

ORGANIZATIONAL STRUCTURE AND PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES (SMES) IN ENUGU STATE, NIGERIA

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Abstract: The study evaluated organizational structure and performance of small and Medium Enterprises (SMEs) in Enugu state. The specific objectives were to; examine the relationship between skill variety and reduced expenses and evaluate the relationship between delegation and units of output produced by SMEs in Enugu state. The total population for the study was three thousand, one hundred and ninety-four (3194). The sample size of three hundred and forty-two (342) was drawn using Freund and William's formula at 5 percent error margin. A survey design was adopted for the study. Instrument used for data collection was the questionnaire and interviews. A total of three hundred and forty-two (342) copies of questionnaire were distributed while two hundred and seventy-eight (278) copies of questionnaire were returned. Pearson correlation coefficient(r), was used to test the hypotheses, the findings include that there was positive significant relationship between skill variety and reduced expenses of SMEs in Enugu state, $r(95, n=278) = .519 < .790, p < .05$. There was positive significant relationship between delegation and units of output produced by SMEs in Enugu state, $r(95, n=278) = .494 < .760, p < .05$. The study concluded that skill variety and delegation had positive significant relationship with reduced expenses and units of output produced by SMEs in Enugu state. The study recommended among others that Firms should focus skill variety for effective productivity and improvement in the organisation for long term success of the business.

Keywords: Organization, Structure, Skills, delegation, Reduced expenses

Introduction

1.1 Background of the Study

The structure of every organisation is what distinguishes line of communication as well as authority through which every worker report to each other. The organizational structure determines how information flows between levels within the company. Organizational structure has within it, various components that need to be properly synergised to get the desired level of productivity. For example, in a centralized structure, decisions flow from the top down, while in a decentralized structure, decision-making power is distributed among various levels of

the organization. Having an organizational structure in place allows companies to remain efficient and focused (Kenton, 2021). Organizations form the most efficient and rational social groupings in society; therefore, modern society is dependent upon organizations. Organizations exist as social tools in that they coordinate human actions. While combining personnel, resources, and materials, the organization is able to evaluate its performance and adjust accordingly in order to be successful in reaching its goals. Organizational structure holds an important role on the performance of an organization. Therefore any one managing an organization must understand the importance of structuring an organization. There are various studies associated with effects of organizational structure and organizational performance. To start with, organization, generally is a managerial function of organizing, that involve grouping of activities, establishing authority and responsibility relationship, coordinating different functional activities in pursuit of achieving overall organizational objective and goals, and delegation of authority (Eze, Bello and Adekola, 2017). The aim of organizational structure is to create an environment where there is a smooth flow of information, and where there is proper allocation of tasks and resources within the organization. An organizational structure is a system that outlines how certain activities are directed in order to achieve the goals of an organization. These activities can include rules, roles, and responsibilities.

This structuring provides a company with a visual representation of how it is shaped and how it can best move forward in achieving its goals. Organizational structures are normally illustrated in some sort of chart or diagram like a pyramid, where the most powerful members of the organization sit at the top, while those with the least amount of power are at the bottom. Not having a formal structure in place may prove difficult for certain organizations. For instance, employees may have difficulty knowing to whom they should report. That can lead to uncertainty as to who is responsible for what in the organization. Having a structure in place can help with efficiency and provide clarity for everyone at every level. That also means each and every department can be more productive, as they are likely to be more focused on energy and time, (Kenton,2021).

Performance is the measurement of actual output or result against set goals. The line managers and leaders play vital roles by accommodating employees concerns so as to maintain organization performance (Kazimoto, 2016). Performance is defined as the ability to work in terms of quality and quantity (Khan, Hafiz and Afzal, 2016). This means that the performance is a feat achieved by a person working both in quality and quantity that are served by an employee in performing their duties in accordance with the responsibilities given to him. Against this background, the study examined the organizational structure and performance of food, beverage and tobacco manufacturing firms in North central, Nigeria.

1.2 Statement of the Problem

Organizational structures help businesses make sure that all of the tasks necessary for profitable operations get assigned to the right people. They also guide employees, from staff members to executives, to understand their roles in the company, who they report to and who they oversee. Organizational structures also explain how different departments need to work with and support each other.

As efficient as organizational structure can be, it creates problems that can lead to loss of productivity and internal conflict. Some organizations have failed to understand the need for Skill variety, delegation, task allocation, coordination and creating environments that supports employee safety. Following the fact that nature abhors

vacuum, in an organization where there is no established structure in activities, anarchy might become the order of the day, and this is bad for the general productivity of the organization.

The quality of services and output level of the organization will suffer if there are poor variety of skills and lack of delegation. It will be hard to achieve success when employees continue to work in unsafe environments. In light of this, the study examined the organizational structure, and how it affects the performance of Small and Medium Enterprises (SMEs) in Enugu state.

1.3 Objectives of the Study

The main objectives of the study were to evaluate organizational structure and performance of Small and Medium Enterprises (SMEs) in Enugu state. The specific objectives were to;

- i. Examine the relationship between skill variety and reduced expenses of SMEs in Enugu state
- ii. Evaluate the relationship between delegation and units of output produced by SMEs in Enugu state.

1.4 Research Questions

The following research questions guided the study;

- i. What is the relationship between skill variety and reduced expenses of SMEs in Enugu state?
- ii. What is the relationship between delegation and units of output produced by SMEs in Enugu state?

1.5 Statement of Hypotheses

The following null hypotheses guided the study;

- i. There is no significant relationship between skill variety and reduced expenses of SMEs in Enugu state.
- ii. There is no significant relationship between delegation and units of output produced by SMEs in Enugu state

1.6 Significance of the Study

The study will be of huge significance to the management of food, beverage and tobacco manufacturing firms in, Nigeria. It will be of great help to the following

Managers: The study will highlight the importance of managers to establish pure and practical structures for their organizations.

Employees: Also, the study will help employees as the result will enable them understand the importance of organizational structures, and how to be an important member of such structure.

Researchers: Then, the study will be of huge benefit to other researchers attempting to delve into the relationship between organizational structure and productivity of manufacturing firms in Nigeria as a whole.

1.7 Scope of the study

The scope of the study was based on Small and Medium Enterprises (SMEs) in Enugu state. The Key management issues were skill variety and reduced expenses, delegation and units of output produced of Small and Medium Enterprises (SMEs) in Enugu state.

Review of the Related Literature

2.1 Conceptual Review

2.1.1 Organisation

Organization is the process so combining the work which individuals or groups have to perform with the facilities necessary for its execution, that the duties so performed provide the best channels for the efficient, systematic, positive and coordinated application of the available effort". Organization helps in efficient utilization of resources by dividing the duties of various persons (Oliver, 2018). Organizational is related to the structure of an

organization. It refers to a collection of people, who are involved in pursuing defined objectives. Organization is a group of people who congregate to achieve a specific goal. Cliffs (2020) noted that organization process involves determining what work is needed to accomplish the goal, assigning those tasks to individuals, and arranging those individuals in a decision making framework while the end result of the organizing process is an organization.

2.1.3 Structure

A structure is something of many parts that is put together. The structure of something is the way in which it is made, built, or organized. Structure is from the Latin word structure which means "a fitting together, building." Although it is certainly used to describe buildings, it can do more than that. A family's structure includes the relationship of its members, your organisational structure can refer to how management, employees relates and fitting in together.

2.1.4 Organization Structure

An organisation structure is a systematic combination of people, functions and physical facilities. An organizational structure is a system that outlines how certain activities are directed in order to achieve the goals of an organization (Kenton and Drury, 2021). These activities can include rules, roles, and responsibilities. Organization as a structure of relationship helps in attainment of goal among individuals with a common goal. As a structure, organisation is a network of internal authority and responsibility relationships. The organizational framework defines the product and service flow throughout companies and also who will be responsible for making decisions about processes, projects, product development, and so on (Momtaz and Kabir, 2013).

2.1.2 Skill Variety

Management can start by assessing the project's requirements in terms of the required skillset. This would be based on the employee's abilities and qualifications, with each task being allocated to the best person for the role. The assigned staff member should be able to deliver on the requirements without the need for extensive systems or skills training.

2.1.4 Delegation

Delegation is the process that gives employees at all levels the authority to make decisions as well as the responsibility for the results. The most important aspect of the delegation is that it is an important motivating factor because it is associated with giving confidence from the manager entrepreneur. Delegation of authority is a process in which the authority and powers are divided and shared amongst the subordinates. When the work of a manager gets beyond his capacity, there should be some system of sharing the work. This is how delegation of authority becomes an important tool in organization function (MSG, 2022).

2.1.5 Performance

Performance is the outcome of the various activities undertaken by the organization, a reflection of the way in which tangible and intangible resources are invested in the university in order to achieve the desired goals and performance, as Husseini defined it as a holistic activity that reflects either the organization's success, sustainability and adaptability to the environment. Performance is the act of carrying out a task and achieving a desired outcome. the process of successfully carrying out an action; applying information as opposed to just possessing it. (Eze, Ubosi, & Mbah, 2023) & (Edeh, Nnamani & Mbah ,2023) They fail based on specific criteria that the organization describes according to their activity requirements, and in the light of long-term goals (Rashid and Al-Zayadi, 2013). It is defined as: the integrated system of the work of the institution in light of its interaction with the elements of its internal and external environment (Al-Douri, 2015).

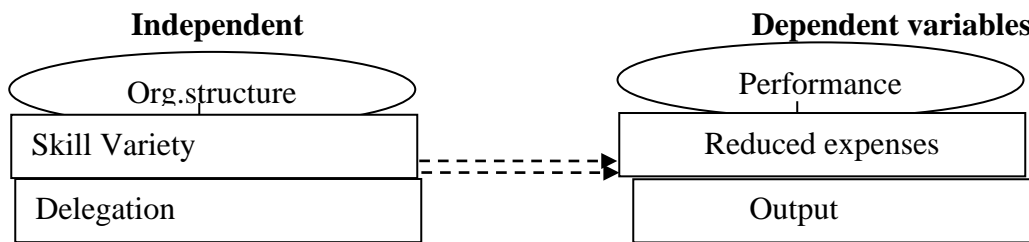
2.1.5.1 Reduced Expenses

Reducing expenses is "the way toward searching for, finding and expelling baseless costs from a business to build the benefit without negatively affecting item quality", (Gaurav, Jain, Kapoor and Nateriya (2013). The concept of continuously searching for new ways and avenue of reducing costs needs to be constantly promoted at all levels of an enterprise, which signifies that the enterprise has a strategic approach to this issue (Figar and Ivanoic, 2015). Cost reduction is the process of decreasing a company's expenses to maximize profits. It involves identifying and removing expenditures that do not provide added value to customers while also optimizing processes to improve efficiency.

2.1.5.2 Output

The term output may refer to all the work, energy, goods, or services produced by an individual, company, factory or machine. In the world of computing, it refers to any data that has been processed by and sent out from a computer or similar electronic device. The industrial output is the total output of all the facilities producing goods within a country. The manufacturing output, the output of all factories in a country, is a sub-set of industrial output (Adegbuyi and Asapo, 2011). Output, according to Business Dictionary (2019) refers to the amount of energy, work, goods, or services produced by a machine, factory, company, or an individual in a period.

2.1.6 Conceptual Framework of the study



Source: Researcher Conceptual Framework Model, 2023

The diagram above shows the conceptual linkages between the various components and variables in the study. The diagram shows how the imposition of skill variety affects the level of the expenses of the business. Also, delegation will impact on the output of Small and medium Enterprises' firms in Enugu state.

2.2 Theoretical Literature

The System theory guided the study

System theory - Von Bertalaffy (1956),

The study was anchored on System theory since the type of structure instituted by an organization determine it controlling and coordinating capability in achieving their objectives just as the dimensions influences the performance of firms.

Von Bertalaffy (1956), system theory fosters system thinking in all disciplines in order to find general principles valid to all system and defines a system as a complex of interacting elements. A fundamental notion of this theory is its focus on interactions that the behaviour of a single autonomous element is different from its behaviour when the element interacts harmoniously with other elements. The theory assumes that the whole is greater than the summation of the individual parts that makes up the whole.

The basic open systems theory states that in any organizational system, technical or task aspects are interrelated with the human or social aspects, focusing on the relationships between the technical processes of transformation within the organization as well as the organization of work groups and the management structure of the

organization, Lewin (1951). This theory is relevant to this study since the type of structure instituted by an organization determine it controlling and coordinating capability in achieving their objectives just as the dimensions influences the performance of firms.

2.3 Empirical Review

2.3.1 The relationship between skill variety and reduced experience of SMEs in Enugu State

Mohammed, Balarabe and Salwa (2015) conducted a study on the Challenges Affecting the Performance of Small and Medium Scale Enterprises (Smes) in Nigeria. Small and medium scale enterprises (SMEs) have been identified as the catalysts and builders for economic growth and national development for both developed and developing countries, particularly Nigeria. The objective of this study is to investigate the challenges affecting the performance of SMEs in Nigeria. This paper identifies the challenges affecting the performance of SMEs in Nigeria to include financial constraints, infrastructural problems, management problems, marketing problems, technological problems, corruption problem, lack of skill labour, government unfavourable fiscal policy and policy inconsistency's, inadequate training, socio-cultural problem, strategic planning problem, multiple taxation, and location and business environment problem. But this study discovered that the major challenges that affect the performance of SMEs in Nigeria are finance, infrastructure and training among other challenges which this study adequately focused on. This study suggests that finance, infrastructure and training should be given adequate concentration.

Akanno, Emejuru., and Khalid (2017) conducted a study on a Profitability-Focused Assessment of Financial Literacy Level of Southeastern Nigeria SMEs. Presently, unavailability of funds is no longer the major obstacle for Small and Medium Enterprise (“SME”) start-up and or survival as there are increasing sources of funds for new or existing SMEs. Recently, there are indications of a consensus among scholars that financial literacy, or the lack thereof, is a better indicator of the long-run enterprise survival chance. This study used four components of financial literacy – cash management, budgeting, financial record-keeping, and savings to establish the level of financial literacy of SMEs in the Southeastern region of Nigeria as well as to understand the effects of determined levels of financial literacy on enterprise profitability. Results show that majority of SMEs in the South-East Nigeria are not only financially literate but that their levels of financial literacy affected their profitability. The study also showed that the not-financially literate SME managers had significant inability with cash management and saving.

Kubeyinje and Bariweni (2020) conducted a study on Marketing Mix and the Performance of Small and Medium Scale Enterprises (SMEs) in Nigeria. This study empirically examined the relationship between the marketing mix (4Ps) and performance of Small and Medium Scale Enterprises (SMEs) in Nigeria. Descriptive survey design was adopted for this study. The population for this study comprised of all operators of SMEs in Nigeria. This study examined the relationship between the four marketing mix (4Ps); product, price, promotion, place (distribution) and SMEs in Warri metropolis, Delta State, Nigeria. A structured questionnaire was used to elicit information from a sample of 50 respondents selected for the study. Descriptive statistical tools were used to present the demographic characteristics of the respondents, while inferential statistics were used to test the research hypotheses which include analysis of variance (ANOVA) and multiple regression analysis techniques. The study found out that product, price and place (distribution) have insignificant relationship with SMEs in Nigeria. It also found out that promotion has significant relationship with SMES in Nigeria. The study recommends that SMEs should adopt better packaging of their products in other to make it appealing and

presentable to their present customers and potential customers, adopt a flexible and realistic pricing mechanism in other to boost customers' patronage, engage in promotional activities such as trade fair, show exhibition amongst others and lastly adopt an effective and efficient channel of distribution in Nigeria.

Egbosionu (2021) conducted a study on the Effects of Apprentice's Commitment in the Productivity of Selected SMEs in South East Nigeria. Apprenticeship training is the process of transmitting the skills of a trade to a young person in small and medium scale enterprises and which has operated for generations in many African countries. This study centers on the effects of apprentice's commitment in the productivity of selected SMEs in South East Nigeria. The aim of the study was to examine the effect of apprentice's commitment in the productivity of selected SMEs in South East Nigeria. The specific objectives were to ascertain the extent at which apprentices' competency influence growth in the selected SMEs in South-east, Nigeria. Secondly to know how apprentices' commitment affect productivity in the selected SMEs in South-east, Nigeria. Reliance was placed on primary and secondary sources of data. The primary sources relied on include: predictors of the independent variable as well as indicators of the dependent variable. The study adopted the correlational survey design. The population consisted of 7,061 SMEs comprising 93,206 apprentices in South-east Nigeria. A sample of 502 respondents was drawn from the population using Cochran sample size determination and Bowley's proportional allocation formula. Also, a structured questionnaire and interview guide which was determined through a 5- point Likert scale was used to design the instrument for data collection according to the study's objectives. Content validity was used while the reliability of the instrument was determined using test-retest with an index of 0.91. The secondary data comprised published and unpublished data. The data collected were analyzed using descriptive statistics for biographical data distribution, items of the dependent and independent variables and research questions while the inferential test of Simple regression was used for research questions 2, 4 and 5 and for assessing the goodness of fit of the study, squared regression coefficient (R^2) and Beta weights (β) were adopted. P-value was used to determine the significance of the relationship, at a 5% level of significance. The study found that apprentice competency had a positive ($r. (482) = .287$. $P < 0.05$) influence on growth. Apprentices' commitment had positive(R) is $.273$; R^2 is $.075$; F-ratio is 38.77 ; effect on productivity. P-value = $.000$; P-value ≤ 0.05). The study concluded that the effects of competence, commitment and experience were more important in the realization of the performance of SMEs in South- East.

Nwakanma and Onyeonoru (2021) carried out a study on Human Resource Outsourcing and Skill Variety of Outsourced and Core Staff: Evidence from the Nigerian Banking Industry. In Nigerian banking industry, Human Resource outsourcing has grown beyond the externalisation of auxiliary activities to include core activities. The consequences of this practice on employee skill variety are rarely discussed in the industry. This study therefore, investigated the skill variety of outsourced and core staff in Nigerian banking industry with evidence from Bank X, Southeastern region. Survey research design was adopted. Bank X was purposively selected due to its reputation for employing outsourced staff in its core banking operations while its branches in Abia, Imo and Enugu States were randomly selected. All 352 workers in the three States comprising 218 outsourced and 134 core staff were enumerated. Mixed methods were used to collect data while descriptive statistics and Chi square at $p < 0.05$ alpha level of significance were used to analyse data. Outsourced staff had less variety in their tasks compared to the core staff. They had less opportunities to acquire additional skills and were required to utilise fewer skills in the course of their work, leading to low skill variety.

2.3.2 The relationship between delegation and units of output produced by SMEs Enugu state

Okafor, Kalu and Obi-Anike (2017) conducted a study on the Effect of Organizational Structure on Performance of Selected Manufacturing Companies in Enugu State Nigeria. The relevance of structure to manufacturing firms especially in the pharmaceutical industry in Nigeria has not attracted much attention, especially empirical evidence. Thus, this study examined the effect of organisational structure on the performance of selected manufacturing companies in Enugu State, Nigeria with a focus on pharmaceutical manufacturing firms. The study adopted a Survey design. Three organisations were studied namely: A.C. Drugs Ltd, NEMEL Pharmaceutical Limited and Juhel Pharmaceutical Company Ltd with a population of four hundred and sixty-eight (468). The sample size was determined using Cochran (1963) formula which gave a sample size of 297. The study relied on both primary and secondary data. Materials and information were sourced from the Human Resource Departments of the firms and journal articles including textbooks and students project reports. The questionnaire was the instrument for primary data collection. The methods used in analysing the data are descriptive statistics (frequencies, mean, standard deviation, variance, etc.), simple linear regression and correlation (bivariate) to examine the effect of organisational structure (Independent Variable) on organisational performance (dependent variables). The study found that structure significantly affects organisational performance. The study concludes that organisational structure in pharmaceutical manufacturing firms affects performance except in its growth objective.

Nwosu, Madu and Nwokocha (2019) conducted a study on the Nature and Determinants of Small and Medium Scale Enterprises Location Factors in Enugu State, Nigeria. This study is aimed at assessing location factors of Small and Medium Scale industries in Enugu State. To achieve the aim of this study data were collected from field observations, questionnaire and documentary material. Data were collected on nature of SME location factors and determinants of SME location. Data were analysed using percentages and Principal Component Analysis (PCA). Results show that the 15 variables of factors of SME location were compressed to five important factors using PCA. The five factors are availability of economic factors such as market, raw material, labour, influence of infrastructure especially transportation route, family ties, agglomeration effect and Government policies. The five variables, explained 74.12% of the total variance leaving 25.88% of total variance unexplained at significant loadings exceeding ± 0.06 . This means that before any entrepreneur sets up SMEs in Enugu state, the person must consider the availability of these variables. Also, it shows that the five variables will affect the behavior of SME owner in their choice of location.

Imosun, Alabi & Egwa (2022) conducted a study on the Improving Productivity through Small Medium Enterprises (SMES) for Economic Development in Nigeria. This paper seeks to examine how various efforts made by government and other institutions to improve productivity of SMEs thereby effecting the entire GDP growth in the country yielded result. An attempt was also made to examine Conceptual clarifications as well as the Overview of government efforts to enhance SME productivity. A Cross country analysis of finance models and link between SMEs growth and overall economic development is also discussed in the paper. In addition, the methodology will be a comparative analysis of difference measures put in place by other nations of the world like India were carried out in this work which enables the paper to proffer out appropriate recommendations needed to promote not only the growth of SMEs but also to enhance their productivity which is the basis for obtaining quality of lives as well as economic development.

Orizu, Ohanyere, and Chineze (2023) carried out a study on the Participative Management and Employee Productivity in Agro-Entrepreneurship Firms in Anambra State. The study examined the participative management and employee productivity in agro- entrepreneurship firms in Anambra state. the objectives of the study were to: examine the effect of direct employee' participation, consultative employee' participation, representative employee' participation employee ownership participation on employee productivity in agro-entrepreneurship firms in Anambra state. However, four hypotheses are formulated in line with the objectives. The study were anchored on Subjective Expected Utility theory (SEU) developed by L. J. Savage in 1954. The study adopted survey method of research. Data were generated through primary and secondary sources. The method for data collection was questionnaire which was administered randomly among the staff of the selected firm. The populations of the study were 2244, The sample size of the study is four hundred and thirty-two (432). While three hundred and thirty-two (332) where retrieved. The hypotheses were tested using regression method at 0.05% level of significance. The findings of the study revealed, There was significant relationship between direct employees' participation in effective decision making and employee productivity in agro-entrepreneurship firms in Anambra state (t-7.761 p-0.00).There was significant relationship between consultative employees' participation in effective decision making and employee productivity in agro-entrepreneurship firms in Anambra state (t-6.112 p-0.00).There was significant relationship between Representative employees' participation in effective decision making and employee productivity in agro-entrepreneurship firms in Anambra state (t-2.836 p-0.00).

Odieli, & Agari, (2023) carried out a study on the Effect of Socio-Norms and Entrepreneurial Intention in Manufacturing Firms in Anambra State. This work examined the effect of effect of socio-norms and entrepreneurial intention in manufacturing firms in Anambra State. The study specifically designed to determine the effect of cultural values, attitude and beliefs system on entrepreneurial intention as the variables of the study. Relevant conceptual, theoretical and empirical literature were reviewed. The population of the study is 2093 management and employees of the 10 selected manufacturing companies in South-East, Nigeria. This research work is anchored on open system theory and Contingency theory. A total of ten manufacturing firms were studied. The study adopted descriptive research design. The population of the study is one thousand one hundred seventy (1170) student the in manufacturing firms in Anambra State. The sample size for the study was 390 determined by using statistical formula devised by Borg and Gall (1973). Descriptive statistics and simple regression analysis were employed to analyze the data generated. The study found that cultural values have a negative significant effect on entrepreneurial intention in manufacturing firms in Anambra State. Attitude has a positive significant effect on entrepreneurial intention in manufacturing firms in Anambra State. Beliefs system has a positive significant influence on Entrepreneurial Intention of academics of universities in Anambra State. From the findings the studies concluded that socio-norms have a positive significant effect on entrepreneurial intention in manufacturing firms in Anambra State.

METHODOLOGY

The area of the study was the Small and Medium Enterprises (SMEs) in Enugu state, Nigeria. Five (5) selected Small and Medium Enterprises (SMEs) were used. The choice of these firms was due to high number of staff. The study used the descriptive survey design approach. The primary source of data was the administration of questionnaire. The population of the study consisted of three thousand one hundred and ninety-four (3194) management and senior staff. The adequate sample size of three hundred and forty-two (342) using Freund and

William's statistic formula at 5 percent margin of error. Two hundred and seventy-eight (278) staff returned the questionnaire and accurately filled. That gave 81 percent response rate. The validity of the instrument was tested using content analysis and the result was good. The reliability was tested using the Pearson correlation coefficient (r). It gave a reliability co-efficient of 0.830 which was also good. Data was presented and analyzed by mean score (3.0 and above agreed while below 3.0 disagreed) and standard deviation using Sprint Likert Scale. The hypotheses were analyzed using Pearson correlation coefficient (r) test statistic tool.

4.0 Data Presentation and Analyses

4.1 The relationship between skill variety and reduced expenses of SMEs in Enugu state Table 4.1.1:

Responses on the relationship between skill variety and reduced expenses of SMEs in Enugu state

		5	4	3	2	1	$\sum FX$	-	SD	Decision
		SA	A	N	DA	SD		X		
1	The employee use array of unique skills to complete task in the organization.	525 105 37.8	348 87 31.3	54 18 6.5	40 20 7.2	48 48 17.	1015 278 100%	3.65	1.473	Agree
2	With skill variety the employee has the opportunity to develop a range of abilities	515 103 37.1	436 109 39.2	21 7 2.5	88 44 15.	15 15 5.4	1075 278 100%	3.87	1.226	Agree
3	Taking part in diverse experiences are facilitated by variety of skills	420 84 30.2	436 109 39.2	2 1 .4	60 30 13.	46 46 16.	964 278 100%	3.53	1.459	Agree
4	The employee use of wide range of talents has reduced expenses in the organization	460 92 33.1	444 111 39.9	18 6 2.2	80 40 14.	29 29 10.	1031 278 100%	3.71	1.337	Agree
5	The reduction or boredom and increasing job satisfaction are done with variety skills to perform activities	480 96 34.5	364 91 32.7	69 23 8.3	12 6 2.2	62 62 22.	987 278 100%	3.55	1.526	Agree
Total Grand mean and standard deviation								3.66 2	1.404 2	

Source: Field Survey, 2023

Table 4.1.1, 192 respondents out of 278 representing 69.1 percent agreed that the employee use array of unique skills to complete task in the organization 3.65 and standard deviation of 1.473. With skill variety the employee has the opportunity to develop a range of abilities 212 respondents representing 76.3 percent agreed with mean score of 3.87 and standard deviation of 1.459. Taking part in diverse experiences are facilitated by variety of skills 193 respondents representing 69.4 percent agreed with mean score of 3.53 and standard deviation of 1.459. The

employee use of wide range of talents has reduced expenses in the organization.203 respondents representing 73.0 percent agreed with mean score of 3.71 and 1.337. The reduction or boredom and increasing job satisfaction are done with variety skills to perform activities 187 respondents representing 67.2 percent agreed with a mean score of 3.55 and standard deviation 1.526

4.2 The relationship between delegation and units of output produced by SMEs in Enugu state.

Table 4.2.1: Responses on the relationship between delegation and units of output produced by SMEs in Enugu state.

		5	4	3	2	1	$\sum FX$	-	SD	Decision
		SA	A	N	DA	SD		X		
1	Handing over tasks to others who skills are better increases productivity.	585	312	42	86	28	1053	3.76	1.395	Agree
		117	76	14	43	28	278			
		42.1	27.3	5.0	15.	10.	100%			
					5	1				
2	The passing off tasks allows you time to reflect and achieve better results	460	348	36	60	57	961	3.46	1.538	Agree
		92	87	12	30	57	278			
		33.1	31.3	4.3	10.	20.	100%			
					8	5				
3	Developing strategies are enhanced through delegation to accomplish specific task that is ahead	600	316	42	26	52	1036	3.73	1.512	Agree
		120	79	14	13	52	278			
		43.2	28,4	5.0	4.7	18.	100%			
						7				
4	Delegation helps the SMEs to boost team moral in the organization	545	384	24	58	36	1051	3.77	1.399	Agree
		109	96	8	29	36	278			
		37.2	34.5	2.9	10.	12.	100%			
					4	9				
5	The improvement of efficiency and promotion of enthusiasm are oiled through delegation	605	304	21	86	31	1047	3.77	1.427	Agree
		121	76	7	43	31	278			
		43.5	27.3	2.5	15.	11.	100%			
					5	2				
Total Grand mean and standard deviation								3.69	1.454	
								8	2	

Source: Field Survey, 2023

Table 4.1.1, 193 respondents out of 278 representing 69.4 percent agreed that handing over tasks to others who skills are better increases productivity. 3.76 and standard deviation of 1.395. The passing off tasks allows you time to reflect and achieve better results 179 respondents representing 64.4 percent agreed with mean score of 3.46 and standard deviation of 1.538. Developing strategies are enhanced through delegation to accomplish specific task that is ahead 199 respondents representing 71.6 percent agreed with mean score of 3.73 and standard deviation of 1.512. Delegation helps the SMEs to boost team moral in the organization 205 respondents representing 71.7 percent agreed with mean score of 3.77 and 1.399. The improvement of efficiency and

promotion of enthusiasm are oiled through delegation 197 respondents representing 708 percent agreed with a mean score of 3.77 and standard deviation 1.427.

4.4 Test of the Hypotheses

4.4.1 Hypothesis One: There is no significant relationship between Skill variety and reduced expenses of SMEs in Enugu state.

Correlations

	The employee use array of unique skills to complete task in the organization	With skill variety the employee has the opportunity to develop a range of abilities	Taking part in diverse experiences are facilitated by variety of skills	The employee use of wide range of talents has reduced expenses in the organization	The reduction or boredom and increasing job satisfaction are done with variety skills to perform activities
The employee use array of unique skills to complete task in the organization	Pearson Correlation Sig. (2-tailed) N 1 278	.656** .000 278	.790** .000 278	.705** .000 278	.519** .000 278
With skill variety the employee has the opportunity to develop a range of abilities	Pearson Correlation Sig. (2-tailed) N .656** .000 278	1 278	.730** .000 278	.730** .000 278	.595** .000 278
Taking part in diverse experiences are facilitated by variety of skills	Pearson Correlation Sig. (2-tailed) N .790** .000 278	.730** .000 278	1 278	.746** .000 278	.604** .000 278
The employee use of wide range of talents has reduced expenses in the organization	Pearson Correlation Sig. (2-tailed) N .705** .000 278	.730** .000 278	.746** .000 278	1 278	.603** .000 278

The reduction or boredom and increasing satisfaction are done with variety skills to perform activities	Pearson and Correlation Sig. (2-tailed)	.519**	.595**	.604**	.603**	1
	N	278	278	278	278	278

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

Table 4.4.1. Showed the Pearson correlation matrix on skill variety and reduced expenses of SMEs in Enugu state. showing the correlation coefficients, significant values and the number of cases. The correlation coefficient shows .519 <.790. This value indicates that correlation is significant at 0.05 level (2 tailed) and implies that there was significant relationship between there was significant relationship between Skill variety and reduced expenses of SMEs in Enugu state. (r=.519 <.790). The computed correlations coefficient is greater than the table value of r = .000 at alpha level for a two-tailed test (r=.519 <.790, p<.05).

Decision Rule

The decision rule is to accept the null hypothesis if the computed r is less than the tabulated r otherwise, reject the null hypothesis.

Decision

Since the computed (r =.519 <.790) is greater than the table value of .000, we reject the null hypothesis. Therefore, we concluded that there was significant relationship between there was positive significant relationship between Skill variety and reduced expenses of SMEs in Enugu states a reported in the probability value of (r=.519 <.790, p <.05).

4.4.2 Hypothesis Two: There is no significant relationship between delegation and units of output produced by SMEs in Enugu state

Correlations

	Handing over tasks to others who skills are better increase s producti vity	The passing off tasks allows you time to reflect and achieve better results	Developing strategies are enhanced through delegation to accomplish specific task that is ahead	Delegat ion helps the SMEs to boost team moral in the organiz ation	The improvem ent of efficiency and promotion of enthusias m are oiled through delegation
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Handing over tasks to others who skills are better increases productivity	Pearson Correlation	1	.494**	.599**	.737**	.627**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	278	278	278	278	278
The passing off tasks allows you time to reflect and achieve better results	Pearson Correlation	.494**	1	.580**	.540**	.760**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	278	278	278	278	278
Developing strategies are enhanced through delegation to accomplish specific task that is ahead	Pearson Correlation	.599**	.580**	1	.576**	.538**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	278	278	278	278	278
Delegation helps the SMEs to boost team moral in the organization	Pearson Correlation	.737**	.540**	.576**	1	.660**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	278	278	278	278	278
The improvement of efficiency and promotion of enthusiasm are oiled through delegation	Pearson Correlation	.627**	.760**	.538**	.660**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	278	278	278	278	278

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

Table 4.4.2. Shows the Pearson correlation matrix on delegation and units of output produced by SMEs in Enugu state showing the correlation coefficients, significant values and the number of cases. The correlation coefficient shows .494 < .760. This value indicates that correlation is significant at 0.05 level (2 tailed) and implies that there was significant relationship between there was significant relationship between delegation and units of output

produced by SMEs in Enugu state, ($r = .494 < .760$). The computed correlations coefficient is greater than the table value of $r = .000$ at alpha level for a two-tailed test ($r = .494 < .760$, $p < .05$).

Decision Rule

The decision rule is to accept the null hypothesis if the computed r is less than the tabulated r otherwise, reject the null hypothesis.

Decision

Since the computed ($r = .494 < .760$) is greater than the table value of $.000$, we reject the null hypothesis. Therefore, we concluded that there was significant relationship between there was significant relationship between delegation and units of output produced by SMEs in Enugu state as reported in the probability value of ($r = .494 < .760$, $p > .05$).

4.5 Discussion of the findings

4.5.1 The relationship between skill variety and reduced expenses of SMEs in Enugu state.

From result of hypothesis one, the computed ($r = .519 < .790$) was greater than the table value of $.000$, which implies that there was positive significant relationship between skill variety and reduced expenses of SMEs in Enugu state as reported in the probability value of ($r = .519 < .790$, $p < .05$). In the support of the result in the literature, Mohammed, Balarabe and Salwa (2015) conducted a study on the Challenges Affecting the Performance of Small and Medium Scale Enterprises (Smes) in Nigeria. But this study discovered that the major challenges that affect the performance of SMEs in Nigeria are finance, infrastructure and training among other challenges which this study adequately focused on. Nwakanma and Onyeonoru (2021) carried out a study on Human Resource Outsourcing and Skill Variety of Outsourced and Core Staff: Evidence from the Nigerian Banking Industry. They had fewer opportunities to acquire additional skills and were required to utilise fewer skills in the course of their work, leading to low skill variety.

4.5.2 The relationship between delegation and units of output produced by SMEs in Enugu state

From result of hypothesis two, the computed ($r = .494 < .760$) was greater than the table value of $.000$, which implies that there was positive significant relationship between delegation and units of output produced by SMEs in Enugu state as reported in the probability value of ($r = .494 < .760$, $p > .05$). In the support of the result in the literature review, Okafor, Kalu and Obi-Anike (2017) conducted a study on the Effect of Organizational Structure on Performance of Selected Manufacturing Companies in Enugu State Nigeria. The study found that structure significantly affects organisational performance. The study concludes that organisational structure in pharmaceutical manufacturing firms affects performance except in its growth objective. Orizu, Ohanyere, and Chineze (2023) carried out a study on the Participative Management and Employee Productivity in Agro-Entrepreneurship Firms in Anambra State. The findings of the study revealed, There was significant relationship between direct employees' participation in effective decision making and employee productivity in agro-entrepreneurship firms in Anambra state ($t = 7.761$ $p < 0.00$). There was significant relationship between consultative employees' participation in effective decision making and employee productivity in agro-entrepreneurship firms in Anambra state ($t = 6.112$ $p < 0.00$). There was significant relationship between Representative employees' participation in effective decision making and employee productivity in agro-entrepreneurship firms in Anambra state ($t = 2.836$ $p < 0.00$).

5.0 Summary of the Findings

- i. There was positive significant relationship between skill variety and reduced expenses of SMEs in Enugu state, $r(95, n= 278)= .519 <.790, p <.05$
- ii. There was positive significant relationship between delegation and units of output produced by SMEs in Enugu state, $r(95, n= 278)= .494 <.760, p <.05$

5.1 Conclusion

The study concluded that skill variety and delegation had positive significant relationship with reduced expenses and units of output produced by SMEs in Enugu state. Structure provides a company with a visual representation of how it is shaped and how it can best move forward in achieving its goals. Organizational structures are normally illustrated in some sort of chart or diagram like a pyramid, where the most powerful members of the organization sit at the top, while those with the least amount of power are at the bottom. Not having a formal structure in place may prove difficult for certain organizations. For instance, employees may have difficulty knowing to whom they should report. That can lead to uncertainty as to who is responsible for what in the organization.

5.3 Recommendation

- i. Firms should focus skill variety for effective productivity and improvement in the organisation for long term success of the business.
- ii.. Management should include delegation as part of the plan in engaging the employees to enable them fit in some more activities in the organisation.

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