



SKILLS NEEDED FOR SUCCESSFUL MANAGEMENT OF SMALL AND MEDIUM SCALE MANUFACTURING INDUSTRIES BY ENTREPRENEURS IN ANAMBRA STATE, NIGERIA

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Abstract:

This study determined the skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State. Two research questions guided the study and two null hypotheses were tested at 0.05 level of significance. Descriptive survey research design was adopted using a population of 2,610 entrepreneurs of SMEs in Anambra State. Taro Yamane formula was utilized to select a sample size of 347. A structured questionnaire developed by the researcher was used for data collection. Cronbach Alpha was used to establish the reliability of the instrument. The reliability index obtained was $r = 0.79$. Data were analyzed using mean, standard deviation and t-test. Mean was used to answer the research questions and standard deviation used to explain how the responses of the respondents varied. t-test was used to test the hypotheses at 0.05 level of significant. The results showed that analytical and interpersonal skills are highly needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State. The results also showed that there was no significant difference in the mean ratings of entrepreneurs on the extent analytical and interpersonal skills are needed for successful management of small and medium scale manufacturing industries in Anambra State on the basis of size of the business. Based on the findings, the researcher recommended among others, that entrepreneurs need analytical skills in order to visualize, articulate, conceptualize or solve both complex and uncomplicated problems by making decisions that are sensible given the available information.

Keywords: skills, entrepreneurs and small and medium enterprises

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1. Introduction

Small and medium enterprises (SME) are seen as agents of economic development and contribute to improved living standards, substantial local capital formation, and achieve high levels of productivity and capability for individuals and nations. Small-scale enterprise is a business that employs a small number of workers and does not have a high volume of sales. Such enterprises are generally privately owned and operated sole proprietorships, corporations or partnerships. According to Oguntolu (2008), small and medium scale enterprises are business organizations set up by individuals or group of individuals known as business operators for the main purpose of providing goods and services. Their classification into small and medium enterprises depends on the scale or size of business operators' control. These enterprises engage in different types of activities ranging from construction, agro-allied, information technology, manufacturing, educational establishment, business services, tourism and leisure.

Small and medium scale manufacturing industries are generally regarded as the key driver of economic growth and sustainable development as they promote job creation and rural development. They are helpful in mitigating the rural-urban drift. In addition, small businesses promote industrial development through the utilization of local resources, production of intermediate products and transfer of rural technology (Osotimehin et al., 2012). This helps to minimize dependence on imported materials. Also, new ideas and innovations are usually provided by small-scale enterprises through personal contributions to research and development. Thus, they are regarded as the bedrock of supply of promising entrepreneurs.

For small and medium scale enterprises to be successful, owner/manager (entrepreneur) must possess appropriate skills and abilities to run the business (Okpara and Wynn, 2007). However, the desire of every small and medium scale enterprise manager is to ensure that his business survives. For this to be achieved, appropriate skills must be utilized. Sulayman and Akaeze (2014) held that the success of any business organization depends on skills acquired by the small-scale enterprise managers. To be successful in today's competitive market as an entrepreneur, one needs a broad array of entrepreneurial skills. Terry (2005) argued that business owner needs to possess basic skills necessary to start, develop, finance and market own business. It is therefore, very important for entrepreneurs develop all necessary skills required for setting and effective running of the enterprises.

In view of the above, Nelson and Neck in Okolo (2014) defined entrepreneurs as people who have the ability to see and evaluate business opportunities, put together the necessary resources to take advantage of them and to initiate appropriate actions to ensure success. An entrepreneur is an individual who develops and grows the businesses through creative and innovative activities, by introducing new products or services, by improving the existing methods of production or service. Thus, the skills of entrepreneurs make a business more successful and may lead towards its sustainable

competitive advantage as well. Entrepreneurs are required to have knowledge of specific categories of activities that are crucial for the sustainability of their business ventures.

Skills for operating a business enterprise are needed for the business to succeed in the competitive market. Skill is the ability to do something well and is usually gained through training or experience. Okoli (2013) defined skills as the economic tools with which entrepreneurs acquire and solve societal problems. Skills are those activities that will enable an entrepreneur to manage his own enterprise. Okoli further stated that entrepreneurs must possess these business skills that are necessary to enable them start, enhance their own business enterprises and market the products or services. The success of a business depends on many factors, top of which is the level of skills possessed by the small-scale enterprise managers.

However, managers of small-scale enterprise seem to be failing in the achievement of their business goals as a result of poor management skills. Poor management skills according to Schaefer (n.d) are the number one reason for business failure. Reardon (2010) added that managers of small-scale enterprise lack knowledge on how to run businesses. Over 90 percent of the small-scale enterprises dealt with during the study on entrepreneurial training needs analysis in SMEs confessed that their businesses were not performing well due to the above deficiencies (Nothando, Desderio, Jengeta, Tsitsi & Nhemachena, 2013). Managers are individuals responsible for planning and directing the work of group of people, monitoring their work, and taking corrective action when necessary.

Ademola (2005) identified skills needed by small scale enterprise managers for successful business to include technical skills, human skills, conceptual skills, accounting and a range of interpersonal skills. Adeyemo (2009) listed the skills needed for successful enterprise to include: sales and marketing skills, self-motivation skills, time management skills and administrative skills. Meanwhile, this research focuses on analytical skills and interpersonal skills Analytical skill is the ability to visualize, articulate, conceptualize or solve both complex and uncomplicated problems by making decisions that are sensible given the available information. According to Slipicevic and Masic (2012), analytical skills are the skills of knowledge / thinking that enable the use and assimilation of new information and use for planning purposes or for creating a system of planning. Such skills include demonstration of the ability to apply logical thinking to breaking complex problems into their component parts. Analytical skills are used to gain a better understanding of a complex situation or problem. Additionally, Mcvay, Murphy and Yoon (2008) have defined analytical skills as incorporating the ability to recognize market needs and thus the ability to develop new markets. Managers of small-scale manufacturing industries need to have analytical skills to develop innovative and creative ideas in order to run their businesses successful.

Interpersonal skill is the ability to improve the quality of team members' interaction and conflict through the use of cooperative behaviours (Page & Donelan, 2013). Interpersonal processes are important to minimize conflict within the team, which in turn increases team interdependence. This cooperative behavior fosters a belief that

each individual team member is critical to the overall success of the team, and helping others helps the team. Many professional business organizations have identified interpersonal skills as a core competency in effective teamwork. Interpersonal skills are critical for any business owner or entrepreneur to possess because the job involves communicating, interacting and selling to customers (Admin, 2016). Effectively conversing with other people is the backbone of one's company and what will set one apart from the competition.

Furthermore, factors influencing the skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State could be size of small and medium scale enterprises. Small and Medium Sized Development Agency of Nigeria (SMEDAN) defined SMEs based on the following criteria: a micro enterprise as a business with less than 10 people with an annual turnover of less than ₦5,000,000.00 (€ 22,896,35); a small scale enterprise as an enterprise with total capital employed of over ₦1.5million (€6,916.77) but not more than ₦50million (€228,469.28) including working capital but excluding cost of land and labour size of 11 – 100 workers; a medium scale enterprise as an enterprise with a total capital employed of over ₦50million (€228,469.28) but not more than ₦200million (€922,289.89) including working capital but excluding cost of land, and or a labour size of 101 – 300 workers. Fagbemi and Olaoye (2016) observed that acquisition of these skills by entrepreneurs improves the performance of small and medium scale enterprises especially in this technological era.

Entrepreneurs may not have requisite skills or experience as they may be in business as a result of the resources that they possess or their ambition. Pretending that the skills or the experience are not necessary in a business is a fatal mistake as that leads to dismal business failure due to mismanagement. Lack of the same may also deter business growth which is critical in this day and age of global competition. By the nature of their jobs, managers spend a great deal of time, money and energy on improving the performance of a business, but the same effort can result in destruction of the business. As such success and survival of any small-scale industries depends upon the entrepreneurial skills needed for successful management of the business.

2. Statement of the Problem

Entrepreneurial skills are simply business skills and competencies which individuals acquire to enable them to run their businesses more effectively and function in the turbulent business environment as an entrepreneur or self-employed. It takes special skills to succeed as an entrepreneur, but most entrepreneurial skills come by learning and practicing (Ezeani, 2012). The problem is related to their inability to execute their intentions and sustain their businesses. Evidence abound that the failure of small scale enterprises is on the increase and the causes of the failure may not be that the small scale enterprise managers do not have the necessary skills to keep the business afloat, but because the needed skills are not adequate to grow and thrive in business. It has become

clear that the lack of trained manpower and management skills, inefficiency in financial management and poor record keeping also constitute major challenges to survival. Consequently, the researcher is interested in determining the skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State.

2.1 Purpose of the Study

The main purpose of this study is to determine the skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State. Specifically, the study sought to determine:

- 1) Analytical skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State.
- 2) Interpersonal skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State.

2.2 Research Questions

The following research questions guided the study:

- 1) To what extent are analytical skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State?
- 2) To what extent are interpersonal skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State?

2.3 Hypotheses

The following null hypotheses were tested at 0.05 level of significance:

- 1) There is no significant difference in the mean ratings of entrepreneurs on the extent analytical skills are needed for successful management of small and medium scale manufacturing industries in Anambra State on the basis of size of the business.
- 2) There is no significant difference in the mean ratings of entrepreneurs on the extent interpersonal skills are needed for successful management of small and medium scale manufacturing industries in Anambra State on the basis of size of the business.

3. Literature Review

A. Skills

Skill is the ability to do something well and is usually gained through training or experience. Okoli (2013) defined skills as the economic tools with which entrepreneurs acquire and solve societal problems. Skills are practical activities which make one employable, self-reliant and relevant to the society. Okoli further stated that entrepreneurs must possess these business skills that are necessary to enable them start, enhance their own business enterprises and market the products or services. Skills go a long way in helping entrepreneurs become successful. Skills are those activities that will

enable an entrepreneur to manage his own enterprise. Skill has been defined by Goriwondo (2013) as ability which can be developed and which is manifested in performance, not merely in potential but the ability to translate knowledge into practice. If such skill is lacking in business, there are slim chances of success. Akande, (2011) described skills as qualities or attributes required for an entrepreneur to start and successfully manage a business in a competitive environment. Akinola (2011) pointed out that it takes special skills to succeed as a small-scale enterprise manager. This implies that the success of a business depends on many factors, top of which is the level of skills possessed by the small-scale enterprise managers. In the context of this study, skills are the knowledge, attitudes and behaviours that will enable an entrepreneur to identify business opportunities, stimulate creativity and transform ideas into practical and economic activities for sustainable livelihood. These skills are needed to perform certain activities such as managerial, financial management, marketing, human relations, technical and information and communication technology skills to run an enterprise successfully.

B. Small and Medium Scale Industries

Small and medium scales enterprises are those firms owned by individual(s) and are ordinarily established as a means of self-employment. They mostly use power and small machines (Afolabi & Macheke, 2012). They are located in small and big towns and cities. They employ hired labourers, get raw materials from distant markets and sell their products even in distant markets. The enterprises are known for low set up cost, reliance on local raw materials, employment generation, accelerating rural development, stimulating entrepreneurship, providing links between agriculture and industries, supplying parts and components among others (Onwughalu, 2014). The Central Bank of Nigeria, in its monetary policy circular No. 25 of 1991, defined small-scale business as an enterprise whose capital investment does not exceed N5,000,000 (including land and working capital) or whose turnover is not more than N25,000,000 annually. The Small and Medium-scale Enterprises Development Agency of Nigeria (SMEDAN) defined small enterprises as those with assets not more than ₦50 million (excluding cost of land but including working capital), and not more than 100 employees (Unam & Unam, 2013). The Federal Government of Nigeria in 1990 defined small-scale enterprises for purpose of commercial loan as those enterprises with capital investment not exceeding N2 million (excluding cost of land) or a minimum of N5 million (Aremu and Adeyemi, 2011). Majority of SME businesses in Nigeria are family-owned, have a low capital base, are located in urban and semi-urban areas and largely reside in the informal sector. The informal sector in Nigeria refers to economic activities in all sectors of the economy that are operated outside the purview of government regulation. In the context of this study small and medium scale industries are small businesses usually owned and managed by individuals called business owners, entrepreneurs or business operators. The socio-economic transformation of Nigeria cannot be achieved without the development of small and medium scale industries.

C. Entrepreneurs

According to Nelson and Neck in Okolo (2014) entrepreneurs are people who have the ability to see and evaluate business opportunities, put together the necessary resources to take advantage of them and to initiate appropriate actions to ensure success. An entrepreneur is an individual who develops and grows the businesses through creative and innovative activities, by introducing new products or services, by improving the existing methods of production or service. Thus, the skills of entrepreneurs make a business more successful and may lead towards its sustainable competitive advantage as well. Arogundade (2011) defined an entrepreneur as a person who has developed an ongoing business activity where none existed before. UNESCO defined an entrepreneur as someone who starts or operates a business venture and assumes the responsibility for it (Etonyeaku, Kanu, Ezeji & Chukwuma, 2014). In the same vein, Anyakoha (2009) defined an entrepreneur as a person who chooses or assumes risks, identifies business opportunity, gathers resources, initiates actions and establishes an organization or enterprise to meet such market opportunities. In the context of this study entrepreneurs are those who concede the idea of venturing into business in order to make profit. Entrepreneurs are required to have knowledge of specific categories of activities that are crucial for the sustainability of their business ventures.

D. Analytical Skills

According to Boyatzis and Kolb as cited in Sugahara and Coman (2010), analytical skills are set of cognitive thinking abilities that enable ones to process ideas through theory, quantitative and technology. Theory: The ability to adopt a larger perspective, to conceptualize, to integrate ideas into systems or theories and to use models or theories to forecast trends; Quantitative: The ability to use quantitative tools to analyze and solve problems, and to derive meaning from quantitative reports; Technology: The ability to use computers and computer networks to analyze data and organize information and to build computer models or simulation. Analytical skills cover the ability to recognize that certain events (example financial transactions) will have consequences for somewhere and some part of the accounting process, and the ability to classify these events in terms of the accounting equation that underlies all financial record-keeping and reporting (Jones & Sin cited in Al-Mallak, 2012).

Sugahara and Coman (2010) have emphasized that analytical skills, along with other generic skills, are essential for the managers in today's rapidly changing economic environment. The need for entrepreneurs or managers of small scale industries to have a higher level of analytical skills is a result of increased technology (example computerized spreadsheets) taking over many of the more mundane or repetitive tasks that managers had to do in the past. Kavanagh and Drennan (2008) found that employers expected graduates to have analytical skills, with this set of generic skills being one of the top three skills employers expect recent graduates to have. These authors also found that the responses of business students tended to agree somewhat with the responses of

employers and that both groups considered analytical skills to be very important for an employee's success in the workplace.

E. Interpersonal Skills

Interpersonal skill is the ability to improve the quality of team members' interaction and conflict through the use of cooperative behaviours. According to Slipicevic and Masic (2012), interpersonal skills are the first most important type of skills that job may require. This type of skill is composed of three categories of skills such as leadership skills, relationship skills and helping and delegating. These are skills one should be continuously polishing and improving upon. Admin (2016) stated five interpersonal skills that every business owner should possess to include: relationship building skills, assertiveness, effective communicator, self-management and emotional intelligence and active listener. Learning, understanding and practicing these five interpersonal skills will give one the confidence and poise one need to conduct daily business interactions and manage customer projects. These are skills that will take one's company and one's personal strengths to new heights. According to Goldman (2013), interpersonal skills benefit small enterprises in the management of diversity, conflict and change and enable owners to lead, motivate and evaluate employee performance. It also enables trust, coordination and planning. Interpersonal skills help entrepreneurs to work with others to achieve the goals of the business. Industries require employees with good interpersonal skills and the ability to work in a collaborative environment.

F. Theoretical Framework

The theoretical framework of this study is based on the theory of human capital. The human capital theory by Schultz (1961) points out that knowledge, skills and competencies are a form of capital. Schultz compares the acquisition of knowledge and skills to acquiring the means of production. The difference in earnings between people relates to the differences in access to education and health. Becker (1964) in his seminar book entitled "Human Capital" views human skills and competencies as similar to physical means of production such as factories and machines. The relevance of human capital theory by Schultz 1961 and Becker 1964 to the present study is that education increases individuals' productivity, which consequently enhances job performance. As such, entrepreneurial skills provide owners or managers of small-scale industries with skills and abilities relevant to successful management of their business activities.

4. Methods

Descriptive survey design was adopted for the study. The researchers considered this design appropriate for this study since it intended to collect data from managers or owners of SMEs in Anambra State. The population of the study consisted of 2, 610 small and medium scale entrepreneurs in the three senatorial zones of Anambra State who registered with the State Ministry of Commerce, Industry and Technology (1732 small

scale and 878 medium scale). Taro Yamane formula was utilized to select a sample size of 347. Instrument for data collection was a structured questionnaire tagged “Skills for Successful Management of Small and Medium Scale Industries (SSMSMIQ)”. The instrument was validated by three experts in business education and one in marketing. Their comments enhanced the content validity of the instrument.

To ascertain the internal consistency of the data instruments, Cronbach Alpha method was used to determine the degree of reliability. The analysis yielded a co-efficient of 0.79 indicating that the instrument was reliable for the study. The questionnaire was structured on a five-point rating scale with response categories as Very highly needed (VHN), Highly needed (HN), Moderately needed (MN), Lowly needed (LN) and Not needed (NN). The administration of the instrument was carried out personally by the researcher with the aid of five research assistants. Out of the 347 copies of the questionnaire distributed, 303 copies were retrieved and used for data analysis. Data collected regarding the research questions were analyzed using descriptive statistics (mean and standard deviation) while the t-test was used to analyze the hypotheses.

In order to determine the skills needed for successful management of SMEs, a decision rule based on a mean rating between 4.50-5.00 was very highly needed by entrepreneurs, an item with mean rating of 3.50-4.49 was highly needed by entrepreneurs and an item with 2.50-3.49 was moderately needed by entrepreneurs. Furthermore, an item with mean rating of 1.50-2.49 and 0.50-1.49 was lowly needed and not needed by entrepreneurs respectively. For the hypotheses, p-value was used for decision making for the hypotheses. Where the calculated p-value is less than the stipulated level of significance (0.05), it means that there was significant difference between subject mean scores and the hypothesis was rejected. Conversely, where the calculated p-value is equal to or greater than the stipulated level of significance (0.05), it means that there was no significant difference between mean scores of variables in emphasis and the hypothesis was accepted. Statistical Package for Social Sciences (SPSS) version 23 will be used to analyze the data.

5. Results

Research Question 1: To what extent are analytical skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State?

The analysis in Table 1 shows the cluster mean of 4.44 which indicates that analytical skills are highly needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State. The item by item analysis shows items 3, 5 and 8 are analytical skills rated as very highly needed while items 1, 2, 4, 6 and 7 are analytical skills rated as highly needed. The standard deviation showed that there is homogeneity amongst responses indicating a greater consensus of opinion.

Table 1: Mean ratings on the extent analytical skills are needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State (N = 303)

S/NO Analytical skills needed	Mean	SD	Decision
1. Ability to develop new knowledge and innovative business ideas	4.30	.46	Highly needed
2. Ability to classify and analyze business ideas	4.39	.49	Highly needed
3. Ability to use computer and computer networks to analyze data.	4.53	.50	Very highly needed
4. Ability to recognize market needs and develop new markets	4.33	.47	Highly needed
5. Ability to relate concepts and reasons	4.61	.49	Very highly needed
6. Ability to summarize relevant information into one concept	4.41	.50	Highly needed
7. Ability to process ideas through theory, quantitative and technology.	4.38	.49	Highly needed
8. Ability to use models to forecast business trends	4.53	.50	Very highly needed
Cluster Mean	4.44		Highly needed

Research Question 2: To what extent are interpersonal skills needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State?

Table 2: Mean ratings on the extent interpersonal skills are needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State (N = 303)

S/NO Interpersonal skills needed	Mean	SD	Decision
9. Ability to efficiently communicate with co-workers	4.39	.49	Highly needed
10. Ability in making right business decisions	4.41	.50	Highly needed
11. Ability to construct reasonable, logical arguments	4.53	.50	Very highly needed
12. Ability to relate information appropriately to concerned parties.	4.53	.50	Very highly needed
13. Ability in managing organizational risks	4.53	.50	Very highly needed
14. Ability in identifying strengths and weakness	4.33	.47	Highly needed
15. Ability in managing one's emotion	4.55	.50	Very highly needed
16. Ability to articulate thoughts and ideas effectively	4.39	.49	Highly needed
Cluster Mean	4.46		Highly needed

As displayed in Table 2, the cluster mean of 4.46 shows that interpersonal skills are highly needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State. The item by item analysis shows items 11, 12, 13 and 15 are interpersonal skills rated as very highly needed while items 9, 10, 14 and 16 are interpersonal skills rated as highly needed. The standard deviation showed that there is homogeneity amongst responses indicating a greater consensus of opinion.

4.1 Testing of Hypotheses

Hypothesis 1: There is no significant difference in the mean ratings of entrepreneurs on the extent analytical skills are needed for successful management of small and medium scale manufacturing industries in Anambra State on the basis of size of the business.

Table 3: Summary of t-test result on the extent analytical skills are needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State

Analytical skills	N	\bar{X}	SD	df	P-value	Decision
Small scale	204	4.33	0.15	301	.584	Not significant
Medium scale	99	4.21	0.13			

Data in Table 3 show that entrepreneurs do not differ significantly in their mean ratings on the extent analytical skills are needed for successful management of small and medium scale manufacturing industries in Anambra State. This is shown by the p-value of .584, which is greater than the significant level of 0.05. This shows that there is no significance difference in the mean responses of entrepreneurs. Therefore, the null hypothesis of no significant difference between the two groups is accepted.

Hypothesis 2: There is no significant difference in the mean ratings of entrepreneurs on the extent interpersonal skills are needed for successful management of small and medium scale manufacturing industries in Anambra State on the basis of size of the business.

Table 4: Summary of t-test result on the extent interpersonal skills are needed for successful management of small and medium scale manufacturing industries by entrepreneurs in Anambra State

Interpersonal skills	N	\bar{X}	SD	df	P-value	Decision
Small scale	204	4.39	0.11	301	.582	Not significant
Medium scale	99	4.38	0.10			

Data in Table 4 show that there is no significant difference in the mean responses of entrepreneurs on the extent interpersonal skills are needed for successful management of small and medium scale manufacturing industries in Anambra State. This is shown by

the p-value of .582, which is greater than the significant level of 0.05. This shows that there is no significance difference in the mean responses of SMEs entrepreneurs. Therefore, the null hypothesis of no significant difference between the two groups is accepted.

5. Discussion

The results of the study indicated that analytical skills are highly needed by entrepreneurs in small and medium scale manufacturing industries in Anambra State. The findings of the study are similar with that of Sugahara and Coman (2010) who emphasized that analytical skills are essential for the managers in today's rapidly changing economic environment. The need for entrepreneurs or managers of small and medium scale industries to have a higher level of analytical skills is a result of increased technology (example computerized spreadsheets) taking over many of the more mundane or repetitive tasks that managers had to do in the past. In support of this Kavanagh and Drennan (2008) found that entrepreneurs seemed to consider strong analytical skills as being equal in importance to technical skills, along with business awareness and experience of the real world. The test of the first hypothesis indicated that there was no significant difference in the mean ratings of entrepreneurs on the extent analytical skills are needed for successful management of small and medium scale manufacturing industries in Anambra State.

The results of the study indicated that interpersonal skills are highly needed by entrepreneurs in small and medium scale manufacturing industries in Anambra State. The findings of the study are in consonance with Slipicevic and Masic (2012) who stated that interpersonal skills are the first most important type of skills that job may require. In support of this Goldman (2013) stated that interpersonal skills benefit small enterprises in the management of diversity, conflict and change and enable owners to lead, motivate and evaluate employee performance. It also enables trust, coordination and planning. Interpersonal skills help entrepreneurs to work with others to achieve the goals of the business. Industries require employees with good interpersonal skills and the ability to work in a collaborative environment. The results of the second hypothesis indicated that there was no significant difference in the mean ratings of entrepreneurs on the extent interpersonal skills are needed for successful management of small and medium scale manufacturing industries in Anambra State.

6. Conclusion

Small and medium scale manufacturing industries are generally regarded as the key driver of economic growth and sustainable development as they promote job creation and rural development. For small and medium scale enterprises to be successful, owner/manager (entrepreneur) must possess appropriate skills and abilities to run the business. However, the desire of every small and medium scale enterprise manager is to

ensure that his business survives. Based on the findings of this study, it can be concluded that entrepreneurs need a broad array of entrepreneurial skills such as analytical and interpersonal skills for successful management of small and medium scale manufacturing industries in Anambra State.

6.1 Recommendations

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

- 1) Entrepreneurs need analytical skills in order to visualize, articulate, conceptualize or solve both complex and uncomplicated problems by making decisions that are sensible given the available information.
- 2) Entrepreneurs should possess interpersonal skills which give one the confidence and poise one need to conduct daily business interactions and manage customer projects.

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