FACTORS DETERMINING THE GROWTH OF YOUTH OWNED SMALL AND MEDIUM ENTERPRISES IN NIGERIA: A STUDY OF ABUBAKAR TAFAWA BALEWA UNIVERSITY, BAUCHI

By

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ABSTRACT

The study was necessary to determine the elements affecting SMEs' growth at Abubakar Tafawa Balewa University, Bauchi in order to improve their chances of growth. The study was directed by four research questions. The factors considered were market access, legal and regulatory environment, capital access, and technological adoption. The primary source of information was a self-administered questionnaire. SMEs operating within Abubakar Tafawa Balewa University in Bauchi, Bauchi State, made up the target population. The population of the study was 150 SMEs registered with Hostel Allocation Committee of the Student Affairs Division of the University, and a sample size of 119 was obtained including 10% non-response or error in filling questionnaires. Simple random sampling was used to administer questionnaires to youth owned SMEs. The study utilized Statistical Package for Social Science to perform multiple regression (SPSS). Inferential statistical techniques were used to interpret and present the data. The findings of the study revealed that, consumer access, legal and regulatory environment, capital access, and technological adoption all have a major impact on technological adoption. Thus, financial and other lending institutions should be aware of the costly and difficult lending conditions that youth-owned SMEs face in the country. They can then discuss the crucial problem of lending rates, namely how to reduce the cost of credit by lowering interest rates. The process of obtaining credit should also be easy and straightforward. To reduce the cost of doing business for SMEs, government should review its taxation scheme, which includes both the federal and state governments. Given their small scale financial strength, youth-owned SMEs should be given consideration.

Key words: Access to Market, Access to Capital, Legal and Regulatory Framework and Technological Adoption

1.0 INTRODUCTION

It is impossible to overstate the significance of Small and Medium-Sized Enterprises (SMEs) to the economic growth of any country (Obidile, Nwankwo, & Okpara, 2022). Without consistent growth in SMEs, maintaining a stable economy in a country (especially a developing one) may be challenging. Entrepreneurship has been embraced as a strategy for developing, facilitating, and enhancing youth economic participation all over the world (Yonla, Orobia, Dakung & Kruslat, 2021; Musengi-Ajulu, 2010). The European Commission (2003) enlisted academics, business leaders, and policymakers from around the world to establish a commitment to fostering a youth entrepreneurship mentality within communities in order to influence youth economic participation.

Reducing youth unemployment has been, and continues to be, a major policy problem for most governments around the world. According to a 2015 report by the International Labor Organization (ILO), an estimated 88 million youth between the ages of 15 and 30 are currently unemployed around the world. According to the report, youth are four times more likely than adults to be unemployed globally. According to Shimer (2012), a higher rate of youth unemployment is due to a lack of adequate skills and expertise to compete reasonably with experienced adults. Youth is described by the United Nations as young people aged fifteen to twenty-four years (UNOWA, 2010), while the African Union (2011) defines youth as young people aged 15 to 35 years.

In addition, according to an ILO (2015) report, approximately 660 million youth will be employed or looking for work in 2016. This means that, relative to 2003, there would be a 7.5 percent rise in the number of young people looking for work. According to Schleberger (2013), in the twenty-first century, the youth world in general, and Nigeria in particular, continue to face disproportionate unemployment. Schleberger (2013) and Yonla, Waswa, Bagire & Abaho, (2018) went on to say that the youth unemployment rate in 2014 was 13%, nearly three times higher than the adult unemployment rate. Youth entrepreneurship, according to Ostry, Berg, and Tsangarides (2014) and Yonla, Johnmark, Liman, Gani Sortu and Longdi, (2019), is the most viable engine for generating youth-related employment in communities and nations' economies, as well as a means of achieving long-term growth. They also say that entrepreneurship is gaining momentum and acceptance among the youth as a means of generating employment, long-term livelihoods, and financial independence. Youth entrepreneurship, according to Mayer (2014), is a creative way of creating and incorporating youth into today's globalized labor markets.

Youth entrepreneurship, according to Alvaredo and Gasparini (2013), is the process of young people between the aged of 15 to 35 years old planning, launching, and running a new company by providing a product or service to the market. Youth entrepreneurship gained traction in developing countries. Youth entrepreneurship in developing countries is beset by a slew of issues (Philip, 2010). Latin America, Africa, and a few Asian countries all fall under the developing country group. Lack of implementable policy mechanisms has contributed to problems that have stifled the development of young entrepreneurs. In most developing countries, the idea of youth entrepreneurship incubation is still being tested or created (OECD, 2012). In addition, Alvaredo and Gasparini (2013) argue that in developed countries, corruption and misguided interests are to be blame for the poor state of youth unemployment and entrepreneurship. The highest rates of youth unemployment are seen in Sub-Saharan Africa and Asia (ILO, 2015). According to an OECD study from 2012, most young people in Sub-Saharan Africa lack the knowledge and capacity to engage fully and efficiently in entrepreneurship due to a lack of awareness, funding, and business mentoring through entrepreneurship incubation programs. South Africa, Zimbabwe, Kenya, and Nigeria are among the African countries that provide youth entrepreneurship incubation services, but only Nigeria and South Africa offer ICT-based incubation. Poor access to information, a lack of adequate ICT infrastructure, and a lack of government-based funding are among the challenges (ILO, 2015).

Even though the Nigerian government established several agencies to promote the expansion of SMEs, these agencies are also anticipated to improve the SMEs' stability and efficiency. For instance, the National Directorate of Employment (NDE), the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), the Microfinance Banks, the National Economic Reconstruction Fund (NERFUND), and the Bank of Industries (BOI). Despite the government's efforts to assist SMEs through these organizations, SMEs have reportedly continued to fail recently (Yonla, Kruslat, Ibrahim, Dang & Jonathan, 2020; Kayode & Ilesanmi, 2014).

The failure could have been caused by unidentified causes that were neglected. One may wonder why SMEs growth in Nigeria has not significantly improved given the goals of various bodies to promote SMEs growth. Therefore, identifying the variables that might influence SMEs and contribute to their failure becomes crucial so that SME operators and everyone else involved can take precautions and work to promote their growth in order to advance Nigeria's economic development (Obidile, Nwankwo, & Okpara, 2022).

The research is guided by the following questions:

i. What is the relationship between Access to Capital and Growth of Youth Owned Small and Medium Enterprises in Nigeria?
ii. What is the relationship between Legal and Regulatory framework and Growth of Youth Owned Small and Medium Enterprises in Nigeria?
iii. What is the relationship between Access to Market and Growth of Youth Owned Small and Medium Enterprises in Nigeria?
iv. What is the relationship between Technology Adoption and Growth of Youth Owned Small and Medium Enterprises in Nigeria?

2.0 LITERATURE REVIEW

2.1 Conceptual Review

2.1.1 Youth Owned Enterprises

The term "youth" is used in this paper to refer to anyone aged 18 to 35. Nigerian young people, like young people in most developing countries, especially in Sub-Saharan Africa (SSA), continue to face numerous challenges, including unemployment. According to recent Nigerian figures, 80 percent of the country's population is under the age of 35. The authors went on to say that those without a post-secondary education had the lowest job rates, at 15%. Many with a post-secondary, on the other hand, were unemployed which is about 32 percent of cases. They found that one out of every two graduates was unemployed, and just one out of every five university graduates was self-employed (Alex & Bruce, 2016). Youth make up about 60% of the country's total labor force, but the rest, about 65 percent, are unemployed. In Nigeria, 750,000 young people graduate from different tertiary institutions each year, but only 25% of them are able to find work. The remaining 75% would bear the brunt of unemployment (Kimando, 2012). It is important to remember, however, that the youth have remained on the outskirts of the country's affairs and that their position has not been properly recognized. They have been excluded from developing, organizing, and implementing programs and policies that concern them for the better part of the previous years.

3.0 GROWTH OF ENTERPRISES

Mao (2009) clarified in his studies that the term "development" is used to describe the phase of an organization growing from a small to a large size and from a weak to a strong position. The definitions of development go beyond the meanings of growth, and it encompasses not only the growth phase of things, but also the generation stage that emerges from noting before growth, as well as the stage's periodic process, i.e. the cycle process that repeats itself (Mao, 2009). It should be remembered, however, that enterprise growth is a dynamic adjustment mechanism that differs from simple scale expansion. It is the phase of balanced development from unbalance to balance, and from lower balance to higher balance, and it takes the balance changes of various ties in the interior and exterior of the company as its basic character. As a result, the definition of enterprise growth is the mechanism by which an organization maintains healthy and stable growth in total performance (including production, sales volume, benefit, and asset gross) or achieves large enhancements in total performance and development quality and level (Sun, 2004).

The convergence of quantity and quality in SMEs is the key to their success. The expansion of SMEs' scale is represented by increases in sales volume, market share, output value, benefit, and employee numbers. The improvement of SMEs' quality is reflected in their technical innovation capacity from immature to mature production technology, the optimum efficiency of investment and productivity, and organizational innovation and change (Sun, 2004). The expansion of a business is not a trouble-free operation.

4.0 THEORETICAL FRAMEWORK

4.1 Churchill and Lewis Firm Growth Theory

Any company, large or small, develops and performs in a predictable pattern that is typically characterized by sequential progressive phases. According to Perenyi (2007), Churchill and Lewis discussed the firm's problems and challenges as it expands, and the owner-manager must demonstrate various managerial abilities such as networking and managerial skills while coping with challenges. In order for a small business to grow and perform well, the owner-manager must learn the necessary skills to help the company advance to the next level.

Churchill and Lewis established a model of five performance stages: life, survival, success, take-off, and resource maturity. As a result, the extent of formal structures is minimal, if not non-existent, during the life - 1599 - stage (Churchill & Lewis, 1983). Furthermore, since the organizational structure is flat, the owner-manager employs a management style that involves close control of employees. When a company moves to the survival stage, formal structures are implemented as the organizational structure grows in stages, and the owner-manager starts to assign certain roles to employees. The owner-manager decides whether to maintain the company at its current output and operational level or to embark on some sort of growth during the success stage. The incentive, opportunity awareness, and resources of the owner-manager can all influence the decision (Churchill & Lewis, 1983).

Finance, marketing, and operations are among the first processes implemented by the company. Key management issues facing the owner-manager in the fourth stage, the take-off stage, include determining the rate of development, efficiency, and financing of the desired growth. To boost organizational effectiveness, the owner-manager has provided for even more delegation. The key challenge for the owner-manager in the final stage, resource maturity, is balancing the financial gains from growth while preserving the advantages associated with small businesses, such as responsiveness to evolving consumer needs and entrepreneurial behavior (Churchill & Lewis, 1983). Usually, the company's operational structures are well-established. The model is appropriate for this research because it addresses the need for young entrepreneurs to build the necessary capacity and skills to allow their businesses to perform and advance to the next stage.

5.0 FACTORS THAT INFLUENCE GROWTH OF YOUTH ENTREPRENEURS

5.1 Access to Capital

According to Viswanadham (2017), a mix of resource acquisition problems has continued to jeopardize the ability of small businesses in Africa to succeed in today's global economy. Lack of seed resources, weak infrastructure, a lack of government funding and assistance, international expansion problems, and business globalization are just a few of the main challenges. When it comes to seed money, it refers to the provision of credit to SMEs when they need it. Improving capital access entails expanding the range of financial services available to SMEs at a reasonable cost (CGAP, 2010). Capital structure has long been a source of consternation in the financial world (Aleke, 2011). The original Modigliani and Miller propositions from 1958 and 1963 highlighted a key problem in financial structure decisions: the lower cost of debt relative to equity, the rise in risk in the cost of equity as debt rises, and the value of debt tax deductibility. The result was that, because of taxation and interest deductibility, businesses could use as much debt as possible.

The lack of access to credit has been identified as a major issue for SMEs all over the world. In certain cases, where credit is available, the entrepreneur may face difficulties due to lending conditions, which may include the requirement of collateral for the loan. Further investigation reveals that credit restrictions affect entrepreneurs in a number of ways. Entrepreneurs are forced to rely on self-financing or borrowing from friends or relatives due to the capital market. Small businesses have been forced to rely on high-cost short-term financing due to a lack of access to long-term credit.

The formal banking system is too costly and cumbersome for many SMEs (Mokua, 2013). Banks and other financial lending agencies have also been accused of taking too long and costing too much money to lend to small businesses. Small businesses, once again, are said to lack proper accounting procedures, and owners often combine their personal and company finances. As a result, their financial statements are often inaccurate. Banks consider SMEs with no transaction history as too risky because their ability to repay loans is not yet known. These SMEs may also be unable to obtain collateral in order to obtain formal credit. Another problem with unbanked SMEs is their lack of technical management skills. Many of them are missing inventory management systems, bookkeeping processes, business plans, and income statements. This makes evaluating the financial performance of banks and other lending institutions difficult. (Frempong, 2010). Collateral requirements for youth-owned SMEs have been identified as a barrier to their development. Lack of collateral, according to experts, is the second most difficult obstacle to overcome after a lack of funds. The most commonly cited barrier to SMEs obtaining financing is a lack of collateral. Many SMEs, for example, may be unable to provide adequate collateral due to their inexperience or lack of stability (Olawale & Garwe, 2010). Since most SMEs lack collateral, lending to them has been seen as a high-risk venture. The issue does not seem to be a shortage of funds; rather, it appears to be how to make funds available to SMEs (Kihimbo, 2012). Several lending institutions, including banks and nonbank financial institutions, are willing to provide credit to SMEs despite the fact that the companies are unable to meet the financial institutions' requirements. The problem of collateral, which most SMEs cannot provide, is one of these criteria (Ackah & Vulvor, 2011). Banks and other financial institutions' demand for collateral has an impact on SMEs' growth (Kunateh, 2009). Finally, lending to SMEs has been more heavily reliant on collateral than lending to larger corporations. This has resulted in a situation where lending is no longer dependent on projected returns but rather on collateral availability. Many SMEs face credit rationing as a result of a lack of good collateral (Ndumana, 2013).

In light of the above, the following hypothesis is proposed:

Ho1: There is no significant relationship between Access to Capital and Growth of Youth Owned Small and Medium Enterprises in Nigeria.

5.2 Legal and Regulatory

For the MSE sector to be an effective engine for economic development, poverty eradication, and job creation, it requires an enabling legal and regulatory climate. Despite the progress made in reforming the legal and regulatory system, a number of current laws and regulations remain burdensome and hostile to the growth of the MSE industry, (Nteere, 2012). Regulatory constraints still pose significant barriers to SMEs' growth, and although broad institutional changes have resulted in some progress, opportunities for business development must still be addressed at the firm level. Firms with high start-up costs, such as licensing and registration requirements, can face unreasonable and unnecessary burdens. The high cost of settling legal cases, as well as lengthy court trials, have a negative impact on MSE operations. In Ghana, the lengthy procedures for registering and starting a company are frequently cited as major issues.

According to the World Bank Doing Business Report (2006), cited by Abor and Quartey (2010), dealing with licensing issues takes 127 days, and there are 16 procedures involved in licensing a business in Ghana. In South Africa, it takes longer (176 days), and there are 18 procedures to deal with licensing problems. Meanwhile, the lack of antitrust laws benefits larger corporations, while a lack of property rights enforcement restricts SMEs' access to international technology. The legal and regulatory climate continues to impede business activities, scaring away prospective investors and reducing sales for those already in business. As a result, a business climate that is in line with international best practice is needed in order for the country to attract the necessary private investments. Complaints have been made about the time-consuming registration and certification process. Various bodies have their own standards, which necessitate the expenditure of money and time. One alternative available to an entrepreneur is to evade the procedure, but this option is more costly in the long run due to the penalty imposed (Wanjohi, 2009).

SMEs also face significant difficulties in registering company names, securing licenses, adhering to legislative standards, taxes, and contracting. Contracts include lengthy legal procedures such as leasing, drafting business contracts, legal counsel, and other factors that disadvantage SMEs. The majority of these businesses find these processes to be lengthy and time-consuming, limiting their ability to develop or expand (Muraguri, 2010).

In light of the above, the following hypothesis is proposed:

Ho2: There is no significant relationship between Legal and Regulatory framework and Growth of Youth Owned Small and Medium Enterprises in Nigeria.

5.3 Access to Market

Entrepreneurial marketing, according to Muthee (2014), is a core concern of entrepreneurial science, despite the fact that entrepreneurs are not traditionally marketing experts. Entrepreneurial marketing, it is further argued, is an investigation into how entrepreneurial attitudes and habits can be applied to the growth of marketing strategy and tactics (Jones, 2013). In Nigeria, SMEs' growth and competitiveness are severely hampered by a lack of access to markets and marketing knowledge. Owing to dumping and overproduction, the overall aggregate demand in low markets is saturated, and the market does not work well in many cases due to a lack of knowledge and high transaction costs (Nteere, 2012). Prescribed policies to resolve these issues seem ineffective. The majority of SMEs are ill-equipped to compete in globalized, liberalized economies, and even fewer are capable of venturing into export markets in order to tap into new business frontiers. As a result, the majority of SMEs are restricted to small, local markets with fierce competition. Small capital bases and restricted technology, it has been noted, often confine SMEs to poor product quality, making them unable to compete effectively in a global competitive market setting (KIPPRA, 2006). Limited access to global markets limits SMEs' prospects, confining them to saturated local markets when internationalization is essential for their survival and expansion.

Limited information on foreign markets and technology, a lack of management expertise, limited awareness, limited capital to fund exports, inefficient transactions, and limited product and service quality to meet consumer requirements are all barriers to SMEs internationalization (OECD, 2010). The ability of SMEs to thrive in an increasingly competitive global environment is largely dependent on their ability to use knowledge as a resource and profit from its value. Since they work under extreme time and capacity constraints, SMEs need immediate access to detailed relevant information. They need information on business patterns and markets; the business climate, legal and regulatory aspects, business management, consumer needs, business expansion and diversification; technology; business opportunities; linkages and business partnerships; and business expansion and diversification. (Schleberger, 2010). In Nigeria, SMEs face significant challenges due to a lack of timely, accurate, and adequate information. Enterprises fail to gain access to critical information required to increase efficiency, customer loyalty, cycle time, and business opportunities (Hanna, 2010).

Market signals on market opportunities and consumer trends are not adequately transmitted to SMEs, which perform better in environments where there is a lot of knowledge (KIPPRA, 2006). The collection of consumer data, as well as the ability to analyze and efficiently use it, are the two most significant challenges. The sector would be unable to thrive and develop in an increasingly globalized and competitive business environment without timely, simplified, accurate, and appropriate information on market opportunities and production technology (ROK, 2005). Despite the fact that information collection is expensive in developing countries, there is evidence that SMEs are willing to pay substantial amounts for relevant information, (KIPPRA, 2006). Information acquisition difficulties have negative consequences; a lack of information may limit the scope of mutually beneficial exchanges and cause confusion in business decisions. Information asymmetries contribute to high transaction costs, uncertainty, and therefore market failure (Matambalya & Wolf, 2002).

In light of the above, the following hypothesis is proposed:

Ho3: There is no significant relationship between Access to Market and Growth of Youth Owned Small and Medium Enterprises in Nigeria.

5.4 Technology Adoption

According to Jolly (2011), adoption is a decision to fully implement an idea as the best course of action available, while rejection is a decision not to do so. Rogers goes on to describe diffusion as the mechanism by which an invention is transmitted to members of a social structure over time through specific channels. As mentioned in this definition, the four main components of the diffusion of innovations are creativity, communication networks, time, and the social structure (Mairura, 2017). Rogers (2003) further categorized technology adopters into four categories that include innovators who tend to be experimentalists and techies interested in technology itself, early adopters who may be technically sophisticated and interested in technology for solving professional and academic problems, early majority who are pragmatists and constitute the first part of the mainstream and late majority who are less comfortable with technology and are the skeptical second half of the mainstream. Finally, he discusses the laggards, who will never embrace technology and may be hostile to others' use of it. Technology skills, according to Morse (2007), support small businesses in many ways: Small companies benefit from technology because it increases their productivity, lowers their costs, and expands their market share both locally and internationally. A small business that adopts higher levels of technology can expect to expand faster than a comparable firm that does not (Lee, 2001). Low technology capabilities, according to Yusuf (2003), are a barrier to small businesses achieving their full potential.

According to Muthoni, Omato, and Kithinji (2013), the history of technology advancement in relation to small businesses in developing countries began in the 1970s with the rise of Appropriate Technology (AT) Movements. Technology, according to the AT movements, is only useful if companies adapt it to increase their performance and factor productivity. Governmental organizations (ILO/UNDP, 2000) spearheaded the AT. Technology is deemed suitable not only in terms of sophistication and complexity, but also in terms of its suitability for a specific social context and alignment with desired social objectives. Because of inadequate knowledge and unsuccessful assessment, technologies used by SMEs in developed countries may be inappropriate (Harper, 1987). According to Lall (1992), skills help a company access, define, execute, absorb, and grow information that improves its market position. The capacity of developing countries to receive, move, adopt, create, and manage technologies is dependent on the growth of endogenous technical capability and human capital (Dhungana, 2003).

According to Dadabi (2003), good technology can be more expensive at first, but it will work well over a longer period of time. Small businesses that try to cut costs by purchasing outdated and inefficient technology can end up with outdated and inefficient technology. Since they are compelled to focus on short-term gains rather than long-term returns, the end up with outdated tools and equipment, rendering their business unviable in the long run (Muthoni, Omato & Kithinji 2013).

In light of the above, the following hypothesis is proposed:

Ho4: There is no significant relationship between Technology Adoption and Growth of Youth Owned Small and Medium Enterprises in Nigeria.

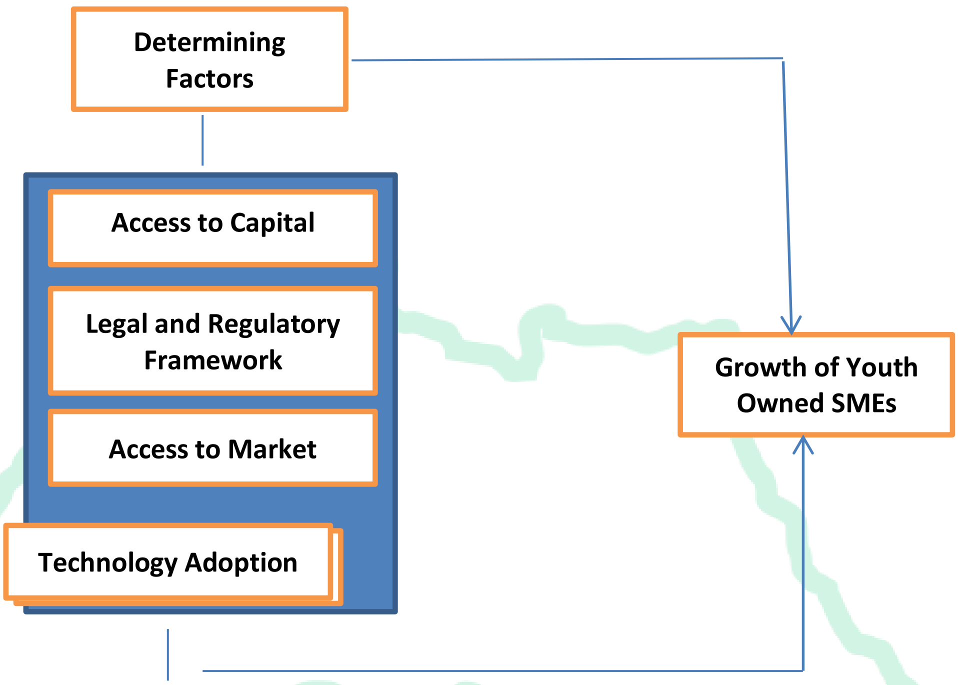

Fig.1 Operational Framework for the hypothesized relationship between determining factors and growth of SMEs.

Source: Field Survey, 2021

6.0 METHODOLOGY

The study adopted a cross-sectional survey in its investigation of the variables on a sample of youth owned enterprises (service providers) operating within Abubakar Tafawa Balewa University, Bauchi, Bauchi State. Primary data was gathered through structured questionnaire adapted from validated measures on a five point Likert scale. Questionnaires were administered by the researchers with the help of research assistants. The population of the study was 150 SMEs that registered with Hostel Allocation Committee of the Student Affairs Division of the University as at August, 2022, and a sample size of 119 was obtained including 10% non-response or error in filling questionnaires (Krejcie & Morgan, 1970). Simple random sampling was used to administer questionnaires to youth owned SMEs. A total of 119 questionnaires were administered and same number were retrieved. For missing values and wrongly filled responses, there was data cleaning and 11 questionnaires were found not usable and had to be removed from further analysis.

7.0 RESULTS AND DISCUSSIONS

For the test of hypotheses, primary data analysis was carried out using regression. The tests specifically cover hypotheses that are declared in a null form. To test the hypothesis, the research utilized multiple regression analysis.

TABLE 1: MODEL SUMMARY

					Change Statistics				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
1	.951[a]	.904	.902	.31759	.904	32.068	4	104	.000

a. Predictors: (Constant), Technology Adoption, Legal and Regulatory Framework, Access to Market, Access to Capital

TABLE 2: ANOVA[A]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	156.568	4	39.142	32.068	.000[b]
	Residual	16.542	104	.101		
	Total	173.109	108			

a. Dependent Variable: Growth of Youth SMEs
b. Predictors: (Constant), Technology Adoption, Legal and Regulatory Framework, Access to Market, Access to Capital

TABLE 3: COEFFICIENTS[A]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.094	0.151		3.126	0.002
	Access to Capital	0.951	0.086	0.643	6.083	0.000
	Legal and Regulatory Framework	0.218	0.044	0.234	4.983	0.000
	Access to Market	0.472	0.048	0.111	2.708	0.000
	Technology Adoption	0.414	0.064	0.495	6.423	0.000

a. Dependent Variable: Growth of Youth SMEs

In testing the hypothesis the variables employed were the growth of youth SMEs (GY) as the dependent variable and access to capital (AC), Legal and Regulatory Framework(LF), Access to Market (AM), and Technology Adoption (TA). The standard multiple regression model used is given as:

$Y = a + b_1X_1 + b_2X_2 + b_3X_3 \ldots + error$ where:
Y is the dependent variable, a is the intercept,
X_1, X_2, X_3, etc. are the independent variables,
and b_1, b_2, b_3, etc. are the coefficients of the independent variable.

The regression model is therefore: $GY = a + b_1AC + b_2LF + b_3AM + b_4TA + error$

$$Y = 1.094 + 0.951 +0.218 +0.472+ 0.414$$

The equation revealed the SPSS output in table 1 showing the coefficient of determination i.e. the adjusted R^2 is 0.902; which shows that about 90.2% of the variation in the data on growth of youth SMEs can be explained by these factors- access to capital, Legal and Regulatory Framework, Access to Market, and Technology Adoption.

In addition, the ANOVA statistics revealed that linear combination of the four independent factors being significantly related to changes in dependent factor, $F(4, 134) = 32.068$, $p < 0.0001 \leq 0.05$ alpha.

Decision Rule:
Accept H_o where $p \leq 0.05$

Reject H_o where $p > 0.05$

The regression equation emerges to be very useful for making predictions. Hence at 0.05 (5%) significance and 95% confidence, the result provides evidence to conclude that the slope of the population regression line is not 0 and, AC, LF, AM, and TA are useful as a predictor of Growth of youth SMEs. Since p-value $< 0.0001 \leq 0.05$, the null hypothesis is rejected while the alternative hypothesis is accepted.

Similar analysis of individual contribution of the variables in explaining the variation in the model was done based on the standardised coefficient results in table 3, for example, three (3) of the independent variables made significant contribution i.e. AC with beta =0.951, p=0.000 at 0.05α (95.1%), AM with beta = 0.472, p=0.000 at 0.05α (47.2%) and TA with beta = 0.414, p=0.000 at 0.05α (41.4%) made statistically significant contribution to the prediction of change in growth of youth SMEs. While LF with beta = 0.218, p=0.000 at 0.05α (21.8%) made little contributions to the model.

The following are the major findings of this paper: consumer access, capital access, legal and regulatory environment all have a major impact on technological adoption. Thus, financial and other lending institutions should be aware of the costly and difficult lending conditions that youth-owned SMEs face in the country.

8.0 DISCUSSION OF FINDINGS

Using inferential statistical methods, this study investigated the factors that influence the growth of youth-owned SMEs in Nigeria. Using regression analysis, the results revealed a positive, strong, and significant relationship between the variables. This finding supports the findings of Bouazza, Ardjouman, and Abada (2015), who investigated the factors influencing the growth of SMEs. The study's goal was to examine the external and internal factors influencing the growth of MSEs. According to the study's findings, the key business environmental factors affecting MSEs are costly bureaucratic procedures, burdensome laws, policies, and regulations, an inefficient tax system, a lack of access to industrial real estate, a lack of access to external financing, and low human resource capacities. The study recommended that, policymakers should strive to strengthen the legislative and regulatory framework for the creation and development of SMEs by designing rules based on the think small first principle; additionally, policies to promote SMEs should be tailored to each sector. The study however did not bring out other internal business factors that have affected the growth of MSEs and critically evaluate how the legal and regulatory environment can address MSEs internal challenges.

Similarly, Kiveu and Ofafa (2013) conducted a research on enhancing market access of SMEs using ICT. The study objectives to determine the various Market Access constraints faced by SMEs and to explore opportunities in ICT that SMEs can harness to improve market access. The study was exploratory in nature. To achieve the research objectives, desk research that used secondary data was employed. The study findings indicated that ICT holds a lot of potential for enhancing market access and yet use by SMEs is limited as compared to larger enterprises. The use of ICT for marketing by SMEs still remains low despite SMEs having access to these tools. Majority of SMEs use ICT for communication, social networking and general information acquisition. There seems to be lack of awareness of the range of opportunities that ICT offers for increased market access. Limited use of ICT for marketing was also be attributed to perceived high costs of appropriate applications, security issues and limited knowledge and skills on some ICT applications e.g. e-commerce. The study recommended the need for awareness creation for ICT use, improvement in ICT literacy levels and infrastructure, development of user friendly relevant ICT programs for SMEs. The study however did not look into how ICT would enhance the growth of SMEs and cost implications that SMEs face as they try to embrace ICT Marketing.

Kenneth and Rebecca (2012) conducted a study on the factors affecting adoption of electronic commerce among small medium enterprises. Their study sought to explore the factors that affect adoption of electronic commerce among MSEs. The study used survey research design to collect data from the respondents. They also used simple random sampling procedure to select a sample that represented the entire population. Of all of the tour firms surveyed have adopted the use of electronic commerce in their business transactions in hotel booking, safari tours, emails and advertising. However, it was noted from the findings that there is low use of electronic commerce in marketing. This implies that there are still a lot of growth opportunities for SMEs to utilize electronic commerce for marketing their products and services. The study recommends the importance of innovation factor and product positioning as an influence to the uptake of electronic commerce.

Ocha (2011) conducted a study on the factors that influence adoption and frequency of use of e-commerce by Micro and Small Enterprises. The objective of his study was to find out the factors that influence the adoption of e-commerce and frequency of use of e-commerce. The research was carried out in the form of a survey design. The study established that e-commerce has been adopted and implemented in MSEs at various levels. Some of the factors that have contributed to the ease or difficulty of adoption in both the owners and the employees in the enterprises include the knowledge of benefits of e-commerce, cost of implementing e-commerce, infrastructure and technical skills needed in implementing and sustaining e-commerce in the businesses. The research recommended that workshops should be conducted for MSE's owners. Its further recommends that employees should be educated on the importance of and benefits of e-commerce in business.

9.0 CONCLUSION AND RECOMMENDATIONS

This study found that the two biggest problems facing young business owners were variable lending rates and expensive credit processing fees. This conclusion was reached after noting that many SMEs run by young people have made only modest attempts to obtain financing from lending institutions. This review's conclusion regarding legal and regulatory issues was that many SMEs complied with the law and regulations. This conclusion was drawn from the observation that many SMEs were able to pay their business license fee because the process for doing so was quick and simple. One of the main causes of several SMEs' failure to comply with the tax requirements was high taxation. The conclusion was drawn by noting that some SMEs did not fully adhere to the tax framework.

Entrepreneurial marketing and market information was not a major challenge since most of the SMEs were able to address the market barriers challenges. Most SMEs had access to market information through their mobile phones and internet. Change in technology for youth owned SMEs was a major challenge. SMEs including those that were able to embrace technology previously could not embrace new technology immediately as a result of cost implications. SMEs lacked innovation in their product/service development.

Arising from the conclusion, the following recommendations were made:

i. Financial and other lending institutions need to take note of the cost and difficult lending conditions facing youth owned SMEs in the country. Then they should address the critical issue of lending rates i.e. how to lower the cost of credit through lowering the interest rates. Credit lending procedure should also be simple and clear.
ii. The government should review its taxation system that is both the Federal and State governments to ease the cost of business operations for SMEs. Considerations should be given to youth owned SMEs given their small scale financial strength.
iii. To increase market access for youth owned SMEs, the government should increase its consumption of products from youth run enterprises across all its ministries and parastatals. The government should also improve its tendering system by making it easier for youth enterprises to win government tenders.
iv. It is also necessary to train SMEs on how to identify and adopt appropriate technology based on the needs of specific types of products, services or consumer needs.

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