

# Infrastructural Deficit and Small-Scale Business Performance in South-South, Nigeria

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Abstract: Inadequate or infrastructure deficit have been identified as one of the factors working against the performance of small businesses in Nigeria. The performance of small businesses experienced set back in the sector as a result of decay, inadequate infrastructural facilities or deplorable conditions of the available once and it has posed formidable obstacles to the performance of small businesses. This study investigated the relationship between infrastructural deficit and small-scale business performance in South-South Nigeria. The study adopted a survey design, the study population is 806, and sample size of 267. Simple random, and stratified sampling techniques were employed to select the respondents. And inferential statistics were employed, and Pearson Product Moment Correlation technique was used at 0.01 level of significance with the aid of SPSS. Our findings revealed that there is a negative, strong and significant relationship between dimension of infrastructural deficit and small-scale business performance in South-South Nigeria. The study specifically revealed that infrastructural deficit correlate negatively and significantly with Small Scale Business performance in South-South Nigeria. The study arrives at the fact that infrastructural deficit has a negative impact on the performance of small-scale business in south-south Nigeria. The researcher recommendations were as follows. There is an urgent need for an upgrade in road network to reduce the problem of transportation in South-South Nigeria so that the gain of small businesses to the nation and the society will be achieved. There should be regular supply of electricity to the people so that the small businesses operating within the area will not need to generate their own power supply which in return will reduce the profit of the business and the final consumer will also pay more. The communication industry operating in the South-South Nigeria should endeavor to make sure that they provide adequate service so that communication will be smooth and effective for the conduct of business among the people.

*Keywords*: infrastructural deficit, small business performance, power supply, communication.

# 1. Introduction

No nation can achieve any meaningful development without adequate infrastructure. National development in Nigeria is predicated on adequate modern infrastructure. But, the situation in Nigeria seemed to be that of an infrastructure deficit. The importance of infrastructure to the development of any nation cannot be overemphasized. Any nation that desires genuine development both economically and socially must invest in infrastructure. Investment especially in infrastructure is capitalintensive, and it requires enormous investment because of its importance in pivoting economic growth and development. Lack of investment in infrastructure will resultantly lead to an infrastructural deficit with great consequences for small scale business owners who cannot provide this infrastructure as a result of low capital.

The state of Infrastructure in Nigeria is highly discouraging for new business owners and investors because of the high cost of this infrastructure, electricity supply is inadequate and unstable, condition of our roads is highly terrible, water also too is also not reliable, and telecommunication system, which is what makes any business to achieve success is not efficient. Infrastructural facilities are neither inadequate nor present and functional; with this the environment cannot inspire and guarantee improvement for small businesses which undoubtedly resulted in low and negative performance of the small businesses because of high cost of operating and the uncertainty of the investment climate.

These infrastructure deficits have been identified as one of the factors working against the performance of small businesses in Nigeria. The performance of small businesses experience set back in the sector as a result of decay, inadequate infrastructural facilities or deplorable conditions of the available once and it has posed formidable obstacle to the performance of small businesses. Poor telecommunication service, poor road network and water supply constitutes the major constraints that small businesses face in Nigeria.

For instant, the issue of electricity is highly challenging and heartbreaking to owners of small-scale businesses in Nigeria. The problem of power supply has brought a set back to the business environment. In Nigeria, most small businesses have close or fold-up which means their operate cost is very high and they can no longer operate as a result of inadequate and unguaranteed supply of electricity in the country. There is no doubt that this has eventually triggered the folding up of most small businesses in Nigeria since they cannot compete in the market anymore (Omotola, 2008).

The performance of Small-Scale Business experience set back in the sector as a result of decay, inadequate infrastructural facilities or deplorable conditions of the available once and it has posed formidable obstacle to the performance of Small-Scale Business experience and hence call for urgent attention by the government.

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Despite the government's various efforts to bridge infrastructure gaps, the journey seems prolonged with recurring rural-urban migration and an increase in annual population growth that further strains existing facilities. Infrastructure is one of the most critical factors for economic development because it interacts with the economy through the production processes which will have a great impact on the production and performance of small businesses in terms of output, income, and profits in the economy (Adenikinju 2005; Kessides 1993). The researcher therefore seeks to examine the relationship between infrastructural deficit and small business performance in south-south Nigeria.

## A. Conceptual Framework

The two key variables are infrastructure deficit and Small Scare business and how they relate, gave rise to the conceptual framework of this study. That is to say, these variables and the relationships implied in this paper therefore constitute the operational framework as shown in fig. 1.

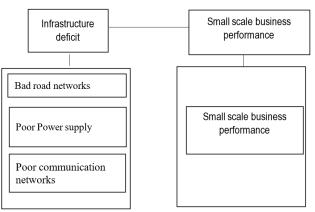


Fig. 1. The relationship between infrastructure deficit and small scare business (Source: Desk research 2024)

# B. The purpose of the study

The purpose of this study therefore is to determine the following.

- 1. To determine the effect of bad road networks on small scale business.
- 2. To determine the effect of power on small scale business.
- 3. To determine the effect of communication on small scale business.

# C. Research Questions

This study will be guided by the following research questions:

- 1. To what extent bad road networks affect small scale business?
- 2. To what extent does poor power supply affect small scale business?
- 3. To what extent does poor communication networks affect small scale business?

## D. Research Hypothesis

From the research questions raised for the study, we further hypothesize as follows:

 $H_{o1}$ : There is no significant relationship between bad road networks and small-scale business

 $H_{\text{o2}}$ : There is no significant relationship between poor power supply and small-scale business

 $H_{o3}$ : There is no significant relationship between poor communication networks and small-scale business

## 2. Literature Review

## 1) Infrastructure

Infrastructure implies, "the basic physical and organizational structures and facilities (e.g., buildings, roads, power supplies, irrigation networks, extension services, warehouses, and storage facilities) needed for the operation of a business in the society" (Maganya, M. H. 2020). In same vein, infrastructure are those forms of physical, social, human and institutional capital, which enhances rural dwellers better performance in the aspect of production, processing and distribution activities, as well as improving their overall quality of life (Wadike, C. G., et al 2022). Based on the above definitions, provision of infrastructure (whether rural or urban based) capital intensive and vital to a country's economic development and prosperity.

Infrastructural development in Nigeria is mostly felt in the urban areas, while the rural areas suffer serious neglect. In Nigeria, it is evident that the rural areas, which produce the bulk of the food consumed in the country, suffer ageing farming population (Memon, J. A., & El Bilali, H. 2020); Ayinde et al., 2012; Deloitte, 2021, Arslan, 2019, Edeme R. K., et al 2020).

Osman and Afrah (2017) noted that infrastructure is the essential equipment, such as roads and bridges, among others that are required for a nation, region or organization to function effectively. Infrastructure contributes significantly to economic development, increasing productivity and providing services that could improve life quality of the people. The services rendered as a result of adequate infrastructure development translate into increasing aggregate production such as growing farmers' output through improved roads, construction of maritime ports, rail connections, electrical generation, transmission and water and irrigation projects for farming and construction in the country (Akinyosoye, 2010). Arinaitwe (2006) established the need inherent in the infrastructure development and sustainable urban growth in Lagos Nigeria. In essence, Nigeria's economy requires massive infrastructure development, among them is farm settlements facilities development across the nation

According to Arinaitwe (2006) small business enterprises are faced with the problems of lack of technological knowhow, lack of managerial skills, lack of adequate legislature to protect small business enterprise against the competitions from multinational and imported goods and lack of finance or difficult in obtaining soft loan. Credit policies in Nigeria have also tended to discriminate against small scale enterprises; consequently, most of these enterprises have been forced to obtain funds from family members or from micro credit markets which interest rates are very high and often injurious.

Some of the scholars has defined infrastructure as a set of interconnected structural elements such as roads, bridges, water supply, sewers electrical gadgets and telecommunication that provides the framework for economic growth and development. (Abdullateef, A. & Taiwo, G. 2023, Adesina, T., et al 2021) According to Hassan and Nor (2017), infrastructure is the basic physical and organizational equipment such as roads and bridges that are needed for the operation of a society or enterprise. Infrastructure implies the component of hard form of infrastructure includes electricity and transportation (road, rail, ocean and air) (jimotokan, O. 2023). The three definitions above emphasized the physical and tangible aspects of infrastructure that are needed for human existence and economic growth and development. They constitute the necessities of life and without them, economic activities will be near impossible. Amata, D. (2022) Transportation is required for the movement of goods and humans. Without transportation, human mobility and the movement of goods from one place to the other will be very difficult or impossible. Power is also very crucial for human survival and economic activities. Ayitogo, N. (2022). The various means of transportation (i.e. vehicles, rail, vessels and aero plane) require power to make them functional. Power is also used to provide illumination for houses, buildings, means of transportation, machines and electrical. (Akhaine, S., et al 2022).

Ekpo and Bassey (2016) stressed power supply is grossly inadequate to meet the Nigerian needs which give rise to use of small generators to power small businesses resulting in high overhead cost. Similarly, Alarape (2014) stated frequent power outages as one of the challenges negating the success of small businesses in Nigeria, while Faloye (2014) found power outages as the barrier to small businesses adoption of ecommerce in Nigeria.

## B. Statement of the Problem

While small business is being acknowledged for its development contribution, it still faces many obstacles that limit their long-term survival and development. Research on small-business development has shown that the rate of failure in developing countries is higher than in the developed world (Okpara & Wynn 2007).

Opara (2011) identified six key challenges facing small businesses in Nigeria: low demand for products and services, poor and insufficient infrastructure in the economy, corruption, low profit, incompetence in business management, and lack of support from government and financial institutions. Small businesses are also open to risk from fraudsters.

Hess and Cottrell (2016) discussed in their theoretical study financial strain, lack of expertise, rapid growth rate, and lack of necessary resources were the factors which opened a small business to an attack by fraudsters. Hess and Cottrell asserted small business owners must focus on ways to protect themselves from the risk of fraudsters.

Ekpo and Bassey (2016) stressed power supply is grossly inadequate to meet the Nigerian needs which give rise to use of small generators to power small businesses resulting in high overhead cost. Similarly, Alarape (2014) stated frequent power outages as one of the challenges negating the success of small businesses in Nigeria, while Faloye (2014) found power outages as the barrier to small businesses adoption of ecommerce in Nigeria.

Despite all these challenges listed above, the small-scale business has not stop contributing to development of the economy. According to Ford (2004) small business enterprises create most employment, provide a greater degree of economic stability and very often contribute the lion's share of GDP in industrialized economy. Most Africans may be employed by micro or small-scale businesses but most GDP is generated by the large-scale export orientated extraction and agricultural companies. It is based on these the researcher seeks to the relationship between infrastructural deficit and small-scale business performance in South-South Nigeria.

## 3. Methodology

#### A. Research Design

The preferred research design in this study is the survey design. Since our subjects and variables have already occurred or are on-going, it will be appropriate to use the survey design. The validity and reliability tests of the data collection instruments (questionnaire) were done to respectively ascertain the relevance and consistency.

A reliability of 0.887 was obtained using Chronbach's alpha test score with the aid of Statistical Package for Social Science (SPSS) software package. Chronbach's alpha test score is often referred to as the coefficient of reliability or consistency and assesses the degree to which responses to the items on a measure are similar, hence it is an indicator of internal consistency of a measure. Likert 5-point scale measure with indicants ranging from Very Great Extent to Very Low Extent was used to aid the major research variables operationalization. Pearson's Product Moment Correlation Statistical technique at 0.05 level of significance was employed in the tests of the posited hypotheses with the aid of SPSS, for the purposes of determining the influence of the predictor variables on the criterion variables.

## B. Population and Sampling

A population is defined as a whole set of entities that decisions relate to and from which a sample is drawn from. Therefore, a target population must have similar characteristics. That is, it must be homogeneous. The sample size is normally a fraction of the target population derived in such a manner that it is representative of the whole population. The main features of the population are that members comprise of employees at top, middle and lower levels of management who are typically involved in decision making at each organization.

The population of this study are the small business operating in the six state of south/south Nigeria. The researcher adopt a simple random sampling technique. Our sample size were those small business owners who have been operating in the past 5 years in Rivers State, Akwa Ibom, Bayelsa, Edo, Delta, and Cross River. The breakdown is found in the table 1.

Table 1 Population		
States	No. of Staff	Remarks
Rivers State	200	200
Akwa Ibom State	150	150
Bayelsa State	100	100
Edo State	105	105
Delta State	145	145
Cross Rivers State	106	106
Total	806	806
Source: Desk Research, 2024		

# Sample Size Determination:

So, to determine the sample size, we used Taro Yemen's formula.

The formula for determining the sample size is as follows:

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

Where

n = sample size sought

 $e = level of significance (0.05)^2$ 

N = population size

		806	
	1	$+806(0.05)^2$	
		806	
	1-	+ 806(0.0025)	
		806	
		1+2.005	
		806	
		3.005	
		267	
		Table 2	
	Relia	bility test results	
S.No.	Variables	No. of Items	Cronbach's Alpha Results
1	Infrastructural deficit	7	.892
2	Small scale businesses	8	.921

 Small scale businesses
 8
 .921

 Source: Desk Research 2024 and SPSS Window Output, Version 20.0

Table 2 revealed that results of the Cronbach's Alpha test of reliability, using SPSS software package version 20.0. The results showed coefficient that are higher than 0.70, which is the acceptable. As a result, it therefore indicates that there is a high level of reliability of our research instrument which is an early signal that we have high level of reliability and consequent correlation amongst the study variables.

#### 4. Data Presentation and Analysis

# A. Presentation of Study Demographics

The demographic variables of the present study include; years of company in operation, age, marital status, level of

education and managerial level in the organization.

Table 3			
Years of Compar	ny's Operation		
Category	Frequency		
1-9 years	50		
10 – 19 years	47		
20 - 29 years	56		
30 - 39 years	64		
40 and above	50		
Total	Total 267		
Source: Desk Research, 2024			

As illustrated in table 3 above, 50 of the respondents remarked that their company had been in operation for between 1-9 years, 47 favored 10-19 years, 56 favored 20-29 years, 64 favored 30-39 years, while 50 of the respondents opined that their company has been in operation for over 40 years.

Table 4		
Sex of respondents		
Category	Frequency	
Male	187	
Female	80	
Total	267	
Source: Desk Research, 2024		

The illustration in table 4 above reveals that the male respondent is 74.2%, female 25.8% of the total respondents. This shows that a greater number of men participated and made up the respondents group for this study compared to their female counterparts.

Table 5 Age of respondents	
Category	Frequency
Below 25 years	33
25 - 30 years	43
31 - 35 years	75
36 – 40 years	63
Above 40 years	53
Total	267
Source: Desk Research, 2024	

Above reveals that, 36-40 years age category constituted the age category of most of the respondents accounting for 39.8% of the total respondents; this is followed by the 31-35 years category which accounted for 28.0%, and then the 25-30 years category which accounted for 16.1%, then the above 40 years category which accounted for 12.9% of total respondents. The respondents that constituted the below 25 years category accounted for only 3.2% of total responses.

Table 6 Level of education	
Category	Frequency
WASC/GCE	100
OND/NCE	50
BSc/HND	57
Masters	50
Total	267
	1 2024

Source: Desk Research, 2024

No.	Companies	Copies distributed	<b>Copies Retrieved</b>	<b>Copies not Retrieved</b>	Copies not Useful
1	Rivers	73	70	3	0
2	Akwa Ibom	60	56	2	1
3	Delta	50	49	1	1
4	Edo	45	40	3	2
5	Cross River	20	20	0	0
6	Bayelsa	11	10	1	1
	Total	267	245	9	5

Table 7	
Questionnaire administration and retrieval	

Source: Survey Data, 2024

# B. Computing Pearson Product Moment Correlation Coefficient and Test of Hypotheses

To determine the relationships that exist between these variables, the study formulated the following hypotheses:

H<sub>ol</sub>: There is no significant relationship between bad road networks and small-scale business.

Computing Pearson Product Moment Correlation Coefficient Between Bad Road Networks (X) And (Y) Small Scale Business in South-South, Nigeria

The stated hypotheses are as follows:

 $H_{02}$ :  $\rho_s = 0$ : There is no significant correlation between bad road networks and small-scale business in south-south, Nigeria

H<sub>i2</sub>:  $\rho_s \neq 0$ : There is a significant correlation between bad road networks and small-scale business in south-south, Nigeria

Correlations	

bad road

small

		networks	scale
			business
	Pearson Correlation	1	615**
Infrastructure	Sig. (2-tailed)		.000
	Ν	267	267
	Pearson Correlation	615**	1
Small scale business	Sig. (2-tailed)	.000	
	Ν	267	267

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS ver. 20 Output window

From the SPSS output window, the correlation coefficient of the variables x and y is -0.615.

## Interpretation:

This negative large value of r = 0.615 says that there is a strong negative correlation between bad road networks (x) and (y) in small scale business in south-south, Nigeria.

Because of the negative value of r direction is said to be opposite: That is, as one increases, the other decreases.

Though, the p-value = 0.000 and less than the level of significance,  $\alpha$  (= 0.05), the study still rejects the alternate hypothesis and accepts the null hypothesis and conclude that:

H<sub>02</sub>:  $\rho_s = 0$ : There is no significant correlation between bad road networks and small-scale business in south-south, Nigeria

 $H_{02}$ : There is no significant relationship between power and small-scale business

Computing Pearson Product Moment Correlation Coefficient Between Infrastructural (X) And (Y) Small Scale Business in South-South, Nigeria

The stated hypotheses are as follows:

H<sub>02</sub>:  $\rho_s = 0$ : There is no significant correlation between poor

power supply and small-scale business in south-south, Nigeria

H<sub>i2</sub>:  $\rho_s \neq 0$ : There is a significant correlation between poor power supply and small-scale business in south-south, Nigeria

	Correlations		
		poor power supply	small scale business
	Pearson Correlation	1	667**
Poor power supply	Sig. (2-tailed)		.000
	Ν	267	267
	Pearson Correlation	667**	1
Small scale business	Sig. (2-tailed)	.000	
	Ν	267	267

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS ver. 20 Output window

From the SPSS output window, the correlation coefficient of the variables x and y is -0.667.

## Interpretation:

This negative large value of r = 0.667 says that there is a strong negative correlation between poor power supply (x) and (y) in small scale business in south-south, Nigeria.

Because of the negative value of r direction is said to be opposite: That is, as one increases, the other decreases.

Though, the p-value = 0.000 and less than the level of significance,  $\alpha$  (= 0.05), the study still rejects the alternate hypothesis and accepts the null hypothesis and conclude that:

 $H_{02}$ :  $\rho_s = 0$ : There is no significant correlation between poor power supply and small-scale business in south-south, Nigeria

H<sub>o3:</sub> There is no significant relationship between communication and small-scale business

Computing Pearson Product Moment Correlation Coefficient Between Poor Communication Networks (X) And (Y) Small Scale Business in South-South, Nigeria

The stated hypotheses are as follows:

 $H_{02}$ :  $\rho_s = 0$ : There is no significant correlation between poor communication networks and small-scale business in southsouth, Nigeria

H<sub>i2</sub>:  $\rho_s \neq 0$ : There is a significant correlation between poor communication networks and small-scale business in southsouth, Nigeria

Corre	lation

poor		poor	small
		communicatio	scale
		n networks	business
Infrastructural deficit	Pearson Correlation	1	189**
	Sig. (2-tailed)		.000
	Ν	267	267
Poor communication networks	Pearson Correlation	189**	1
	Sig. (2-tailed)	.000	
	Ν	267	267

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS ver. 20 Output window

From the SPSS output window, the correlation coefficient of the variables x and y is -0.667.

Interpretation:

This negative large value of r (= 0.667) says that there is a strong negative correlation between poor communication network s (x) and (y) in small scale business in south-south, Nigeria.

Because of the negative value of r direction is said to be opposite: That is, as one increases, the other decreases.

Though, the p-value = 0.000 and less than the level of significance,  $\alpha$  (= 0.05), the study still rejects the alternate hypothesis and accepts the null hypothesis and conclude that:

 $H_{02}$ :  $\rho_s = 0$ : There is no significant correlation between poor communication networks and small-scale business in south-south, Nigeria

Summary of Computing Pearson Product Moment Correlation Coefficient

The table 8 shows the results of the test of hypothesized statements,  $Ho_1$ ,  $Ho_2$  and  $Ho_3$ . The results of the hypotheses tested show strong negative/very weak relationships.

When testing on the relationships between the deficit in transportation as a dimension of infrastructural and small-scale business in south – south Nigeria. The result of  $H_{01}$ shows that the rho outcome is–0. 615@ p0.000 <0.01, meaning that a strong negative relationship exists between the examined variables and it is also significant. This implies that the alternate hypothesis 1 ( $H_{i1}$ ) is rejected and null hypothesis 1 ( $H_{01}$ ) as stated accepted.

With respect to power, the rho outcome of -0.667 @ p0.000 <0.01 reveals that there is a strong negative relationship between transportation and small-scale business and it is also significant; which means that the alternate hypothesis 2 ( $H_{i2}$ ) is rejected and null hypothesis 2 ( $H_{02}$ ) as stated accepted.

In the case of communication and small-scale business which is  $H_{03}$  the rho outcome -0.189 p0.000 < 0.0 1, it shows very weak negative and significant relationship among the examined variables. The alternate hypothesis 3 ( $H_{i3}$ ) is rejected and null hypothesis 3 ( $H_{03}$ ) as stated accepted. From the inferential analysis so far, it can be stated that:

Infrastructural deficit dimensions (transportation, power, and communication) have negative and significant relationship with small scale business. This simply means that the infrastructural deficit in south- south Nigeria in a major factor working against the progress and development of small-scale businesses, therefore, hindered the gain to those states in south-south Nigeria.

# 5. Discussion of Findings

 $H_{ol:}$  There is no significant relationship between transportation and small-scale business

When testing on the relationships between the deficit in transportation as a dimension of infrastructural and small-scale business in south – south Nigeria. The result of  $H_{01}$ shows that the rho outcome is–0. 615@ p0.000 <0.01, meaning that a strong negative relationship exists between the examined variables and it is also significant. This implies that the alternate hypothesis 1 ( $H_{i1}$ ) is rejected and null hypothesis 1 ( $H_{01}$ ) as stated accepted. The interpretation to this result is that deficit in transportation is affecting negatively small-scale business in south-south Nigeria.

This finding is in line with the work of Okpara (2011) where he used a subjective rating of firm growth in investigating the factors hindering the growth and survival of small firms in Nigeria. Using questionnaires, data were collected from 211 small business managers and owners in three selected commercial cities (Onitsha, Lagos, Abuja, and Aba) in Nigeria. The findings of the study revealed that poor road infrastructure increase transportation costs which erode the firms' profit (Okpara, 2011).

Nganga, et al. (2011) also conducted a study to find the relationship between infrastructure availability and firms' growth. To achieve that, perceptual data was obtained from 284 wood-based firm owners/managers who were sampled from three Districts; Nakuru, Kericho, and Uasin in the Rift valley province of Kenya. After using observation and questionnaires as the instruments for data collection, it was found that the roads accessed by wood industries are poor, leading to poor efficiency, low productivity, and poor growth of the firms.

 $H_{o2:}$  There is no significant relationship between power and small-scale business

With respect to power, the rho outcome of -0.667 @ p0.000 <0.01 reveals that there is a strong negative relationship between transportation and small-scale business and it is also significant; which means that the alternate hypothesis 2 ( $H_{i2}$ ) is rejected and null hypothesis 2 ( $H_{02}$ ) as stated accepted. This also mean that poor power supply is a problem to small scale business in South-South in Nigeria.

To find the impact of improved electricity supply on the

Table 8
Results of the dimensions of infrastructural deficit and small-scale business in south-south Nigeria

Statistics	HO <sub>1</sub>	HO <sub>2</sub>	HO <sub>3</sub>	
	Transportation	Power	Communication	
Pearson correlation	615**	667**	189**	
Sig(2-tailed)	.000	.000	.000	
N	267	267	267	

\*\* correlation is negative but significant at the 0.01 level (2-tailed)

growth of the Transmission Company of Nigeria (TCN), Famous et al. (2017) study used TCN as a case study and surveyed 400 employees of the company using questionnaires. From the perception of the employees, the study found that the quality of electricity supplied by the company and distributed to final consumers (commercial and private) has not resulted to increase in the number of customers they have, neither had it increased consumers' satisfaction

Bbaale (2018) adopted the World Bank Enterprise Survey of 26 African countries in examining the impact of infrastructure quality on the productivity of firms in Africa. The study also found that poor electricity supplies are negatively associated with the productivity of small and medium firms in Africa (Bbaale, 2018).

 $H_{o3:}$  There is no significant relationship between communication and small-scale business

In the case of communication and small-scale business which is  $H_{03}$  the rho outcome -0.189 p0.000 < 0.0 1, it shows very weak negative and significant relationship among the examined variables. The alternate hypothesis 3 ( $H_{i3}$ ) is rejected and null hypothesis 3 ( $H_{03}$ ) as stated accepted. In support of this assertion Yates (2006) summarizes the results of recent research Watson Wyatt. Watson Wyatt's latest research has found convincing evidence that the companies with highly effective internal communication practices produce superior financial results and enjoy greater organizational stability.

# 6. Conclusion

The essence of this correlational study was to empirically examine the nature and extent of relationship that exist between infrastructural deficit and small-scale business performance of some selected firm in south-south Nigerian. The findings from the analyses showed that there exist, a relationship between the dimension of infrastructural deficit and small-scale business performance in south – south. Consequent upon these findings, the researcher thus, arrived at the following conclusions.

In the test of relationship between transportation infrastructure and small-scale business performance in southsouth, the results of the univariate and bivariate analyses revealed that there is a strongly negative and significant relationship between the between transportation infrastructure and small-scale business performance in south-south. Thus, the researcher concludes that inadequate transport facility hindered the development of small-scale business performance in southsouth Nigeria.

In the statistical test of relationship between power supply and small business performance in south-south Nigeria, the result of the univariate and bivariate analyses showed that there is a strong positive and significant relationship between power supply and small-scale business performance in south-south. Therefore, the researcher concludes that, poor power supply will hinder the performance of small-scale business in southsouth, Nigeria.

In the test of association between communication network and small-scale business performance, the results of the univariate and bivariate analyses revealed that there is a strong weak and significant relationship exist between communication network and small-scale business performance. Thus, the researcher concludes that, communication slightly influenced small business performance south - south Nigeria.

# 7. Recommendations

In view of our findings in this study as they relate to infrastructural deficit and small business performance in South-South, Nigeria, the following recommendations were made by the researcher;

- There is an urgent need for an upgrade in road network to reduce the problem of transportation in South-South Nigeria so that the gain of small businesses to the nation and the society will be achieved.
- 2) There should be regular supply of electricity to the people so that the small businesses operating within the area will not need to generate their own power supply which in return will reduced the profit of the business and the final consumer will also pay more.
- 3) The communication industry operating in the South-South Nigeria should endeavor to make sure that they provide adequate service so that communication will be smooth and effective for the conduct of business among the people.

# 8. Contribution to knowledge

This paper contributes to the body of knowledge in the following ways,

- 1) Improved transportation will increased the performances of small businesses in South-South Nigeria.
- 2) This study has also reveal that poor power supply will by the power holding companies will mean that the businesses will generate their power and that will also increases the cost of goods and services rendered by those business owners.
- 3) Finally, this study has also revealed that communication is not a major factor that can hinder the performance of a business.

# 9. Suggestion for Further Studies

The present research concentrated specifically on small businesses in Nigeria. The researcher is recommending that similar research should be conducted in other forms of organizations.

Also, the researcher suggests that comparative studies that will involve the collection of cross-country data should be targeted by future research endeavors to enable us compare our present research outcome, with possible outcome in other related field in the world.

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