development will lead to an increase in employment creation by a margin of 0.144. Furthermore, the beta coefficient of fast-food restaurant is 0.069 meaning that a unit increase in fast food restaurants (FFR), will lead to an increase in employment creation by a margin of 0.069. Finally, beta coefficient of E-commerce store (ECS) is 0.067 meaning that a unit increase in E-commerce store (ECS) will lead to an increase in employment creation by a margin of 0.067.

### Test of Hypothesis One

Ho: Point of Sale (POS) does not have significant positive effect on employment creation in Anambra State Nigeria

Hi: Point of Sale (POS) has significant positive effect on employment creation in Anambra State Nigeria

Table 6 indicates that Point of Sale (POS) recorded a t-value of 2.533 with an alpha value of 0.012 which is statistically significant at 5% level of significance. Based on this, the null hypothesis is rejected while the alternative hypothesis is accepted. Therefore, Point of Sale (POS) has significant positive effect on employment creation in Anambra State Nigeria.

### Test of Hypothesis Two

Ho: Real estate development does not have significant positive influence on have significant positive effect on employment creation in Anambra State Nigeria

Hi: Real estate development has significant positive influence on have significant positive effect on employment creation in Anambra State Nigeria

Real estate development (RED) has a t-value of 2.509 with a probability value of 0.013 which is statistically significant at 5% level of significance. Since threshold, we reject the null hypothesis and accept the alternate hypothesis. Hence, Real estate development has significant positive influence on have significant positive effect on employment creation in Anambra State Nigeria.

### Test of Hypothesis Three

Ho: Fast food restaurants do not have significant positive effect have significant positive effect on employment creation in Anambra State Nigeria.

Hi: Fast food restaurants have significant positive effect have significant positive effect on employment creation in Anambra State Nigeria.

Fast food restaurants (FFR) recorded a t-value of 2.175 and a probability value of 0.07 which is within the acceptable threshold. We reject the null hypothesis and accept the alternate hypothesis; hence Fast-food restaurants have significant positive effect have significant positive effect on employment creation in Anambra State Nigeria.

### Test of Hypothesis Four

Ho: E-commerce Stores do not have significant positive effect on have significant positive effect on employment creation in Anambra State Nigeria.

Hi: E-commerce Stores have significant positive effect on have significant positive effect on employment creation in Anambra State Nigeria.

E-commerce Stores (ECS) recorded a t-value of 4.928 with an alpha value of 0.000 which is highly statistically significant. We reject the null hypothesis and accept the alternate hypothesis which state that E-commerce Stores have significant positive effect on have significant positive effect on employment creation in Anambra State Nigeria.

### Discussion of Findings

This study investigated the role of small-scale businesses in employment creation. The data generated were analyzed and the following were discovered. The study found that Point of Sale (POS) has significant positive effect on employment creation in Anambra State Nigeria. This concurs with the views of Okoye-Nebo, Iloanya and Udunze (2014) opine those young entrepreneurs have created opportunities for themselves by offering their customers cash-back, while such customers are charged for the service. The finding is in agreement with the work of Edema and Etim, (2017) who opine that whenever this cashback is done via a business POS terminal, the accounting terminal gets rewarded with the agreed charge which gives the entrepreneur an edge to make additional profits aside from that of the product. It is also in tandem with Iheanacho, (2021) who states that the training will enable target beneficiaries selected across the country to meet the minimum technical and business requirements for becoming mobile money agents and enhance their entrepreneurial competencies to successfully start and manage mobile money businesses hence offer job opportunities. The quality of life, scope and scale of the future greatness of a nation is always determined by the quality of investment in the condition of its youth (Emenike, Okeke & Chukwuma 2022).

The study further found that Real estate development has significant positive influence on have significant positive effect on employment creation in Anambra State Nigeria. This finding is in line with the work of Jiboye (2018), creating new jobs through real estate, improving incomes and working conditions for existing jobs, is hugely important. Olotuah and Babadoye (2020) establish among others that housing in propelled growth in Nigeria through the generation of employment opportunities for people in building business, enhancement of labour productivity and increase in household income which ultimately promoted the gross domestic product of the

country in the long run. The results of Jiboye and Ogunmakin (2019), indicated that the real estate contribute a significant impact to the growth and development of the Nigerian economy.

Furthermore, the study found that Fast food restaurants have significant positive effect have significant positive effect on employment creation in Anambra State Nigeria. This implies that effective implementation of Fast-food restaurants mechanism in organization can reduce unemployment. The findings corroborated with Welch & Mitchell, (2020) who opine that fast food restaurant is a significant and stable contributor to economic well-being, through its role in regional economies and in ensuring the affordability of food. The sector plays an important role in public health and nutrition, environmental sustainability, and the availability of adequate food supplies at the household and national levels. Jiboye and Ogunmakin (2019), maintained that fast food restaurant has nearly 27,000 establishments employing workers and accounts for about 13 percent of all Nigerian employable youth and others. Oduwaye (2019) found that the fast-food restaurant has been more stable in terms of employment creation and labor income than other manufacturing industries in the Nigeria, due to the consistent demand for food and the competitive prices of raw commodities

Lastly, the study also found that E-commerce stores have significant positive effect on have significant positive effect on employment creation in Anambra State Nigeria. The findings corroborated with Loewen, (2018) who draws attention to the fact that only 58% of the population in Nigerian has basic skills to use the Internet. However, the adoption of cloud computing, big data, and e-Commerce remain the main priorities in the business environment (World Economic Forum (2020), which offer growth potential for the labor market. Sima, (2020) expressed that the employment rate is positively influenced by the digital transformations that society is facing, due to the various opportunities that the digital economy has generated.

## 5. CONCLUSION AND RECOMMENDATIONS

The study examines the role of small-scale business and employment creation in Anambra State Nigeria. The data generated were analyzed using multiple regression analysis and the result shows that the explanatory variables of small-scale business (point of Sale (POS), real estate development, fast food restaurants and e-commerce stores) has a significant positive effect on employment creation in Anambra State Nigeria. Based on the result of the findings and conclusion, the following recommendations were made:

1. The study recommends that Government through the CBN should enact a law on how to protect the interest of the POS customers, so that fund will not be withdrawn in their account unauthorized. Government and deposit money bank should encourage the use of POS to encourage unemployment reduction in Anambra state.
2. Governments of Nigeria should invest in real estate development to improve economic growth of Nigeria. Re-engineering policies surrounding development and management of real estate development to attract investment from private sectors s one of many ways to fast-track development and reduce unemployment.
3. Governments and other relevant stakeholders in developing countries like Nigeria dealing with issues of high unemployment should consider small scale business support and development in fast food restaurants as a necessary condition in their effort to reduce unemployment
4. Finally, Managers of small-scale businesses should continuously research and invest in emerging e-commerce technologies and its components because e-commerce have been proven to significantly promote SMEs growth and performance.

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