
IMPACT OF PUBLIC ELECTRICITY SUPPLY ON THE PERFORMANCE OF SMALL AND MEDIUM SCALE ENTERPRISE IN NIGERIA (A STUDY OF SELECTED FIRMS IN NNEWI NORTH L.G.A)

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ABSTRACT

The study examined impact of public electricity supply on the performance of small and medium scale enterprise in Nigeria (a study of selected firms in Nnewi North L.G.A). The specific objectives of this study is to determine the effect of electricity supply on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state. Ascertain the effect of alternative electricity supply on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state. Gerschenkron (1962) theory states that the great spurt industrialization could take place if 5 pre- requisites are fulfilled. The study adopted survey method of research. Data were generated through primary and secondary sources. The method for data collection was questionnaire and interview which were administered randomly among the staff of selected firms in Nnewi North. The population of the study was 10554, while sample size determined using Borg & Gall formular. The sample size of the study is three hundred and eighty-five (385). The hypotheses were tested using ANOVA at 0.05% level of significance. The findings of the study revealed that Electricity supply has significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state. Alternative electricity supply has significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state. The study recommends Government should provide soft loans to unemployed youths to engage in small and medium scale businesses in order to reduce unemployment and generate more tax revenue which can be used for developmental projects. The well-to-do in Nnewi North L.G.A. Anambra state community should make funds available to the needy potential business men and women so as to supplement government effort in reducing unemployment.

Keywords: Public Electricity Supply, Performance of SMEs, Nnewi North LGA.

1.1 Background to the study

The position of power supply to economic development of any nation cannot be overemphasized. Power supply holds a very significant position in any economy, in most cases it has been referred to as an engine of any economy. Accessibility to reliable electricity supply has a rippling effect on productivity and efficiency of society. Turning to the small and medium enterprises (SMEs), power supply serves as an indispensable input in their activities as no small and medium enterprises can function without effective power supply. Apart from its necessity for running many industrial machines, its role to the productivity of human capital is enormous (Adeyemo, Olomola, Opeyemi, 2013). Virtually, all business activities, especially industrial units, require constant and effective flow of electricity. Similarly, serving as an input in production processes, power supply also contributes greatly to product marketing. In many cases, availability and Accessibility of power supply plays important role in storing finished goods ahead of demand, and therefore enhances consumers' satisfaction by assisting in making the goods available to consumers when needed. This also helps in building firm's image and protects firm's reputation as a result of customer's trust being sustained on having their demand met.

The forgoing issue points out that, poor electricity supply or lacks of quality and available power supply to the public and the business enterprises is a hindrance to economic development. It has the tendency of retarding economic growth and development, as well as the socio- economic welfare of the people. Poor power supply therefore can be said to have the potency for affecting business activities in many ways. It affects firm's productivities such as causing many inputs to be idle when there is power outage. Adding up to this problem is that power outages result in huge business loss and retard SMEs activities. For instance, growth rate of GDP fell from 8.8% in 2012 to 7.1% in 2013 and its drop is attributed to negative growth in manufacturing subsector and service sector fueled by inadequate supply of electricity. This has a long run negative effect on economic growth and development to every country (Ado & Josiah, 2015). Turning to the importance of SMEs in economies around the world, both developed and developing, cannot be overstated. SMEs are the dynamic force for sustained economic growth and job creation and additions to Gross Domestic Product (GDP). They are valid, crucial component of an active industrial country. Ado & Josiah (2015) puts on record that the percentage contribution of SMEs to Gross Domestic Product (GDP) ranges from 60 percent in China, 57 percent in Germany, 55.3 percent in Japan and 50 percent in Korea, compared to 47.3 percent attained by Malaysia and Nigeria.

According to Organization for Economic Cooperation and Development (OECD) report, SME splay a major role in economic growth in the OECD area, providing the source for most new jobs. Over 95% of OECD enterprises are SMEs, which account for 60%-70% of employment in most countries. As larger firms downsize and outsource more functions, the weight of SMEs in the economy is increasing. In developing regions like Africa, the contributions of SMEs to economic growth are equally, if not more, substantial. An average of 50% of employment avenues in Africa are created by the operations of SMEs. In South Africa, 91% of formal businesses are Micro, Small and Medium Enterprises (MSMEs) and generate significant proportions of GDP and employment. In fact about 52% to 57% of GDP is produced by MSMEs and 61% of employment is created by MSMEs (Berry, Poortinga, Segall & Pierre, 2012). In Ghana, for instance, 92% of formal businesses are SMEs. In comparison, though, the contribution of SMEs to GDP is greater in Ghana than in South Africa and Nigeria. SMEs contribute about 70% to GDP and provide up to 85% of employment in the manufacturing sector (Aryeetey, 2011; Abor & Quartey, 2010).

Clearly, SMEs play a key role in the economic growth and development and have been recognized as essential sources of endogenous growth. In the light of efforts to alleviate poverty and improve standards of living in Nigeria, an efficient SME sector is critical to that end. It is then imperative to create a congenial environment for their operation and growth. In assessing the above core role the availability of power supply plays, and the contribution of SMEs to economic development, brings to light the need for a sound business atmosphere if an economy is to see development and to improve the lives of its people. Although, SMEs continue to be the fastest growing sector of the economies of developing countries, their operations have been engulfed by inadequate and unreliable power supply rendering most SMEs unproductive and inefficient. Access to a reliable electricity supply is considered to be very important to the operations of most small and medium size firms. Research works on electricity supply and firm performance suggest that taken the middle and lower income countries as a case, firms consider access to power supply to be one of the major limitations to their business. In addition, the 2013 enterprise survey, identified electricity as the second major obstacle to enterprise development. Thus, 49.8% of businesses in Nigeria consider insecure electricity supply as a major constraint (World Bank Enterprise Survey, 2013). Notwithstanding the costs associated with the replacement or repair of machines and other equipment, cost related to spoilage of finished goods and also the cost of incurring an alternative source of electricity like rented or self-owned generator. This brings to light why investigating the effect of This study is therefore aimed at filling this gap in the literature by investigating the impact of public electricity supply on the performance of small and medium scale enterprise in Nigeria (a study of selected firms in Nnewi North L.G.A..

Small and Medium Scale Enterprises in both developed and underdeveloped nations play an important role in the process of economic development and enterprises. In spite of the relevance of the Small and Medium Scale Enterprises the Nigeria economy and industrial development, on that sector face a lot of problems. Although there are various factors affecting the performance of Small and Medium Scale Enterprises ranging from inadequate capital to unfavorable tariff policy, however, the poor state performance of electricity supply in the state is one of the significance factors militating against the performance of Small and Medium Scale Enterprises.

The quality and quantity of electricity supply determine its ability to create competitive enterprise, since the performance of Small and Medium Scale Enterprises in any state is greatly influenced by the electricity supply. An over view of the performance of the Small and Medium Scale Enterprises in Nigeria shows that the impact of the sector accounted for about 80 percent of the total industries employment in Nigeria, and contribute 15-20 percent of total Manufacturing output (Osuala, 2014). Power (Electricity) supply remained unreliable and power outage is the order of the day, load shedding and rationing have become very frequent. Electricity supply had been erratic and unreliable that makes many businessmen to purchase private generator at all cost. The substantial investment in private generating plants is estimated to be of capacity of over 250mm, which is almost half of power holding company of Nigeria (PHCN) available capacity (Adeyemo, Olomola, Opeyemi, 2013). Despite the above aforementioned, no study has been conducted to the best of our knowledge to investigate the impact of electricity supply on the performance of small and medium scale enterprises in Nigeria. This study is therefore aimed at filling this gap in the literature by investigating the impact of public electricity supply on the performance of small and medium scale enterprise in Nigeria (a study of selected firms in Nnewi North L.G.A.

1.2 Objective of the Study

The general purpose of this study was to investigate the impact of public electricity supply on the performance of small and medium scale enterprise in Nigeria (a study of selected firms in Nnewi North L.G.A. Specifically, the study sought to:

1. Determine the effect of electricity supply on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state.
2. Ascertain the effect of alternative electricity supply on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state.

1.3 Research Hypotheses

The following null hypotheses were formulated that guide the objectives of the study and strengthen the analysis:

Ho₁ Electricity supply has no significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state.

Ho₂ Alternative electricity supply has no significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state.

REVIEW OF RELATED LITERATURE

2.1 Theoretical Framework

Gerschenkron (1962) theory states that the great spurt industrialization could take place if 5 pre-requisites are fulfilled. Among which he emphasized that there should be provision for material social overhead capitals. Gerchenkron (1962) categorized countries into three groups on the basis of the degree of economic backwardness: the advance, the moderately backward, and the very backward. For a great spurt of industrialization, he noted that the advanced nations start their first stage of development with the factory (or private firm) while the extreme backward start with governments. But it should not be inferred from this that industrialization is dependent upon the creation of these preconditions. In fact, one precondition can be substituted by another precondition; further preconditions can always be created even during the course of industrialization. Gerschenkron, (1962) supported his view by citing the example of England where capital was a supplement to the early factories in England from previously accumulated wealth or from gradually investing back of profits. Extremely backward countries which could not have these preconditions for industrialization were compensated by the actions of banks and governments.

For a great spur in industrialization, Gerschenkron (1962) emphasized the adoption of capital intensive techniques. According to him, in an extremely backward country, there would be a very big technological gap between its techniques of production and those of developed countries. It can, therefore, be industrialized by adopting the most advanced capital-intensive techniques of other countries for two reasons: first, such techniques help the establishment of import substitution industries, thereby reducing foreign competition. Secondly, backward economies have shortage of skilled labour; they use capital intensive and labour saving techniques. The more backward an economy is, the greater is the degree of capital intensiveness of industrialization. Gerschenkron (1962) considered the introduction of capital intensive techniques essential for economic development from historical, borrowed

technology as one of the primary factors assuring that high speed development in a backward country enables it to enter the stage of industrialization.

2.2. Empirical Review

Okoye, and Igariwey (2019) examined key arm of Renewable Energy (RE) - Solar PV (Photo-Voltaic). It presents key definitions, processes and technologies behind the Solar PV power generation process. The literature is clarified in such a way as to ensure a primary understanding of the concept and its processes for anyone willing to key into Solar PV as a clean alternative to electricity power generation. With further deepening of knowledge around this area, acceptability and patronage of Solar PV can be enhanced especially within the country Nigeria, leading to a spiral effect with beneficial implications for competitive/cheaper energy prices, reduced air pollution, improved urban-rural energy accessibility, and reduced global warming and climate change environmental effects. This paper posits that the acquisition of basic knowledge and understanding of the concept is critical, and would influence buy-in and patronage. Ultimately, the prospect of a paradigm shift away from fossil power generation to renewable sources is enhanced.

Bassey and Imoh (2021) analyzed the effect of electricity supply on the performance of small and medium-scale enterprises in Calabar South and Calabar Municipality, using small and medium scale businessmen and women as well as power holding company staff. The objectives of this study to analyze the comparative study of the effect of electricity supply on the performance of small and medium-scale enterprises in Calabar South and Calabar Municipality. The survey research design was adopted and a twelve (12) item structured questionnaire was used to obtain a sample size of 248 small and medium scale business owners and power holding staff randomly selected from the population. The results of the study revealed that there is a significant effect of electricity supply on the performance of small and medium-scale enterprises in Calabar South and Calabar Municipality. The results further revealed that insufficient electricity supply significantly affect the performance of small and medium-scale enterprises in Calabar South and Calabar Municipality. The study concludes that there are enormous difficulties being experienced by businesses in Cross River State and other parts of Nigeria due to inadequate and unreliable electric power supply. Thus an inadequate and unreliable supply of electricity imposes costs and therefore constrained firms' operational performance as firms suffer high overhead cost due to the deficient electricity supply from the national grid. The study recommends that the Nigerian government needs to consider the issue of power supply reliability very seriously by facilitating both private and public investment in electricity infrastructure.

Akinyemi, et al (2021) examined the impact of electricity on the performance of SMEs in Ado-Odo, Ota LGA, Ogun State. Consequently, the questionnaires were administered to the respondents using the method of purposive sampling. The data was analyzed using Statistical Package for Social Science (SPSS), variance analysis (ANOVA) and Correlations and Ordinary Least Squares (OLS) techniques. A total of 120 questionnaires were distributed, of which 90 were compiled and analyzed. The findings showed that there is significant impact of electricity supply on the performance of SMEs in Ado-Odo Ota Area, in Ogun State. Also, alternative power sources have significant impact on performance of SME in Ado-Odo Ota Area, in Ogun State.

Abubakar and Olusegun (2019) examined the effect of controlling firm characteristics in the energy-business growth relationships. Consistent with this objective, the paper posit that electricity supply is significantly related to SMEs growth in Nigeria. The study found that, relationship exists between SMEs growth, electricity supply and firm characteristics (firm age, size and leverage). Specifically, the relationship is positively strong between SMEs

growth, electricity supply and firm age whereas both firm size and leverage had a similar less relationships. On the basis of these empirical findings, the paper recommends that there is an urgent need to improve electricity supply to SMEs in order to accelerate the growth of enterprises and by extension the economy.

Obi, Christopher and Ahiakwo (2019) examined the use of renewable energy. Nigeria has a daily horizontal solar radiation ranging from 6.7kwh/m²/day to 4.42 kwh/m²/day during the month of August. Rivers State University, Port-Harcourt is strategically positioned within the Latitude of 4.4638N and Longitude of 7.0482E which means that it has sunshine all year round considering the Faculty of Management Science as a focal point. The Total Load of the Faculty of Management Science was accessed to be 354,473 Kilo-Watts, and the alternative Power Source was considered based on the required Load of the Faculty, The results obtained using Microsoft excel and PVsyst V6.55 software indicates that the comparative analysis between the 400KW solar panels and batteries, PHED and the 500KVA generator set, for duration of 25 years. Generator set and solar system has N210,595,420.00, PHED and solar system has N503,111,815.39, Generator set and PHED has N292,518,395.10.

Nyanzu and Adarkwah (2018) analyzed the effect of power supply on the performance of SMEs: a comparative analysis between two regions in Ghana where Small and Medium firms are located. The study uses the current World Bank 2013 Enterprise Survey on Ghana with 403 sampled firms. The study employs chi-square and t-test to do pattern analysis. In addition, ordinary regression analysis (OLS) was employed to regress firm performance variable on electricity supply variable and other covariates. The results show that the power outages affected firm's performance (profitability). In addition, it was further realized that power outages (power interruptions) severely affected SMEs located in the Northern part of Ghana than SMEs located elsewhere.

Kharlamova, Khalyasmaa, and Eroshenko (2017) addressed the problem of alternative power supply of remote industrial clusters with renewable electric energy generation. As a result of different technologies comparison, consideration is given to wind energy application. The authors present a methodology of mean expected wind generation output calculation, based on Weibull distribution, which provides an effective express-tool for preliminary assessment of required installed generation capacity. The case study is based on real data including database of meteorological information, relief characteristics, power system topology etc. Wind generation feasibility estimation for a specific territory is followed by power flow calculations using Monte Carlo methodology. Finally, the paper provides a set of recommendations to ensure safe and reliable power supply for the final customers and, subsequently, to provide sustainable development of the regions, located far from megalopolises and industrial centers.

Modi and Adamu (2016) investigated the impact of power (electricity) supply on the performance of small and medium scale enterprises in Mubi. Primary data were used and the data were generated through questionnaire. The questionnaires were coded and the variables used are the monthly turnover of small and medium scale enterprises in Mubi, KV supplied to SMEs by the power distribution company in Mubi, number of employees, tax, wages and salaries, years of business and the expenditure on alternative power supply. Monthly turnover was used as a proxy to performance while KV was used to proxy power supply. The study employed descriptive analysis, correlation analysis as well as the regression analysis. The results of the analyses revealed that power supply and the performance of small and medium scale enterprises are negatively correlated. However, the regression result showed that power

electricity supply has a positive impact on the performance of small and medium scale enterprises in Mubi.

Ugwoke, Dike and Elekwa (2016) examined the impact of electricity supply on industrial output in Nigeria. Data for the period 1980 to 2014 were obtained from CBN and WDI and analyzed using a double-log linear formulation. The results show that electricity supply and trade openness impact industrial production negatively in Nigeria. They were also not statistically significant. It was recommended that, having failed to provide electricity even for the present level of industrial production, government should immediately provide tax relief for all privately generated power for industrial output. Doing so will not erode the gains of petroleum products subsidy removal but will improve the macro economy by effectively checking the excessive production cost which hinders industrial progress in Nigeria.

RESEARCH METHODOLOGY

3.1 Research Design

The study adopted a descriptive research design which helps in obtaining first hand data from the respondents which will enable sound empirical analysis.

3.2 Sources of Data Collection

The primary source of data was used in this study because of the variables that were used in the study. Questionnaires were used to collect data from the staffs and management of the firms selected for this study.

3.3 Population of the Study

The target population for this study comprises of the entire management and staffs of the selected businesses in Anambra state. The population for the study is the 213 small and medium scale enterprise firms in Anambra state. The population of the staff is 10554

3.4 Sample size determination

According to Kerlinger (1973) simple random sampling is the method of drawing a portion of population or universe so that each member of the population has an equal chance of being selected. The population size of the study is ten thousand, five hundred and fifty-four (10554) students.

For the fact that it is practically impossible to conveniently handle all the respondents of the selected businesses in Anambra state, the researcher applied the statistical formula devised by Taro Yamane (1964), which states:

$$n = \frac{N}{1+N(e)^2}$$

Where

n= Sample size of the study

N = Population

1 = Constant value

e = Error margin assumed to be (5%)

Applying this formula, we have

$$n = \frac{N}{1+N(e)^2}$$

$$n = \frac{10554}{1+10554 (5\%)^2}$$

$$n = \frac{10554}{1+10554 (0.0025)}$$

$$n = \frac{10554}{1+26.385}$$

$$n = \frac{10554}{27.385}$$

Sample size = 385.3934

Approx 385

3.5 Method of Data Analysis

Statistics such as frequency count and percentages were used in the analysis of personal characteristics while research hypotheses were tested using Simple Regression Analysis (SRA). The research hypotheses were tested at 0.05 level of significance. Analysis was carried out with the aid of Statistical package for social sciences (SPSS).

DATA PRESENTATION AND ANALYSIS

The data gathered from the distributed questionnaire were presented in tables of frequency and percentages as well as that multiple regression and descriptive statistics. A total of 385 copies of questionnaire were distributed to respondents across the selected institution. Out of this number, 375 were returned while the remaining 24 were missing, giving a total of 98% return rate of the copies of questionnaire distributed. However the returned questionnaire are used for the analysis.

4.1 Demographic characteristics of Respondent

4.1.1 SEX

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid MALE	271	71.3	72.4	72.4
FEMALE	104	27.2	27.6	100.0
Total	375	98.4	100.0	

Source: SPSS Version 21, 2023

The above table reveals that the two hundred and seventy-one (271) of the respondents which represents 72.4% were male respondents, while one hundred and four (104) respondents which represent 27.2% were female respondents. By implication, male respondents were more than female respondents by 44.8% in our selected population sample for this study. The implication of this is to enable us to know the number of female and male that successfully returned their questionnaire.

4.1.2 CATEGORY OF RESPONDENTS

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid SENIOR STAFF	246	64.8	65.8	65.8
JUNIOR STAFF	129	33.7	34.2	100.0
Total	375	98.4	100.0	

Source: SPSS Version 21, 2023

The above table reveals that the two hundred and forty-six (246) of the respondents which represents 65.8% were senior staffs, while one hundred and twenty-nine (129) respondents which represent 34.2% were junior staffs. By implication, senior staffs were more than junior staffs in our selected population sample for this study. The implication of this is to enable us to know the category of the respondents that successfully returned their questionnaires.

4.1.3 EDUCATION QUALIFICATION OF THE RESPONDENTS

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid OND/NCE	172	45.4	46.2	46.2
B.SC/HND	165	43.6	44.3	90.5
MSC/MBA	13	3.4	3.4	93.9
PHD	17	4.4	4.5	98.4
OTHERS	6	1.6	1.6	100.0
Total	375	98.4	100.0	

Source: SPSS Version 21, 2023

In the table above, out of the three hundred and seventy-five (375) respondents, one hundred and seventy-two (172) of the respondents are OND/NCE holders. While one hundred and sixty-seven (167) respondents which represent 44.3 percent are BSC/HND holders. Thirteen respondents (13) which represent 3.4 are MSC/MBA holders, while seventeen (17) which represents 4.5 are PHD holders. Lastly, six (6) which represents 1.6 answered others.

4.1.4 AGE BRACKET OF THE RESPONDENTS

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-25 YEARS	68	17.8	18.0	18.0
26-35 YEARS	125	33.2	33.7	51.7
36-45 YEARS	152	39.7	40.3	92.0
46-ABOVE	30	7.8	8.0	100.0
Total	375	98.4	100.0	

Source: SPSS Version 21, 2023

The table above shows that respondents whose age bracket falls between 18-25 yrs were sixty-eight (68) which represent 18 percent. This is followed by those with age bracket of 26-35 years with one hundred and twenty-five (125) which represents 33.7%. Also those within age bracket of 36-45yrs were one hundred and fifty-two (152) which represents 40.3%. Lastly, those with age bracket of 46-above with thirty respondents which represent 8%. The implication of this age distribution is to enable us to check if the questionnaire was directed to the right age group

4.1.5 WORK EXPERIENCE OF THE RESPONDENTS

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid BELOW 5 YEARS	150	39.9	40.6	40.6
6-10	191	49.9	50.7	91.2
11-20 YEARS	17	4.4	4.5	95.8
21 YERAS AND ABOVE	16	4.2	4.2	100.0
Total	375	98.4	100.0	

Source: SPSS Version 21, 2023

The table above shows that one hundred and fifty (150) respondents which represent 40.6 percent have work experience below five years; one hundred and ninety-one (191) which represent 50.7% have work experience of 6-10yrs. Again, seventeen respondents (17) which represent 4.5% have work experience of 11-20yrs. Lastly, sixteen respondents (16) which represent 4.2% have work experience of 21yrs-above.

4.2 Hypotheses Testing

Hypothesis One

Ho₁ Electricity supply has no significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state.

Table 4.3.1 ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	6.911	2	1.382	7.613	.000 ^b
Residual	80.589	373	3.358		
Total	87.500	375			

Source: SPSS, Version, 20 2023

However, from the Anova table above, it was observed that the probability value of hypothesis one is less than 0.05% level of significance (0.000), as a result null hypothesis will be rejected and alternative is accepted, meanwhile Electricity supply has significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state

Hypothesis Two

Ho₂ Alternative electricity supply has no significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state.

Table 4.3.2 ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	22.507	2	4.501	6.952	.002 ^b
Residual	64.993	373	2.708		
Total	87.500	375			

Source: SPSS, Version, 20 2023

However, from the Anova table above, it was observed that the probability value of hypothesis two is less than 0.05% level of significance (0.002), as a result null hypothesis will be rejected and alternative accepted, meanwhile, Alternative electricity supply has significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state.

SUMMARY CONCLUSION AND RECOMMENDATION

5.1 Summary of the Findings

In the literature, most studied on Nigeria have tried to explain the impact of public electricity supply on the performance of small and medium scale enterprise in Nigeria. No study has been conducted as it concerns to firms in Nnewi North L.G.A. Three objectives and three research hypotheses were raised and tested in this study at 0.50% level of significance. The data collected through questionnaire were analyses using ANOVA method. The following findings emerged:

- i. Electricity supply has significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state

- ii. Alternative electricity supply has significant impact on the performance of small and medium scale enterprise in Nnewi North L.G.A. Anambra state.

5.2 Conclusion

In a country like Nigeria where majority of youths are unemployed, it is expected that availability of electricity will encourage the establishment of many small and medium scale businesses. Constant or stable power supply will ensure good return on investment. Hence, this study is timely in investigating the impact of power supply on the performance of small and medium scale enterprises in Nnewi North L.G.A. Anambra state. Although the ANOVA result shows a positive relationship between power supply and the performance of small and medium scale enterprises in Nnewi North L.G.A. Anambra state. There is evidence from the percentage table that power supply has a positive impact on the performance of small and medium scale enterprises in Nnewi North L.G.A. Anambra state.

5.3 Recommendation

- i. Government should provide soft loans to unemployed youths to engage in small and medium scale businesses in order to reduce unemployment and generate more tax revenue which can be used for developmental projects.
- ii. The well-to-do in Nnewi North L.G.A. Anambra state community should make funds available to the needy potential business men and women so as to supplement government effort in reducing unemployment.

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