



International Journal of Multidisciplinary Research and Growth Evaluation



International Journal of Multidisciplinary Research and Growth Evaluation

ISSN: 2582-7138

Received: 17-07-2021; Accepted: 03-08-2021

www.allmultidisciplinaryjournal.com

Volume 2; Issue 4; July-August 2021; Page No. 715-718

Appraising the requirements of small scale aluminum work business in Kano state

Dr. Aminu Idris Harbau ¹, Bashir Yakubu Sualiman ², Hamza Muhammad Assani ³

¹⁻³ Department of Economics, Sa'adatu Rimi college of Education Kumbotso, Kano State, Nigeria

Corresponding Author: Dr. Aminu Idris Harbau

Abstract

In every economy there are simple system as well as complex one. Business whether small or big, simple of complex, private or public is created to provide competitive prices. Business in Nigeria, has been classified as small, medium and large. In both the developed and developing countries, the government is turning to small and medium scale industries, as a means of economic development and a veritable means of solving Problems. It is also a seedbed of innovations, inventions and employment. Presently in Nigeria, Small scale business assist in promoting the growth of the country's economy, hence all the levels of government at different times has policies which promote the growth and sustenance of Small scale business. In most of the times, prospective

business owners venture in to business without specifically knowing the basic requirements. This study is aimed at investigating the basic requirements of operating Small scale aluminum work business in Kano State. A sample of 5 operating firms in Kumbotso local Government of Kano State were purposely selected. Structured interview was used to collect the data. The data collected was analyzed. The findings of the study among other shows that training and literacy are among the basic requirements of the aluminum work business in Kano State. The study recommends the obtaining skill training acquisition before venturing in to aluminum business in Kano.

Keywords: Small Scale, Business, Aluminum, Requirement

Introduction

The aluminum element was discovered more than 200 years ago. After an initial period of technological development, aluminum alloys were used in many structural applications, including the civil engineering field. Aluminum is the second most widely specified metal in building after steel, and is used in all sectors from commercial building to domestic dwelling. It has been estimated 40% of the UK annual production of aluminum is utilized within the construction industry, which equates to roughly 150,000 tonnes of aluminum per annum, of which approximately 65,000 tonnes is extruded products, and 25,000 tones sheet materials. (Mazzolani, 2003) ^[5].

Aluminum, the building material for the modern age, established itself as an important factor in the building and construction industry during the course of the 20th century. It enables every possible architectural concept to be realized, regardless of whether it is a new build or a modernization. Possible applications range from façades and roof, widow, doors, balconies and interior decoration (Mazzolani & Mandara, 2004) ^[5].

The metals sector in Nigeria today is yet to reach its full potential particularly in the development and consumption of key metallic products as Iron, Steel, Copper, Aluminium, Tin, Lead, Zinc etc. and in exploitation of key Noble metals such as gold and silver. With the nation's capacity, potential and resource base, all these products can readily be developed and used to jumpstart the rapid industrialization and economic growth of the economy.

Adekoyi (2018) ^[1] has rightly reported that the consumption rate of Steel and other Metals products is regarded as a major index of industrialization of a nation. By that yardstick, when compared with even some developing nations, Nigeria is lagging far behind in industrial development. By the current estimate, the annual per capita consumption of Steel and Aluminium in Nigeria are about 10kg and 0.3kg respectively while the corresponding world average in respect of the two metals are 130kg and 5kg respectively.

Nigeria is also lagging behind when compared with even countries like Algeria with 42kg/capita, Egypt with 36 38kg/capita, and Zimbabwe with 25kg/capita This is an indication that Nigeria with its population has a large room and huge potential domestic market that can sustain rapid growth in the metals and related product sector. The new Metals Policy is predicated upon the need to develop a vibrant Metals Sector where Government will play the role of Administrator-Regulator with the private sector as Owner-Operator and would enable Nigeria become a major regional and global producer of aluminium and

steel products with a production target of 500,000 tonnes per year of primary aluminium and 12 million tonnes per year of steel products targeted by the year 2020. Aluminium utilisation, production and consumption in any nation, is a major index of their industrialisation. In Nigeria, aluminium is used mostly in construction industries (windows and frames) and for domestic utensils (pots, plates cutlery) as against utilisation in transport i.e. Aircraft, shipping etc. The state of the Aluminium Industry in Nigeria therefore is considered a measure of our development (Adekoyi 2018) ^[1]. Small and medium sized enterprises (SMEs) are the backbone of virtually all economies of the world because of their role in employment creation and provision of personalized services (Wattanaputtipaisan, 2003) ^[7]. SMEs have strong influence on the sustainable development process of less developed as much as developed countries because they foster economic growth and alleviate poverty (Ayyagari, Beck and Demircuc-Kunt, 2003) ^[2].

There is no unique international or national identification of small-scale business. Therefore, the meaning of small-scale business varies from one country to another from one industry to another even within the same country. Accordingly some people undoubtedly consider all business that led no more than a specified number of employees of (5) or (10) to be small. Other believe that a small business is one that operates only in the local market area. Still others classify business as small by the kind of firm such as the local stores, dress shop, shoe makers at the corner of the street. Most people agree that the all informal business and provision stores are small business while Bottling Company, UAC groups of Companies and Nigeria Breweries Plc are big businesses. The above views of people gave rise to controversy as to where to draw the line between big and small businesses (Chidinma, 2012) ^[4].

The Committee on Economic Development of the United State of America offers a definition which states that a business will be classified as small if it meets two or more of the following criteria (Broom and Longrecker 1986) ^[3]. They are:

1. Management is independent. Usually the managers are also owners.
2. Capital is supplied and ownership is held by an individual or a small group.
3. The area of operation is mainly local workers and owners are in one home or community, markets used not be local.
4. The size of the firm is small relative to industry.

Ekpenyong (1989) citing the Nigerian's third National Development plan (1975) summarized the role of small business in the development of Nigeria to include creation of employment, manpower training, fill in employment, introduction of big business, promotion of competition, aid to industrialization, catering for small demand.

It is generally believed that, Small and Medium Enterprises (SMEs) are the "engine of growth" of any economy. Almost all countries that have focused on the SMEs sector and ensures its vibrancy have ended up succeeding in the significant reduction and its attendant enhancement in the quality and standard of living, reduction in crime rate, increase in per capita income as well as rapid growth in GDP

among other valuable effects. There is a general consensus that if all stakeholders are to show serious commitment to the development of the SMEs sub-sector, it follows that the economy must necessarily witness meaningful transformation and prosperity. A dynamic SME sub-sector is vital and imperative for the overall economic development of the country. Aside from providing opportunities for employment generation, SMEs help to provide effective means of curtailing rural-urban migration and resource utilization. By largely producing intermediate products for use in large-scale companies, SMEs contribute to the strengthening of industrial inter-linkages and integration. A vibrant, efficient and effective SME sub-sector generates many resultant benefits for stakeholders, employees, customers, employers as well as the entire economy's benefits.

Statement of the problem

It is in agreement with certain experiences that the inability of the most of the small scale businesses to determine causes of failure may have led to poor performance. It also it is also against this background that many businesses failed due to inability of the proprietors to find out the major requirements for establishing the business. Also it is perceived that the inability of the small business to develop policies for solving their problem may have reduced the profitability of such enterprises. Indeed, nothing weakens organization more than when proprietors develop poor attitude to personnel training. Experiences show that the poor attitude of the government to creation of conducive environments for business may have reduced the chances of survival of small scale enterprises. Again poor financial management strategies may have aggravated the situation just as the perceived inability of management to employ competent personnel may have led to unproductivity. Above all, the poor marketing strategies of most organizations just as experience can show may not have helped matters. It is in view of this problems that this paper was developed.

Objectives of the Research

1. To determine the profiles of the business in terms ownership, number of staff and types of products and services
2. To find out requirement for establishment of aluminum in Kano state in relation to government regulations, capital, machinery and tools, skills and knowledge, security.

Research Questions

The following were the major questions asked to direct the study

1. What are the profiles of the business in terms ownership, number of staff and types of products and services
2. What are the requirement for establishment of an aluminum work business in Kano state in relation to government regulations, capital, premises, machinery and tools, skills and knowledge, personnel and security?

Methodology

The study was aimed at appraising the basic requirements for establishing aluminum work business in Kumbotso local

government in Kano state. The paper employs a case study research design of qualitative approach. There are a number of places in which aluminum work business is taking place mainly in informal settings. Where ever this business is taking place they bear the same characteristics. This what made the paper to purposively select five (5) aluminum businesses from different locations of the local government to serve as its sample. A structured interview was adopted from the work of Sulaiman and Kiru (2010) [6] and administered to sample firm by the researchers. The study believes that the instrument was validated and pilot tested in which the reliability index was established by the original developers of the instrument. The data collected was mainly qualitative in nature, therefore no statistical tool of analysis was use. As such data was presented in tables and intensive discussions of the tables were made.

Data presentation and analysis

The data obtained was presented in the following paragraphs and tables. The tables presented the responses obtained from the firms interviewed which was later discussed.

Research Question 1: What are the profiles of the business in terms ownership, number of staff and types of products and services

The first question put to the respondents was on the type of business ownership. Three (3) of them stated that they operate a sole proprietorship business and two of them are operating joint business. This makes it somehow possible and easy for interested investor to invest and enjoy the benefit and gain there in or should join with one or more persons to enjoy the benefit and gain together.

The table 1 below presented information about number of employee, product and services offered.

Table I: Ownership, Number of Employees and Types of Products.

Sole Trader	FIRM 1	FIRM 2	FIRM 3	FIRM 4	FIRM 5
Regular staff	3	5	5	3	0
Casual staff	3	2	3	0	2
Types of product	Projected window, sliding window, doors. Office partitions, fixed partition, cashier cubicles, roofing and general supply				

Source: (field survey, 2019)

Readings between the lines in table 1 above, it could be seen that all the firms were sole traders. That is say none of the sample firms was operates under the partnership, joint stock or a public liability company. Three (3) out of the firms have both regular and casual staff while the remaining two (2) have either regular of casual staff. This indicated and suggested that with a minimum of two (2) casual staff one can start the business.

With regard to the products produce by the business, all the firms have disclosed that they produce projected windows, sliding windows and doors among others and they offer services such as office partitions and they are all undertake roofing, construction of cashier cubicles and general supplies of aluminum products.

Research question 2: What are the requirement for establishment of an aluminum work business in Kano state in relation to government regulations, capital, premises, machinery and tools, skills and knowledge, personnel and security?

On the basic requirements for establishing the aluminum work business, the table 2 below present the firms responses.

Table 2: Some Basic Requirement for Establishing the Business

Basic requirement	FIRM 1	FIRM 2	FIRM 3	FIRM 4	FIRM 5
Capital	N250,000	N300,000	N250,000	N250,000	N200,000
Tool needed	Drilling, milling, cutting, grinding machine, glass cutter, generator				
Skills and knowledge	Training, ability to read and write				
No of people required	Three (3) persons	Two (2) persons	Three (3) person s	Three (3) persons	Two (2) persons
Minimal size of the business	A 3 x 4 metre container or shop is okay				
Security	No so much security is needed. But all the firms recommended some measures shall be taken to safe-keep some sensitive materials such as glass cutter and drilling machine, e.g boggler box.				
Government Regulations	All the firms lamented that the there is no government regulation apart from being registered at local government level and the state association of aluminum workers.				
Safety	Hand-glove, Eyes glass and First aid box were recommended by all the respondents as measure for safety				

Source: (field survey 2019)

Table 2 above shows some basic requirements for establishing aluminum work business in terms of capital and tools needed. The minimum capital required as shown in the table ranges from N200, 000.00 to N300, 000.00. The basic tools needed to establish the business including cutting machines, drilling, milling machines. Others are grinding machine and power generator. An aluminum workers must undergo training and have the ability to read and write. The number of people required to start the business ranges from 2 persons to three (3) depending on the size of the business with a minimum space of shop or container of 3 x 4 metre space. With regards to the security all the firm confirmed that they

do not have any special provision for security as no so much security is needed. But all the firms recommended some measures has be taken to safe-keep some sensitive materials such as glass cutter and drilling machine, e.g boggler box.

In terms of government regulation in respect of aluminum works business in Kano state, all the firms interviewed disclosed that there is no government any regulation apart from being registered at local government level and the state association of aluminum workers.

The table 2 above also disclosed that an aluminum operator has to provide some safety measures which will prevent them from sustaining injures in the course of undertaking the

business activities. Material such as Hand-glove and Eyes glass were recommended by all the respondents as measure for safety and First aid box in case of emergency.

Conclusion

The paper was primary design to appraise the major requirements of establishing Aluminum works business in Kumbotso local government of Kano state. Five (5) Aluminum businesses were purposively and selected interviewed. Out of the five (5) selected three (3) were joint stock business while two were operated by a sole traders with a minimum of two (2) casual workers.

All the owners of the business do not attend any formal school rather they served for many years with their Boss somewhere, before they were graduated to set their own. Even after they set their own, they are still been monitored and supervised by their ex-boss. They suggested that an ability to read and write is very essential on the course of training and running the business at large. They study in a nutshell found that stand-by generator, drilling and cutting machine are the major materials needed and bogglor box for safe-keeping of the materials.

Recommendations

Based on findings of the study the following recommendation were offered:

- a. Before venturing in to any business, one need to appraise the major requirements of the business.
- b. From the findings of the study it has been seen that must of the owners of the aluminum business in Kano state undergone an informal training. This suggested that the Kano state government shall intensify effort to complete the technical and skill acquisition centres across 44 LGA's initiated by the previous government.
- c. There is need to enact a law by state legislative body to ban the use of foreign aluminum products and mandate the use of products and services of these business in all government awarding contract.
- d. There shall a massive campaign on the patronage of local aluminum products and services by the members of the public.
- e. Government at all level in collaboration with Non-Governmental Organisations (NGOs) shall enlightening the general public the present of some entrepreneurship promoting financial institution such as SMEDAN, Bank of Industry, Micro Finance among others.
- f. The National Directorate of Employment (NDE): Legally empowered by NDE Act, CAP 250 of the Law of the Federal Republic of Nigeria (formally Decree No 34 of 1989, the Directorate has responsibility to design, and implement programmes to combat mass unemployment in Nigeria. Its programmes include vocational skills acquisition training, employment counselling and job linkages, entrepreneurial training and enterprise creation, amongst others. This programme shall be revitalized to the extent that the required objectives are achieved.

References

1. Adekoyi F. Operator Seeks Review of Aluminum Standards to Boost Local Production, 2018.
2. Ayyagari M, Beck T, Demirguc-Kunt A. Small and Medium Enterprises, Across the Globe: Research Working Paper. 2003; 3127:1-34. Retrieved from

- www.newdatabase //WorldBankPolicy on 24/09/2019
3. Broom HN, Longnecker JG. Small Business Management; Fifty Edition, Ohio South Pub. Coy, 1986.
 4. Chidinma WA. Failure of Small Scale Business in Nigeria: Causes and Solutions. Unpublished thesis Submitted to the Department of Management in partial fulfillment of the requirement for the award of Masters Degree in Business Administration, University of Nigeria Nsukka, 2012.
 5. Mazzolani FM. Structural use of Aluminium Alloys in Civil Engineering Aluminium in Building and Construction. International Centre for Mechanical Sciences - Courses and Lectures, 2004, 443, retrieved from <https://pdfs.semanticscholars.org> on 24/09/2019.
 6. Sulaiman S, Kiru MM. Operative Small Business in Kano State: Basic Requirements, Benefits and problems. Samaribs Publishers: Kano, 2010.
 7. Wattanapruttipaisan T. Promoting SME Development: Some Issues and Suggestions for Policy Consideration retrieved from, 2002, www.BulletinonAsia-PacificPerspectivesunescap.org on 24/09/2019