Entrepreneur's Level of Management Skills and Performance of Small and Medium Enterprises (SMES) in the Automobile Industry: Evidence from Anambra State, Nigeria

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ABSTRACT

This study examined entrepreneur's level of management skills and performance of Small and Medium Enterprises (SMEs) in the automobile industry: Evidence from Anambra State, Nigeria. The study modelled the effect of entrepreneur's planning skills, entrepreneur's human resource management skills, entrepreneur's logistics management skills, entrepreneur's management information skills, entrepreneur's quality assurance skills, entrepreneur's financial management skills and entrepreneur's monitoring and evaluation skills on the performance of automobile industry using an econometric regression model of the Ordinary Least Square (OLS). The population of the study consists of 2698 registered SMEs in the automobile industry in the state. A sample of 384 was determined using Taro Yamani formula. Out of the 384 respondents sampled only 378 responded and were used for the analysis. Findings revealed that Planning Skills, HRM skills, Logistics Management Skills, Management Information Skills, Quality Assurance Skills, Financial Management Skills and Monitoring and Evaluation Skills are significant determinant of performance of SMEs in Automobile Industry. The study therefore recommends that upcoming entrepreneurs should strive to acquire planning skills if it is not innate in them. This is because people with entrepreneurial planning skills tend to have high productivity or creativity and ability to correctly calculate the time it will take to do a determined task. Practicing and intending entrepreneurs should be trained on human resource management. This is because a good human resource manager can acquire or hires competent human resources and also can set out training required to develop skills among others.

KEYWORDS: *Entrepreneur, Management Skills, Small and Medium Enterprises (SMEs), Planning, Human Resource Management, Logistics Management, Management Information, Quality Assurance, Financial Management, Monitoring and Evaluation*

INTRODUCTION

Most businesses in the developing countries fall within the Small and Medium Enterprises (SMEs). The performance of the Small and Medium Enterprises (SMEs) depends to a large extent on the management skills of the owner of the business who is also regarded in the business parlance as an entrepreneur. The term entrepreneur emerged from the French vocabulary meaning "to take" or "go between". Over the years, the word has evolved from referring to the landowners who exploited the resources on the land to inventors, creators, and business people or undertakers usually associated with large government contractors (Windapo, 2018). The entrepreneur is also described as an individual who establishes a business concern for the principal purposes of profit and growth and he is characterized principally by innovative behaviour, and employs strategic management practices in the business (Carland, Hoy, Boulton & Carlaland, 1984; Windapo, 2018).

It is logically discernible and plausible that successful businesses depend on the managerial skills and ability of the entrepreneur that owns and manages the business. Some of the qualities inherent and also achieved by successful entrepreneurs include planning, logistic management, human resources management, information management, quality assurance, financial management and monitoring and evaluation. However, not all entrepreneurs have the above listed managerial skills and this consequently affect the performance of their businesses. The perceived lack of managerial skills among Nigerian entrepreneurs arguably accounts for high mortality and business failures among SMEs in Nigeria. According to Josiah, Ozele and Agbo (2016) a recent study in Rivers State on business mortality rate gives an alarming picture. Between 2009 and 2014, 834 enterprises had permanently closed their doors. The situation appeared to be worsening in (Rivers State) Port Harcourt City where 5 in every ten small enterprises in

manufacturing or processing had either permanently or temporarily gone out of business. Most enterprises in Rivers State die within their first five years of existence, a smaller percentage goes into extinction between the sixth and tenth year while only about five to ten percent survive, thrive and grow to maturity (Aremu & Adeyemi 2011). Extant literature is replete with the causes of high mortality rate of business enterprises in Nigeria which ranges from inadequate working capital, stiff competition from larger companies, difficulties in sourcing raw materials, low capacity utilization, *lack of management strategies*, poor educational background of operators, and huge financial problems (Osamwonyi & Tafamel, 2010; Osamwonyi,2009; Igbinomwanhia, 2009; Inegbenebor,2006; Tafamel & Idolor, 2008).

Against this backdrop, successive governments in Nigeria and stakeholders have come up with various entrepreneurial development programmes aimed at improving the managerial skill of young entrepreneurs to address the problem of high business mortality rate among Small and Medium Enterprises in Nigeria. This is because of the unique role they play in economic transformation in both developed and developing countries. As cited by Adebisi and Gbegi (2013), in recent time the world economy has developed tremendously and this has been linked with activities of Small and Medium Scale Enterprises (SMEs), especially in developing countries. A Study carried out by the Federal Office of Statistics shows that in Nigeria, Small and Medium Scale Enterprises make up 97% of the economy (Ariyo, 2005). According to Adebisi and Gbegi (2013) although smaller in size, they are the most important enterprises in the economy due to the fact that when all the individual effects are aggregated, they surpass that of the larger companies. The social and economic advantages of small and medium scale enterprises cannot be overstated. Panitchpakdi (2006) sees SMEs as a source of employment, competition, economic dynamism, and innovation which stimulates the entrepreneurial spirit and the diffusion of skills. Because they enjoy a wider geographical presence than big companies, SMEs also contribute to better income distribution. Over the years, small and medium scale enterprises have been an avenue for job creation and the empowerment of Nigeria's citizens providing about 50% of all jobs in Nigeria and also for local capital formation. Being highly innovative, they lead to the utilization of our natural resources which in turn translates to increasing the country's wealth through higher productivity. Small and medium scale enterprises have undoubtedly improved the standard of living of so many people especially those in the rural areas (Ariyo, 2005; Adebisi & Gbegi, 2013).

Some of the entrepreneurial development programmes aimed at improving the managerial skill of young entrepreneurs in order to address the problem of high business mortality rate among Small and Medium Enterprises in Nigeria were highlighted by Okoye-Nebo, Iloanya and Udunze (2014). Okoye-Nebo, Iloanya and Udunze (2014) stated that the government has established various support institutions and relief measures specially structured to render assistance and succour to minimize the constraints, which entrepreneurship typically face if not to eliminate them. The support institutions established by the government range from specialized banks designed to focus on the funding of Small and Medium Enterprises to agencies

and departments all meant to give a flip to the fortunes of Small and Medium Enterprises. It is also pertinent to note that government policies behind the establishment and operations of the Small and Medium Enterprise support institutions had not been effective and productive. From all indications of observed lapses inherent in them, the policies were either defective in their formulation and conceptualization, or were not truly and religiously implemented. The comfort is that the governments (local, state and federal) are neither relenting nor giving up in their bid to revamp and invigorate the fortunes of SMEs as to enable them play the expected role in Nigeria's economic growth and development.

According to Okoye-Nebo, Iloanya and Udunze (2014), this is evidenced by the government's recent establishment of as well as the mandate given to the Bank of Industry (BOI) and the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), the facilitation of the Bankers' Committee's institutionalization of the Small and Medium Industries Equity Investment Scheme (SMIEIS), the federal government's drive and focus on realizing the objective of NEPAD, The 2012 Global Entrepreneurship Monitor (GEM) Sub-Saharan Africa Report — the first to examine entrepreneurial dynamics in the region — was launched in Lusaka, Zambia, on November 19, 2013. The government's endorsement and support of multilateral agencies and loans, and the government's backing of international development finance facilities such as the European Investment Bank (EIB) facilities and the likes. Other indications relate to the government's programmes aimed at poverty alleviation and providing succour to those whose jobs could be affected by the current government reforms as well as the proposed establishment of a Credit Guarantee Scheme for loans to Small and Medium Enterprises.

The focus of this study is the automobile industry in Anambra state. Anambra State is beehive of SMEs in auto businesses that have created a lot of employment for the people and revenue to the government. Therefore, the sustainability of the automobile industry in Anambra State will help to create more entrepreneurs and businesses that will engender economic prosperity in the state and Nigeria by extension.

Statement of the Problem
This study was informed by the perceived rising mortality rate of SMEs in the automobile industry in Anambra State. The automobile industry in Anambra State has been a potent source of economic growth and development over the years. It expanded the economy of the state through employment generation, business growth, revenue generation to the government and poverty reduction. Yet, the mortality of the SMEs has been a source of concern to both the academics and stakeholders in the state. This is because, despite government intermediation in the growth induced sector, the growth of the sector is still threatened, thus warranting and empirical investigation into the study area. It is evident that there is a dearth of empirical literature on entrepreneur's level of managerial skills and the performance of the automobile industry. All the studies reviewed have differences in their opinion. In other words, scholars have however approached the subject from different stand point and perspectives. However, related studies reviewed were not linked to the entrepreneur's level

of managerial skills and the performance of the automobile industry. Examples include the works of Sluis, Praag and Witteloostuijn (2007) compared the returns to education (RTE) for entrepreneurs and employees, based on 19 waves of the NLSY database. Okhomina (n.d) examine the levels of education on the relationships between psychological traits and entrepreneurial orientations. Gathenya, Bwisa and Kihoro (2011) examined Interaction between Women Entrepreneurs' Age and Education on Business Dynamics in Small and Medium Enterprises in Kenya. Okhomina (n.d) empirically examine the levels of education on the relationships between psychological traits and entrepreneurial orientations. Hence, the major concern of this study in supplementing existing research and also bridging the knowledge gap is to ascertain the entrepreneur's level of managerial skills - Planning skill, human resource management skill, logistics management skill, management information skill, quality assurance skill, financial management and monitoring and evaluation - and the performance of the automobile industry in selected SMEs in major economic hub in Anambra state.

Objectives of the Study
The broad objective of this study is to examine the entrepreneur's level of management skills and performance of Small and Medium Enterprises (SMEs) in the automobile industry: evidence from Anambra State, Nigeria. Specifically, the study intends to:
1. Ascertain the influence of entrepreneur's planning skill on the performance of automobile industry.
2. Determine the influence of entrepreneur's human resource management skill on the performance of automobile industry.
3. Examine the influence of entrepreneur's logistics management skill on the performance of automobile industry.
4. Ascertain the influence of entrepreneur's management information skill on the performance of automobile industry.
5. Determine the influence of entrepreneur's quality assurance skill on the performance of automobile industry.
6. Examine the influence of entrepreneur's financial management skill on the performance of automobile industry.
7. Ascertain the influence of entrepreneur's monitoring and evaluation skill on the performance of automobile industry

Hypotheses
Ho_1 Entrepreneur's planning skill has no significant influence on the performance of automobile industry.

Ho_2 Entrepreneur's human resource management skill has no significant influence on the performance of automobile industry.

Ho_3 Entrepreneur's logistics management skill has no significant influence on the performance of automobile industry.

Ho_4 Entrepreneur's management information skill has no significant influence on the performance of automobile industry.

Ho_5 Entrepreneur's quality assurance skill has no significant influence on the performance of automobile industry.

Ho_6 Entrepreneur's financial management skill has no significant influence on the performance of automobile industry.

Ho_7 Entrepreneur's monitoring and evaluation skill has no significant influence on the performance of automobile industry.

EMPIRICAL REVIEW
Related literature on entrepreneurial development are rife in the literature on entrepreneurial development. Scholars are approached the concept from different perspectives. In a study carried out by Abdul (2018) on entrepreneurial skills and growth of Small and Medium Enterprise (SMEs): a comparative analysis of Nigerian entrepreneurs and minority entrepreneurs in the UK using descriptive statistics. The study revealed that entrepreneurial skills have a significant influence on the growth of SMEs in Nigeria and the UK. The study carried out by Ikupolati, Adeyeye, Oni, Olatunle, and Obafunmi (2017) on entrepreneurs' managerial skills as determinants for growth of Small and Medium Enterprises (SMEs) in Nigeria using a survey research design also revealed that that both the entrepreneurs' conceptual and technical skills contribute to the managerial skills of the entrepreneurs which has brought about growth in SMEs in Nigeria. Iweka, Babajide and Olokoyo (2016) revealed that lack of access to finance and unfavourable macroeconomic environment still remain the major challenge faced by small businesses in Nigeria and that age and size of the businesses play significant role in all of this. Another related study was done by Olaoye (2016) who investigated the management skills in entrepreneurship in a changing world: A Sociolinguistic Review. The study relied on extensive literature in identifying the types of entrepreneurship, management skills: personality dimension, the sociolinguistics of entrepreneurship education and skills required in entrepreneurship education. The study revealed that decision and control skills, financial management skills, techniques of financing business, personnel management skills, resource management skills, marketing skills, risk management skills, security management skills and managing uncertainty are management skills in entrepreneurship in a changing world. The study further revealed that some of the skills that required in entrepreneurship education are: curriculum planning, delivery, instructional, manipulative, material utilization, management, procedural, disciplinary, group dynamics, career guidance, research, laboratory precaution and creativity skills.

Olowu and Aliyu (2015) examined the impact of managerial skills on small scale businesses performance and growth in Nigeria using questionnaire technique and simple linear regression. The study found that managerial skills have significant impact on Small Scale Businesses (SSBs) performance. Using data collected from microfinance participants in Kelantan and Terengganu and applying the Structural Equation Modelling approach, Sidek and Mohamad (2014) examined the managerial competencies and small business growth. The study found that all the managerial competency dimensions – technical, generic and conceptual skills – had positive and significant impacts on small business growth. Agbim (2013) examined the relative contribution of management skills to entrepreneurial success: a survey of Small and Medium Enterprises (SMEs) in the trade sector using a survey research method and

systematic sampling technique. It was found that the highest relative contribution was made by skills for planning and budgeting for a marketing strategy that provides attractive range of products, followed by skills to act quickly on detecting changes in the environment, skills for assessing sales problems as a way of maintaining good customer relations, skills to focus on product quality so as to capture a sizeable market share, and management expertise skills to attract and keep competent employees. Zahra, Nouri and Imanipour (2014) examined the Role of Managerial Skills of Entrepreneurship in Business Success using the structural equation modelling method to analyze the concluding results. The results revealed that managerial skills of entrepreneurship have a positive and meaningful impact on business success. The analysis of sub-variables of the research showed that, the skill of venture launch has the highest impact and the skill of negotiation has the lowest impact on business success.

Karunanithy and Jeyaraman (2013) investigated the impact of entrepreneurial characteristics on the organizational development of the small business entrepreneurs from Kandy district by using the regression and correlation analysis. Results showed that the characteristics of the small business entrepreneurs in Kandy district had significant relationship with organizational development. The study also found that achievement competencies and power competencies are of low level contribution to organizational development whereas the planning competencies contribute comparatively more. Using an exploratory cross-sectional survey on a sample comprised of 128 small and medium scale women entrepreneurs, Gathenya, Bwisa and Kihoro (2011) examined the interaction between women entrepreneurs' age and education on business dynamics in Small and Medium Enterprises in Kenya. The results of the interaction of the UNIANOVA analysis revealed that there was significant interaction between the effects of both age and education on locus of planning. Both also had a significant impact on the profitability of the enterprises when firm performance was measured as return on asset. Ahmad, Choong, Abdullah, Ishak and Jumaat (2011) used descriptive analysis, Pearson correlation, stepwise regression procedures and t-test to examine management skills and entrepreneurial success of small and medium enterprises (SMEs) in the services sector. The study revealed that high entrepreneurial success was associated with high business operating skills, skills to obtain market share that suits their size and capability and skills to offer more special services; with bumiputera and non-bumiputera being indifferent in their perception towards management skills that affected their success. Tagrafa and Akinb (2009) investigated whether there is a relation between entrepreneurial characters and enterprise ownership. Results showed that enterprise owners generally have entrepreneurial characters, but no relation was found between enterprise ownership type and having entrepreneurial characters. Karif (2009) examined the managerial performance and business success: gender differences in Canadian and Israeli entrepreneurs. Multilevel analyses revealed that gender is significantly associated with some managerial functions, but except for the business longevity—it is not directly associated with measures of business success; nationality is associated with two measures of business success: turnover and growth.

Zuzana and Matej (2007) examined the importance of managerial skills and knowledge in management for small Entrepreneur. The study relied on extensive literature in identifying the level of management of small enterprises, fundamental management knowledge for small entrepreneurs and education for small entrepreneurs. The findings showed that the level of management of small enterprises implies the situation of small enterprises in Slovakia, problems of small enterprises and knowledge in management. The findings further revealed that the fundamental management knowledge for small entrepreneurs comprises of managerial abilities, roles and skills and phases of development of small enterprises. Adegbite, Ilori, Irefin, Abereijo and Aderemi (2006) evaluated the impact of entrepreneurial characteristics on the performance of small scale manufacturing industries in Nigeria using the correlation analysis and regression analysis. The results showed that human resource factors and the sales revenue were found to be inadequate and severely inhibited the potential of the entrepreneurs for performance and growth. However, length of years in business and working experience were found to have positive contribution on their performance. While majority (7) of the 10 Personal Entrepreneurial Characteristics (PEC) of the respondents made negative contribution on the sales revenue, only demand for efficiency and product quality, information seeking; and systematic planning and monitoring had positive impact. Nimalathasan (2005) examined Characteristics of Entrepreneur, as a comparative study of Small Scale Entrepreneurs of SriLankan and Bangladesh. Factor analysis shows that SriLankan entrepreneurs have characteristics such as seeking opportunity, persistence, commitment to work contract, demand for work quality and efficiency, risk taking, visionary, similarly Bangladeshi entrepreneurs also have above characteristics except visionary. Owa, Ewiwile and Azu (n.d) investigated the effective financing and management of small scale businesses in Delta State, Nigeria: a tool for sustainable economic growth using Z-test, chi-square and simple percentage. Findings found that high cost of production, lack of technological knowhow and high interest rate on loan borrowed are factors thwarting the growth and development of small scale businesses in Nigeria.

Available literature has revealed that there is a litany of related studies on entrepreneur's level of management skills and performance of Small and Medium Enterprises (SMEs) but most of the studies were not carried out within the study area. Therefore, looking at the challenges facing entrepreneurs in the study area particularly owners of Small and Medium Enterprises (SMEs) in the automobile industry, it becomes imperative to carry out this study which is aimed at examining entrepreneur's level of management skills and performance of Small and Medium Enterprises (SMEs) in the automobile industry: evidence from Anambra State, Nigeria..

METHODOLOGY
Area of the Study
This study was carried out in Anambra state. Specifically among registered SMEs in the automobile industry in the state. Anambra State is a state in south-eastern Nigeria. Its name is an anglicized version of the original 'Oma Mbala', the native name of the Anambra River. The Capital and the Seat

of Government is Awka. Onitsha and Nnewi are the biggest commercial and industrial cities, respectively. The state's theme is "Light Of The Nation". Boundaries are formed by Delta State to the west, Imo State and Rivers State to the south, Enugu State to the east and Kogi State to the north. The origin of the name is derived from the Anambra River (Omambala) which is a tributary of the famous River Niger. Furthermore, Anambra state is a state that has many other resources in terms of agro-based activities like fishery and farming, as well as land cultivated for pasturing and animal husbandry. Currently, Anambra State has the lowest poverty rate in Nigeria and the area also has a good number of SMEs.

Population of the Study
The population of the study consists of all the registered SMEs in the automobile industry in the state. As at the time of this study, Anambra State has a total of 2698 registered SMEs in the automobile industry in the state.

Sample and Sampling Technique
To determine the sample size, for the purpose of questionnaire distribution; the Taro Yamani (1967) formula was used. The formular is stated thus: $n = \dfrac{N}{1+N(e)^2}$

Where: n = sample size
N = population
E = Margin of error (5% or 0.05)
1 = Constant

Substituting in the above formula:

$N = \dfrac{2698}{1+2698\,(0.05)^2}$

$= \dfrac{2698}{1+2698\,(0.0025)}$

$= \dfrac{2698}{7.745}$

$= 384.35$

$= 384$

For the purpose of allocation of sample stratum, the researcher adopted R. Kumaison's formula. Below is the R. Kumaisons formula for sample size distribution:

$nh = \dfrac{nNh}{N}$

Where
N = Total sample size
Nh = The number of items in each stratum in the population

N = Population size
Nh = The number of units allocated to each stratum

n = 384
Nh = Economic areas of operation

Table1: Distribution of firms by Population and Sample within their Economic areas of operation

Economic areas of operation	Population	Sample
Onitsha	811	115
Obosi	570	81
Nnewi	836	119
Nkpor	481	69
Total	2698	384

Substituting in the above formula:
Economic areas of operation 1; => nh = $\dfrac{384 \times 811}{2698}$ = 115.4 = 115

Economic areas of operation 2; nh = $\dfrac{384 \times 570}{173}$ = 81.1 = 81

Economic areas of operation 3; nh = $\dfrac{384 \times 836}{173}$ = 118.9 = 119

Economic areas of operation 4; nh = $\dfrac{384 \times 481}{173}$ = 68.5 = 69

Instrument for Data Collection
The instrument for data collection is a structured questionnaire designed by the researchers through review of related literature and in relation to the purpose and research questions guiding the study. The instrument consists of two parts; I and 2. Part 1 deals with background information of the respondents while Part 2 contains items that addressed the research questions.

Method of Data Collection
In order to ensure high percentage return of the instrument and to create researcher – respondents friendly with enhanced understanding of the questionnaire items by the respondents, four research assistants were trained by the researcher on what to do. They were engaged to help in administration of the instrument. A period of two weeks was used for the exercise to ensure a high response rate.

Method of Data Analysis
Regression analysis and the t-test statistics were used to analyze the data collected in respect of the research questions.

Model Specification
The regression analysis was used to evaluate the entrepreneur's level of management skills and performance in Automobile Industry. In this study we propose multiple econometric model to assess the entrepreneur's level of management skills and performance in Automobile Industry, Nigeria. Also, our model includes the integration of factors conceptualized from the achieved characteristics of the entrepreneur explored in the literature.
Thus, the Model is:
$$SMEP_i = \alpha + \beta X_i + e_i \dots\dots\dots\dots\dots\dots\dots 1$$

Where $SMEP_i$ represent SMEs Performance and it is proxied by years of business experience; X_i are the observable variables representing managerial skill of the entrepreneur, α and β are parameters to be estimated, and e_i is a random error term with a mean of zero. Expanding the RHS of equation 1 in line with our theoretical postulation in its functional form, we have:
$$SMEP_i = f(PSK, HRMS, LMS, MIS, QAS, FMS, MES)\dots\dots\dots\dots\dots 2$$

Mathematically, the model is specified as:
$$SMEP_i = \alpha + \beta_1 PSK + \beta_2 HRMS + \beta_3 LMS + \beta_4 MIS + \beta_5 QAS + \beta_6 FMS + \beta_7 MES \dots 3$$

To account for random effect and to diffuse omitted explanatory variables that have impact on the regressand, equation 3 is refigured to include the random error term. Thus the econometric model is:
$$SMEP_i = \alpha + \beta_1 PSK + \beta_2 HRMS + \beta_3 LMS + \beta_4 MIS + \beta_5 QAS + \beta_6 FMS + \beta_7 MES + e\dots\dots\dots 4$$

The included variables represent entrepreneur's: Planning Skill, HRM skill, Logistics Management Skill, Management Information Skill, Quality Assurance Skill, Financial Management Skill and Monitoring and Evaluation Skill respectively, $\beta_1 - \beta_7$ are the slope coefficients of the regressors, α represents the vertical intercept, ε the stochastic residual term, which is normally distributed with a mean value of zero.

DATA ANALYSIS AND RESULTS
Table1: Regression Result on entrepreneur's level of management skills and performance in Automobile Industry

Model	B	Std. error	T	Sig.
Constant(C)	0.728	0.091	8.579	0.001
Planning Skill	0.710	0.064	11.098	0.000
HRM skill	0.761	0.088	8.749	0.000
Logistics Management Skill	0.401	0.067	5.991	0.047
Management Information Skill	0.318	0.063	5.046	0.036
Quality Assurance Skill	0.566	0.062	9.143	0.000
Financial Management Skill	0.153	0.021	7.254	0.025
Monitoring and Evaluation Skill	0.449	0.091	4.931	0.050
R	0.929			
R²	0.863			
Adj. R²	0.860			
F-statistic	221.403			0.000

Source: Field Survey, 2018

Dependent Variable: Years of Business Experience
To ascertain the effect of entrepreneur's level of management skills and performance of Small and Medium Enterprises (SMEs) in the automobile industry: evidence from Anambra State, Nigeria, the weighted mean of the seven independent variables were regressed on the dependent variable to enable us determine the nature of relationship between the dependent and independent variables, effect of the seven independent variables on the dependent variable, the overall fitness of the model using the F-statistics and probability value and the level of significance of the independent variables in influencing the dependent variables using the t-test and probability value. The table above shows the regression result. It also shows the precision of the model which was analyzed using economic a priori criteria and statistical criteria.

Discussion of Findings
Discussion based on economic a priori criteria
Discussion using this criterion enables us to determine the nature of relationship between the dependent and independent variables. In this case, the sign and magnitude of each variable coefficient are evaluated against theoretical or economic a priori criteria/expectations. As showed in the table 1, it is observed that the regression line has a positive intercept as presented by the constant (c) = 0.728. This means that if all the variables are held constant or fixed (zero), the performance of the automobile industry increases by 72.8%. The result also conforms to the a priori expectation. This states that the intercept could be positive or negative, so it conforms to the theoretical expectation (Gujarati, 2008). Planning Skill has a positive relationship with performance of SMEs in the automobile industry. This implies that the Planning Skill and performance of SMEs in the automobile industry increase in the same direction. That is to say that Planning Skill has a direct and positive relationship with performance of SMEs in the automobile industry. In other words, 1% increase in Planning Skill will bring about 71.0% growths in the performance of SMEs in the automobile industry.

HRM skill has a direct and positive relationship with performance of the automobile industry. In other words, 1% increases in HRM skill will bring about 76.1% growths in the performance of the automobile industry.

Logistics Management Skill has a direct and positive relationship with performance of the automobile industry. As the Logistics Management Skill grows, it increases the performance of the automobile industry. In other words, 1% increase in Logistics Management Skill will bring about 40.1% increases in the performance of the automobile industry.

Management information skill and quality assurance skill have direct and positive relationship with performance of the automobile industry. Therefore, 1% increase in either of them, will bring about 31.8% and 56.6% increase in the performance of the automobile industry respectively.

On the other hand, Financial Management Skill and Monitoring and Evaluation Skill also have positive and direct relationship. This implies that Financial Management Skill and Monitoring and Evaluation Skill move in same direction with performance of the automobile industry respectively.

Discussion based on statistical criteria
In order to evaluate the effect of entrepreneur's level of management skills on the performance in Automobile Industry: A study of selected Small and Medium Enterprises (SMEs) in Anambra State, Nigeria, the analysis was also done based on statistical criteria by applying the coefficient of determination (R^2) and the F–test. In general, the joint effect of the explanatory variables-independent variables-in the model account for 0.860 or 86.0% of the variations in the managerial skills influencing performance in Automobile Industry. This implies that 86.0% of the variations in the performance in Automobile Industry are being accounted for or explained by the variations in Planning Skill, HRM skill, Logistics Management Skill, Management Information Skill, Quality Assurance Skill, Financial Management Skill and Monitoring and Evaluation Skill. While other independent variables not captured in the model explain just 14% of the variations in performance of SMEs in Automobile Industry.

All the coefficients (Planning Skill, HRM skill, Logistics Management Skill, Management Information Skill, Quality Assurance Skill, Financial Management Skill and Monitoring and Evaluation Skill) are significant determinant of performance of SMEs in Automobile Industry.

Test of Hypotheses
The t-test is used to know the statistical significance of the individual parameters at 5% significance level. The result is showed on table 2 below.

Table2: Summary of t-statistic

Variables	t-cal (t_{cal})	Sig.	Conclusion
Constant(C)	8.579	0.001	Statistically Significance
Planning Skill	11.098	0.000	Statistically Significance
HRM skill	8.749	0.000	Statistically Significance
Logistics Management Skill	5.991	0.047	Statistically Significance
Management Information Skill	5.046	0.036	Statistically Significance
Quality Assurance Skill	9.143	0.000	Statistically Significance
Financial Management Skill	7.254	0.025	Statistically Significance
Monitoring and Evaluation Skill	4.931	0.050	Statistically Significance
F-statistic	221.403	0.001	Statistically Significance

Source: **Researchers computation (2018)**

We begin by bringing our working hypothesis to focus in considering the individual hypothesis. From table 2, the t-test result is interpreted below:

Hypothesis One

Ho$_1$: Entrepreneur's planning skill has no significant influence on the performance of automobile industry.

Ha$_1$: Entrepreneur's planning skill has significant influence on the performance of automobile industry

From table 2, the t-test value of Entrepreneur's planning skill, is significant. We, therefore, reject the null hypothesis and conclude that Entrepreneur's planning skill has significant influence on the performance of automobile industry.

Hypothesis Two

Ho$_2$: Entrepreneur's human resource management skill has no significant influence on the performance of automobile industry.

Ha$_2$: Entrepreneur's human resource management skill has significant influence on the performance of automobile industry.

From table 2, the t-test value of Entrepreneur's human resource management skill is significant at 0.000 level of significant. We, therefore, reject the null hypothesis and accept the alternate by concluding that Entrepreneur's human resource management skill has significant influence on the performance of automobile industry.

Hypothesis Three

Ho$_3$: Entrepreneur's logistics management skill has no significant influence on the performance of automobile industry.

Ha$_3$: Entrepreneur's logistics management skill has significant influence on the performance of automobile industry.

From table 2, the t-test value of Entrepreneur's logistics management skill, is significant at 0.047 level of significant. We, therefore, reject the null hypothesis and accept the alternate by concluding that entrepreneur's logistics management skill has significant influence on the performance of automobile industry.

Hypothesis Four

Ho$_4$: Entrepreneur's management information skill has no significant influence on the performance of automobile industry.

Ha$_4$: Entrepreneur's management information skill has significant influence on the performance of automobile industry

From table 2, the t-test value of Entrepreneur's management information skill, is significant. We, therefore, reject the null hypothesis and conclude that entrepreneur's management information skill has significant influence on the performance of automobile industry.

Hypothesis Five

Ho$_5$: Entrepreneur's quality assurance skill has no significant influence on the performance of automobile industry.

Ha$_5$: Entrepreneur's quality assurance skill has significant influence on the performance of automobile industry

From table 2, the t-test value of sales performance, is significant. We, therefore, reject the null hypothesis and conclude that entrepreneur's quality assurance skill has significant influence on the performance of automobile industry.

Hypothesis Six

Ho$_6$: Entrepreneur's financial management skill has no significant influence on the performance of automobile industry.

Ha$_6$: Entrepreneur's financial management skill has significant influence on the performance of automobile industry.

From table 2, the t-test value of price is significant at 0.025 level of significant. We, therefore, reject the null hypothesis and accept the alternate by concluding that entrepreneur's financial management skill has significant influence on the performance of automobile industry.

Hypothesis Seven

Ho$_7$: Entrepreneur's monitoring and evaluation skill has no significant influence on the performance of automobile industry.

Ha$_7$: Entrepreneur's monitoring and evaluation skill has significant influence on the performance of automobile industry.

From table 2, the t-test value of entrepreneur's monitoring and evaluation skill, is significant at 0.050 level of significant. We, therefore, reject the null hypothesis and accept the alternate by concluding that entrepreneur's monitoring and evaluation skill has significant influence on the performance of automobile industry.

CONCLUSION AND RECOMMENDATIONS
Conclusion
1. Planning Skill has a positive and significant relationship with performance of SMEs in the automobile industry.

2. HRM skill has a direct and positive relationship with performance of the automobile industry. In other words, 1% increases in HRM skill will bring about 76.1% growths in the performance of the automobile industry. The hypothesis also confirmed that HRM skill has significant influence on the performance of SMEs in the automobile industry.

3. Logistics management skill has a direct and positive relationship with performance of the automobile industry. As the Logistics Management Skill grows, it increases the performance of the automobile industry. In other words, 1% increase in Logistics Management Skill will bring about 40.1% increases in the performance of the automobile industry.

4. Management information skill and quality assurance skill have direct and positive relationship with performance of the automobile industry. Therefore, 1% increase in either of them, will bring about 52.6% and 68.9% increase in the performance of the automobile industry respectively.

5. On the other hand, Financial management skill and monitoring and evaluation skill also have positive and direct relationship. This implies that financial management skill and monitoring and evaluation skill move in same direction with performance of the automobile industry respectively.

Recommendations

Based on the findings of this study, the following recommendations are made:

1. Upcoming entrepreneurs should strive to acquire planning skill if it is not innate in them. This is because people with entrepreneurial planning skill tend to have high productivity or creativity and ability to correctly calculate the time it will take to do a determined task.
2. Practicing and intending entrepreneurs should be trained on human resource management. This is because a good human resource manager has the ability to acquire or hires competent human resources and also has the capacity to set out training required to develop skills.
3. The entrepreneurs should train on logistics management skills to enable them in the Planning and managing logistics, warehouse, transportation and customer services and Planning and managing logistics, warehouse, transportation and customer services.
4. Management information skill and quality assurance skill should be acquired by entrepreneurs to enable them have competitive advantage in the present globalise and turbulent business environment.
5. Training on financial management skill and monitoring and evaluation skill are imperative for practicing and intending entrepreneurs. This will enable develop the ability and capacity to simulate various financial scenarios through financial modelling and analytics to determine best course of action and also have capacity in the conduct of evaluation/impact assessment studies of key projects/programmes to ensure the achievement of development outcomes

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