



Managing Small Scale Business Farms in Nigeria: Assessments from Kano State Taking Garun Malam Local Government as a Sample Area.

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Abstract: *Small scale farm is not limited in size by either the number of inputs, which can be used, or the amount of product produced. The farm can be as large or small, as the owner's desires with the maximum size limited only by the owner's ability to acquire and manage the necessary resources. Hence, the main objective of this study is to analyse the small-scale farmers in garun- malam L.G.A. The method used in this study is data survey (Primary data) and questionnaires which captured from various town of the garun- malam L.G.A. The study revealed that the highest percentage from the samples areas is 90% in Jobawa and Kadawa and 60% in Yadakwari and Chiromawa. The finding of the study revealed that small scale farmers still prevail in terms of population in rural area settings in town survey. Small scale farmers heavily rely on farm income as their form of livelihood and heavily contribute to the rural income. We also find out that the land is unequally distributed among the small- and large-scale farmers in the rural households. They are also having the highest poverty rates in this rural setting. The study recommended that creation of substantial employment opportunities to rural populace, increase of the proportion of indigenous censorship of farming development. Other solutions are development of infrastructures, light, social amenities, raising the standard of living of the rural populace and bring change in the social structures learning, technical and industrial skill, and growth of a managerial and industrial working class by urbanization.*

Key Words: *Garun malam, Small scale business, Managing farms and future possible solution.*

1. INTRODUCTION:

Motivated enterprises always demonstrate high level of creativity and innovation and show high level of management skills and business know how. Indeed, they are transformational in nature and use as a tool and springboard for success. therefore, a small-scale farm established simply by starting the business in to a legal requirement, permits, or licenses are required unless the business perform certain functions, scales tax permits, health inspections, and othertypes of permits and licenses may be required depending on the type of enterprises to bedone, but they would also be required for any other form of business ownership. Small scale farm is not limited in size by either the number of inputs, which can be used, or the amount of product produced. The farm can be as large or small, as the owner's desires with themaximum size limited only by the owner's ability to acquire and manage the necessary resources. They can buy any number of employees. Additional management may be hired,and property may even be co-owned with other small-scale farm does not necessarily need to own any assets, and one could exist even though all land machinery is



leased. In this situation a farm still exists to produce products, but the farmers simply own few if any assets organized in a number of ways to produce goods and services. The legal form of business organization used has short – run and long – run implications for the firm. Unfortunately, many people give little thought to the form of business organization when they are farming. While it is generally possible to change during the life of the business, a little thought and legal advice at the beginning may save time, problems, and expense at a later date.

There are different legal and organizational characteristics, advantages, disadvantages, and income tax regulation for each farm. Most farms are organized as a small scale, or it's at the stage where the manager or owner is nearing retirement. A small scale farming is the most common form of business as are nearly 90% of our nations are farmers, according to the 1974 census of Agriculture a small scale farm is easy to form and easy for firm to operate, which account for much of its popularity, by organizing a small scale farm the owner or the manager to bear or assume all the risks involved in the business and receive all the profits (or losses). One of its characteristics is the single owner, who acquires and organized necessary resources, provides the management, and is solely responsible for the success or failure of the business as well as the debts. Perhaps the farmer should be more accurately called a family laboured on many farms as husband; wife and children may all be involved in providing labour and management. However, until arrangement is made to share these responsibilities legally, debts, and or profits fall primarily on one individual. Poor planning and lack of well-defined and efficient marketing policies and strategies for the skills labour reduces the development of farming system in general which can affect their working capital. Even though, the attitude of workers who are unskilled in smallest business towards in ability to perform certain function of their tasks reduces the total output produce in the farm which in one way or the other affect the profit generated in the farm. High interest rate by agricultural banks investment banks, and other government policy and its restriction or any related financial institution also discouraged small scale farming. Moreover, lack of transport facilities by some small-scale farmers for conveyance of raw material and finished goods result in their payment of large portion of their profit on transport. This reduces their profit margin as certain earning needed for investment, another problem which has hampered small scales farms was the lack of adequate infrastructural facilities like the establishment of more and adequate equipment on small scale farming, such as provision of water supply, electricity, and good road. This may attribute to the relative unattractiveness of farming especially by the indigenous businessmen who get longer and quicker manpower, is also one of contributing factors for the slow development as small-scale farming. Malam Local Government Area. Therefore, the objective of this study is to pinpoint the main problem and future possible solution of managing small scale farm. Such objectives of the study include: To identify the problems of small-scale farms, to find the possible solution to improve small scale farms.

2. LITERATURE REVIEW:

Meressa, H, A (2020), examine micro and small-scale enterprises growth determinants operating in benishangul-gumuz regional state of Ethiopia by adopting explanatory research design. Finding of the study revealed from the regression analysis that the initial investment access to finance location, sectoral engagement market linkage, and business experience are significant in determining growth enterprises, however, gender education ownership, formal recording and financial management practice are found to be insignificant variables. O.Alade (2020), study the impact and survival strategies for small scale and medium enterprises (SMEs) in Nigeria during the on-going Covid-19 crises. Quantitative technique research technique was adopted. The study showed that the covid-19 pandemic impact includes, a reduction in revenue, reduced staff salaries and government not doing enough to curtail the spread of the pandemic. The respondents suggested that the government should lower interest rates relax loan and tax repayment. This is because the SMEs suffer most in times of crisis and is the least prepared for all organizations SMEs also lack business continuity plans but having the strong business continuity may help to minimize any negative impact on business during pandemic. Anna et al (2019) stated that, small and medium-size enterprises play an important role in the development of national economics, creating new jobs and providing a basis for the training of highly qualified managers. It is proposed to design and use the strategy canvas of a new product or services as a way to aimed at maximizing profits. Maintaining share the features of SMEs management are considered depending on the stages of the enterprise's life cycle. Unfortunately, the paper did not explain their findings extensively and as well as the methodology used in the study. Therefore, this study bridges the gap in the literature ignores by the previous studies. Some other studies identify SMEs failures in most countries in Africa including Nigeria. In Nigeria particularly most SMEs liquidated within the first five years of their operations due to contributing factors such as insufficient capital, inadequate market researchers over concentration on one or two market for finished products and lack of succession plan this has negative effect on sustainable development of the country. The study used only secondary data which is not enough in determining the



effect of entrepreneurial practices in small scales business therefore; this study will also include the primary data for the purpose of analyses (I.S, Babanta, et. Al. 2017) however, according to Alvaro (2017), as matter of fact business is an essential component which allows international organizations and business alike to successes. That the business sector has become one of the most important means to achieve the sustainable development goals in most countries including Nigeria for the business community sustainability is more than ere window dressing by adopting sustainable practices companies can gain competitive edge, increase their market share and boost shareholder value. Businesses are integrating sustainable development principles into their decisions and strategies to reduce risk save money increase innovations and protect the planet. Fortunately, within the context of the 2030 agenda for sustainable development the business sector in viewof Alvaro has ceased to be event on obstacle to sustainable development. It is an essential partner in achieving the sustainable development goals (SDGs) therefore, government most work with the companies and business in creating new innovative ways to promotes responsible private investment public wellbeing and collective action. it is in line of all the above that the study was carried out to examine effect of entrepreneurial practices in managing small scale business development in Nigeria.

S,M,Hoque.(2016), also identify the internal and external factors affecting the performance ofSMEs in kwazulu natal in south Africa . The results revealed that the technological advancement would improve the performance of the business. With regards to challenges almost all the respondents indicated that crime and corruption affecting business performancecompetition was the only factor amongst the studies, internal and external factors that revealed a significant association with the performance of Kwazulu-Natal in South Africa. Ukpong,O.U and Edit, E,T.(2016), this paper highlighted techniques for re-positioning small and medium scale business enterprises in Nigeria for economic revitalization small andmedium business enterprises are the engine of growth and development of anation. SMEs contributes to industrial development promote growth, technological acquisition and contributes to unemployment. The paper also highlighted techniques for repositioning small and medium scale business enterprises in Nigeria for economy revitalization financial problems inadequate basic infrastructure, socio-cultural problems planning problemslocation/ economic problems, poor accounting system multiple taxation and unstable policy environment are the major problems militating against the success of SMEs. Alabi,Y.Awe,O.J and Musa,L,Y.(2015), this study examined the problems of financing small and medium scale enterprises in Nigeria. The study identified the sources of finance types of finance available to small scale enterprises and the various financial challenges bedevillingthe smooth operation of small and medium scale enterprises and suggested the way forward. Observation and review of relevant document were employed in carrying out the study. It is observed that through adequate conducive environment for small scale business to thrive by streamlining business tax to eliminate extortion from small scale business. A,D,Ogechukwu. J,S Oberah.Umukoro and V, Uche (2013), the paper identifies the historical development and orientation of SMEs in Nigeria, tackles the operational definition and scope describes theroles of the Nigerian government as a participant regulations and facilitation both legally and politically in the markets, problems of SMEs in Nigeria the provision and enactment of beneficial and supportive laws ,the facilities, constant man- power and development direct financial assistance and the establishment of SMEs. Secondary data were used to ensure empirical data collected from the research studies in SMEs development in Nigeria the evidence has abandoned the communities of what success our great grant parent has made fortheir respective trading.

3. METHODOLOGY:

This research works was carried out at G/Malam local government area of Kano state. Garun Malam local government is the one of the (44) local government in Kano state. Situated within the bound of Kano central zone. Kano is a state of northern Nigeria consists of wooden savanna in south and shrub vegetation in the north. Kano is geographically located longitudes 90335 to 1237n and latitude 7034w to 90 29e, KANO state boarded with Jigawa from east direction while from south it bordered with Bauchi and Katsina from west direction, it boarded with Kaduna from north side Kano has a mean annual temperature of 33°C during March may and lowest temperature at 10°C during December January with annual rainfall pattern and averaged rainfall of 600mm. Kano state has a total land area of 2013159km (777359 miles). Kano is the most popular state in Nigeria within an averaged number of 10 million people according to 2006 national census board.

Garun Malam local government area was created in 1997 liquefies. In 1998 and re - established in 1998 from the present-day Kura local government Area. Garun Malam local government is located along Zaria highway about 30 km from the state capital g/Malam is composed of 19 villages and a autonomous words which include: Garun Malam,



Jobawa, Fankurum, Chiromawa, Yadakwari, Makwaro, Dorawar Sallau, Kadawa and Garun Babba. Garun- Malam local government areas cover a total land area of 166 sq km with a population of about one hundred and fifty thousand people (15000) Garun Malam lies in the savannah region with alternating dry-and rainy season. The rainy season usually last from April through September within an annual average of 134.4m weather as October to April is dry period (anonymous, 200).

4. STUDY AREA :

Even though, farms size is unable to capture the different dimensions regarding scale in farming system, it’s a convenient and easily implemented measure of size. Size of cultivated will be used as they key dimensions in identifying the different categories of farmers in a database that consist of survey data, operate or owned land size is reported in the household level. Empirical research employs the household at the level of family farm, which while are able to accommodate for the organization form of the farm (family in most cases) with respect t6o production. Because most farm are small but most production occurred on large farms t5he typical measure representative farm size- the averaged and median – will tend to mask large changes in the concentration of production. Averaged and median size of farm focus in the typical farm, which is small, rather than the typical hector of farmland which is associated with a large operation. Countries land median by key and Roberts (2007 AND B) may better reflect the size of operation where most productions occur. The land median is calculated by first ordering farms from smallest largest and picking the farm size at the middle hectors (the standard median the rather than farms), is a bigger farm, both capturing is the typical acre of farmland. Conditional on the land distribution and the typical size of the farms within a country, the land median may be higher or lower than the two hectors the household but always equal or higher with respect to the other household used.

We use the survey data for the following town: Jobawa (2000), Kadawa (2001), Yadakwari (2004), Chiromawa (2005). Using the multiple survey data set, we first constructed a series of variable necessary for these analyses. We then conduct the analyses town by town and then due a comparative study of the different measures of land distribution. These analyses differ from the others as we look at the amount of land cultivators and by each household in the survey conducted and not the amount of land owned. For each of the above survey and the given household, household is categorized into:

- Household that are not cultivated any land
- Household that are classified as small-scale farmers

5. DATA COLLECTION:

The next step after identifying the problems is careful observation, collection, and organization of relevant fact whenever possible decisions is relevant, because decision based on in complete information must be partly gamble. Data may be collected from a variety of sources like the use of Audio- visual, example: Radio, Television sets etc. another major source is through print media like publications and numerous etc. an important source of data and information is an accurate and complete set of past records kept for future managing a farm. Such alternatives should be analysis in logical and organized manner to ensure accuracy and to prevent data from being overlooked various techniques for estimating the quantitative and quantitative effect of alternative solution such: Includes: partial budgets, break ever, budgets, cash flow budgets and capital investment appraisal method, financial calculation make it possible to express the net effect of many factors affecting the decision as a single figure.

6. DATA ANALYSIS AND DISCUSSION OF RESULTS :

- Farmers in a database that consist of survey data from several towns.

Table 1: population distribution

Threshold	No land cultivation(%)	Small-scale (%)	Large-scale (%)
P40	32	25	43
Mean	32	53	15



Medium	32	32	36
Hector-weightedmedium	32	32	6

Sources: field survey (Jobawa) 2016/2019

Threshold	No land cultivation(%)	Small-scale (%)	Large-scale (%)
P40	25	28	47
Mean	25	68	7
Medium	25	34	41
Hector-weightedmedium	25	74	1

Sources: field survey (Kadawa) 2016/2019

Threshold	No land cultivation(%)	Small-scale (%)	Large-scale (%)
P40	4	36	40
Mean	4	58	38
Medium	4	46	50
Hector-weightedmedium	4	73	23

Sources: field survey (yadakwari 2016/2019)

Threshold	No land cultivation(%)	Small-scale (%)	Large-scale (%)
P40	16	31	53
Mean	16	53	31
Medium	16	36	48
Hector-weightedmedium	16	62	22

Sources: field survey (chiromawa) 2016/2019

7. RESULTS:

The result of the above estimates is recorded in the p40, and median threshold highlight similar result while mean and hectare –weighted median provides evidence of similar population distributions across all towns. What emerges in the cross-town comparison is the consistently high proportion of small-scale farmers in these contexts? In particular, with the hectare – weighted median threshold, small – scale farmers in all four towns represent more than 60 percent of the population in the rural areas.

- Table 2: highlight some of the key household and demographic characteristics using each of the thresholds across the four surveys some of the characteristics include: the average number of members in each household female headed household, year of education of the head of household, access to infrastructure and poverty head curt. In particular, the infrastructure index tries to capture a range of associate service such as, education, health, and other public facilities, and weather household can access them or not. Table 2 present these characteristics at towns’ levels and implementing thefour different thresholds. In all the four towns landless the small holds and large-scale farmer aver 50 percent of their total expenditure went to food the poverty head curt indices show that small scale farmer is among the poorest in these contexts with that are 0.5.

Threshold	No land cultivation (%)	Small-scale (%)	Large-scale (%)
P40	0	3	97
Mean	0	18	98
Medium	0	5	95
Hector-weighted medium	0	59	41

Source: Field survey 2016/1019

In table 3 average farm size in hectares cultivated is calculated for each of the categories (no land, small scale and large scale) and for each of the thresholds. Table 3 show the result of each town survey. In all four town studies, and for all the thresholds, there is evidence of inequality in the average farm sizes cultivated by small farmers compared



to those cultivated large –scale farmers.

Threshold	No land cultivation(%)	Small-scale (%)	Large-scale (%)
P40	0	1.03112	17.59311
Mean	0	2.82487	40.03744
Medium	0	1.23462	20.34439
Hector-weighted medium	0	5.93483	62.67598

Source: field survey 2016/2019

- Tables 4: we find that with the p40 threshold, small-scale farmers on average cultivate as low as 1.03 hectares compared to the large-scale farmer who cultivate 18 hectares of land. This result is consistent across all the thresholds used where we observe the highest values when the hectare-weighted median is implemented. In this case, small holder’s farmers cultivate 6 hectares while large- scale farmers cultivate 63 hectares of land. The average farm size cultivated by small holders in all four towns is significantly smaller compared to hectares cultivated by their large-scale counterparts.

Table 5: contribution of income sources (average) - at hh level (HWM) share of on- farm income (average)

Town	No land cultivation (%)	Small-scale (%)	Large-scale (%)
Jobawa	0.09	0.36	0.75
Kadawa	0.08	0.30	0.85
Yadakwari	0.24	0.40	0.65
Chiromawa	0.24	0.56	0.78

Source: field survey 2016/2019

- From the findings of the study it was discovered that small scale farms face with a lot number of problem; these includes management constraints, problem of staffing, problem of raw materials and that of infrastructure etc. To improve the performance of small – scale farms in the managing sector. So also, in this summary treated the areas to be manage by small –scale farm manager. These are finance personnel, production, and marketing. it was also in the summary of this study tried to discuss the managerial effectiveness which its main quality can be summarized as: experience, education and training, personal characteristics, development of managerial skills, and age of the manager, it should be realized, however, that the relative importance of these qualities varies according to the type of managerial job and particular with the proportion of technical and human relation content in it. Size of cultivated will be used as the key dimension in identifying the different categories of farmers in a database that consist of survey data from several towns. In household level. Empirical research employs thresholds at the level of family farm, while are able to accommodate for the organization form of the farm (family in most of the cases), with respect to production. The land median is calculating by first ordering farms from smallest to largest and picking the farm size at the middle hectare (the standard median focuses on the middle form). By use of the measure, help of all land (rather than farms), is on bigger farms, this capturing the typical acre of farmland. We use the survey data for the following town: Jobawa – (2000), Kadawa (2001), Yadakwari (2004), Chiromawa (2005). Using the multiple survey datasets, we first construct the series of variable necessary for this analysis. We then conduct the analysis town by town and then do a comparative study of the different measure of land distribution.

8. RECOMMENDATION:

- Policy recommendation are the important which concerned small –scale farming. Furthermore, the recommendation will provide the bedrock within which the strategy will be used for improving the small – scale farm. The following measure are recommendation:
- The managers should try to have a good management, and this can be achieved through providing the employees with fringes benefits and staff training which make the sector more efficient, also the crude system of administration should be replaced with the modern system. Managers should embark on all sectors of farming business such as production of raw materials, marketing of the output etc. this will have faced with lack of capital to finance it.



It can only succeed by obtaining loans and using available, personal saving. The loan can be obtained from the agriculture bank or from the commercial banks. Because of the riskiness of the business. Government intervention should be sought, by providing incentives like soft Agriculture loans with low interest rate, and insurance of the small – scale farm should be hurried by the Government also.

- The protection of small – scale farm against competition with the large – scale ones but care should be taken here as not to over – protect. Because competition sometime to some extent will enhance and improve product quality. modern system of farming should be established as well-equipped laboratory, either by government or research institution so that improved variety, early matured, disease resistance etc. should be examined in the laboratory. But the difficulties, in implementing this policy is that the staff has to be well trained, and this will take time. The government should provide water supply electricity and this other infrastructure facility in the rural areas so as to encourage the establishment for development of rural areas which reduces the rural- urban drift. Either for the state or local government authorities or both can do this.

- Creation of substantial employment opportunities to rural populace, increase of the proportion of indigenous ownership of farming development with view to achieve its objective, the government has already taken steps to develop small scale farm on a dispersed basis in medium and small town, which are serving as the focal point of agro – industrial development. It is the policy of most Government to discourage to the minimum the rural –urban migration; the best way to do this is to establish small –scale farms in the rural areas. Development of their areas in terms of infrastructures light, social amenities raising the standard of living of the rural populace and also bring changes in the social structure learning, technical and industrial skill and growth of a managerial and industrial working class by urbanization.

9. CONCLUSION:

- The recent agricultural food commodity price spikes have raised the attention on small holder and on their position as food producers and consumers. In particular academic’s policy makers and leaders around the world have underlined the importance of small farmers in achieving global food security and have called for a new global partnership toward improving their productivity and incomes. Small holder’s farmers are mainly concentrated in developing countries and account for two thirds of the developing world three billion rural population. We empirically and directly identify and characterized small –scale farmers in the town survey. Using the attribute of land cultivated in hectares. We estimate for main thresholds. using survey data that was collected and compiled by the rural income generating Activities database (RiGA-FAO), implement the above threshold to four town survey households survey in order to first categorize rural households as households that do not cultivate land, small holds and large holders. We then address multidimensionality that characterizes small – scale farmers, by trying to take in to account a series analysis for each town given the threshold.

- The result is consistent with across thresholds as well in all the four town surveys. Moreover, small –scale farmers heavily depend on farming activities as their main source of livelihood. This result is confirmed by the high share of crop and live stock income on the average household income in the entire surveyed town. Small scale farmers also contribute heavily to both rural and national income in these countries on average, the small holder farmers income contributed by over 20 percent and 10 percent respectively. though these results highlight the important role played by small scale agriculture in the rural economy and its potential in driving economic growth and gathering food security, we also find evidence of land inequality in the survey town i.e; the amount of land households cultivate.

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