

Management Consultancy Services and Growth of Small and Medium Scale Enterprises in Cross River State: A Study of Lafarge Cement Company Calabar, Nigeria

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Abstract

This present study examined the role of management consultancy services in the growth of small and medium scale enterprises (SMEs) in Calabar Cross River State, a study of Lafarge Cement Company. Extensive review of literature was carried out, findings from previous studies formed the fulcrum of this research work. Management consultancy services form expert opinions, building business processes and system and formulation of strategies. Other aspects include industry networks, access to credit and business diagnostics and training. Major findings of this study among others shared that the high cost of the management consultancy services is a great inhibitor to its access and utilization by owner managers of SMEs. Albeit, it was however established that owner managers were eager to embrace management consultancy services experts for the cost. The study concludes that if owner manager applies management consultancy services experts for the cost in their business, there would be a significant growth and the rate of failure would reduce.

Keywords: Management, Consultancy, Business, SMEs, Services Enterprises, Growth, Company

1 Introduction

1.1 Background of the Study

Small and Medium Scale Enterprises (SMEs) are known to be very vital to the development of every economy globally; though small in size they have contributed greatly to the enhancement of major economies of the world (Lukacs, 2005). Domestically, they are also considered the back bones of the Nigerian economy due to their multiple contributions (Uchegbulam et al. 2015). Studies by the IFC show that approx. 96% of Nigerian businesses are SMEs compared to 53% in the US and 65% in Europe. SMEs represent about 90% of the manufacturing/ industrial sector in terms of number of enterprises, they contribute approx. 40% of GDP in Asian countries and 50% in the US or Europe. The 2013 SMEDAN & National Bureau of Statistics Survey reveals that the total number of persons employed by the SME sector as at December, 2013 stood at 59,741,211, representing 84.02% of the total labour force. SMEs constitute major avenues for income generation and participation in economic activities in the lower income and rural brackets of developing societies especially in agriculture, trading and services. SMEs contribute up to 46.7% of national GDP in nominal terms (Alochenu, 2014). They also offer veritable outlets for technological advancement especially in businesses with rudimentary technology requirements.

However, the Nigeria's business environment is situated in the midst of a challenging economic landscape and intense competition (Uchegbulam et al. 2015). Due to globalization, competition amongst firms is on the rise and SMEs in Nigeria are struggling under this intense competitive environment both at the domestic and international terrain. Despite the economic significance of small and medium enterprises in Nigeria, they have not played the expected vital and vibrant role in the economic growth and development of the country (Gbolagade, Adesola and Oyewale, 2013). According to Proshareng.com, over 50% of small businesses in the USA fail in the first five years, while in Nigeria, research has documented that 70% of SMEs fail in their first three years of operations (Akingbolu, 2014). This shows that SMEs in Nigeria are struggling to survive talk less of grow. Just like James M. Hussey (Ezine Articles, 2010) rightly points out that “small businesses do not fail for lack of money, fierce economic competition or because of the nature of the operating economy. They fail because the owners think they're good at what they do, forgetting that there are others doing exactly the same thing”.

The 2013 SMEDAN and National Bureau of Statistics Survey showed that “most of the entrepreneurs interviewed are not aware of SMEDAN and their services. The beneficiaries of SMEDAN services are very

minimal in virtually all the states”. According to Barisic and Bozicevic (2013) for SMEs to operate successfully, it is necessary to engage experts who can offer them credible business information and opportunities, and convey to them a significant volume of decision making processes. The fact that most business owners are reluctant to delegate important decisions to employed managers is a significant limiting factor in their successful development. Lack of expertise in planning, the lack of time of business owners to devote more seriously to long-term planning, is one of the main reasons for the stagnation and decline of small businesses. SMEs are in most cases formed by experts in a particular industry, which possess a perfect knowledge of their profession in the context of technical competence, but they have a lack of knowledge and experience in management. In this way they run their company into trouble because all the attention is focused on strictly professional technical knowledge and skills, and managerial skills are neglected.

Lafarge Cement Company, formally United Company of Nigeria (UNICEM), is one of the Nigeria ‘s largest cement manufacturers and suppliers of high quality cement. It was established in 2002. The plant of the company is located at Mfamosing which is about 40 km North– East of Calabar, Cross River State. The average production capacity of Lafarge is about 1.0 million tonnes per year.

Research has made it clear that there has been a fall in market growth occupied by various firms in Nigeria, due to inadequate utilization of their organizations' resources, lack of implementation of specific policies, strategies and actions designed to accomplish market growth in firms are not in place (Uchegbulam et al. 2015). Also as rightly posited by Spiegel (1994) it is a lack of investment in human capital, not a lack of investment in physical capital alone, which prevents poor countries from catching up with rich ones. Educational attainment and public spending on education are correlated positively to economic growth. According to edufrica.com of the 180 million Nigerians, 54 million lacks formal education. This constitutes a great disadvantage to owner-managers in Nigeria.

Study and explanation of business competitiveness is a current theme studied by academics, consultants and practitioners. The internalization of economy, dynamic nature of the environment, greater competitive firms, the need for continuous innovation, product customization and growing use of ICT, force firms to face challenges of improving their competitiveness. These difficulties are greater for small and medium enterprises because their economy of scale and their resources are less than those of large firms. Research has documented that 70% of SMEs fail in their first three years of operations in Nigeria (Akingbolu, 2014). These challenges as highlighted here have promoted the researcher’s interest in this area. O’Mahoney, 2010; Werr and Stjernberg, 2003; Hicks, et al., 2009 have all posited that the central asset of management consulting is knowledge, this lends credence to its ability to help SMEs grow. Therefore, we seek to investigate the effect of management consultancy services on SMEs’ growth.

Looking at the increase in the incidence of liquidation, economic meltdown and bankruptcy of SMEs. Practically, the implication of these study would help the owner-managers of SMEs to assess the possibility of adopting management consulting as a business undertaking to prevent business failures, survival in the current recession and also growth. The study also provides the owner-manager with the knowledge of management consulting – types, process and how they can use management consulting to achieve set objectives. It will also provide the Nigerian government with a veritable option which can be used to assist SMEs’ growth as other options (finance, workshops, etc.) as either failed or achieved below par. Theoretically, the finding would further be helpful in building on the nascent literature about the effect of management consulting on the growth of SMEs as the researchers could not find any existing Nigerian literature on the topic. Hence, the study findings would in addition help scholars to seek more knowledge on the effect of management consulting on the growth of SMEs.

1.2 Objectives of the Study

The objectives of this includes the following:

1. To determine whether there is a significant correlation between management consultancy and the growth of Lafarge Cement Company
2. To investigate the role of management Consultancy in the growth of SMEs non-utilization.
3. To determine the factors responsible for unacceptability of Management consultancy services.

4. To ascertain possible strategies to increase of Management Consultancy services by united cement company.

2 Review of Literature

2.1 Conceptual Review: The Concept of Management Consultancy

The boundaries between business consultancy and other “customer-related” practices such as mentoring, counselling or coaching appear unclear. It would be demonstrated at a later point that consultants themselves agree on saying that sometimes their role within the client’s organisation is unclear. Kakabadse, Louchart and Kakabadse (2006) argued that business consultancy has been hoisted with its own petard and that the confusion towards the role of business consultants is actually the result of their own success. As suggested by McLarty and Robinson (1998) the past decade has seen an extraordinary expansion in management consultancy, but it is important that business consultancy is distinguished from “service providers” practices who proclaim themselves to be consultants.

Mentoring is often assimilated in consultancy. This concept is defined by Brown (1990) as a process in which ‘an experienced veteran helps to shape or guide a newcomer’. Other academics adopt a rather more pragmatic view of mentoring in assuming that a mentor is someone ‘who helps another person become what the person aspires to be’ (Gladstone,1988). The literature suggests that mentorship is the relationship existing between a mentor and his “protégé” where the former, by sharing his experiences, acts as a guide to the newcomer in the organisation. Although there are similar characteristics between mentorship and business consultancy, the former involves the idea of promotion and upward mobility that is lacking in the concept of business consultancy Appelbaum et al, (1994).

Counselling is another practice often misunderstood and likened to the process of consultancy. Carroll, (1995) confirms that both practices are different when noting that ‘counsellors are not usually management consultants, and not usually in a strong position to assess the well-being of an organisation and its effects on its employees’. One could argue that the main differentiator between counselling and consulting stands in the fact that counselling involves a more interpretive rather than analytic approach. Hannabuss (1997) confirms this assumption and points out the psychological dimension underpinning the role of counsellors; ‘counselling sets out to discover this inner world and help the client interpret unconscious thoughts, feelings and images’ (Hannabuss, 1997: 375). Although, it will be demonstrated later on that business consultants at some point do need to adopt a reflective approach, it cannot be considered as a core element of their role.

The boundary between consulting and coaching also appears blurred. Although it can be argued that coaching is in fact part of the consulting process, coaching involves a more emotional and relational approach than consulting, which mainly deals with analysing and solving complex issues. Lenhardt, (2004) suggests that coaching aims at ‘instigating in each individual an intuitive and relational aptitude to the development of self-esteem, ontological and relational security, the capacity to listen and the capacity to take charge of oneself’.

2.2 Types of Management Consultancy

According to Kipping and Engwall, (2001) consultancy practices can be broadly divided into the following types:

- a. Generalist:** These are large consulting firms that offer a wide range of services from strategy consulting and human resources to IT and, in some cases, outsourcing on a global basis. Many of these grew out of the audit firms, while others developed within IT service companies.
- b. Strategy Consultants:** These consultancies are much smaller than the generalist firms and the majority of them are Americans. As the term suggests, they primarily offer strategic advice to companies on a project-by-project basis. This involves long-range planning, the reorganisation of a company’s structure, rationalisation of services and products and a general business appraisal of the company.
- c. Human Resource Consultants:** These are firms offering specialist advice ranging from personnel policy, manpower planning, job enrichment, job evaluation and industrial relations.

- d. **Information Technology Consultants:** These firms give specialist advice ranging from defining information needs, provision of software, systems design, computer feasibility studies, implementing computer applications and making computer hardware evaluations.
- e. **Financial Consultants:** The specialist advice offered by financial consultancies ranges from the installation of budgetary control systems, profit planning or capital and revenue budgeting, office reorganisation and administrative arrangements.
- f. **Niche Firms:** These are consultants who leave the larger firms and set up their own consultancy firms in a particular sector, offering a specialist service (Kipping and Engwall, 2001)

2.3 The Roles of Management Consulting in Firms in SMEs

The role of business consultants and the nature of the services they offer is complex and indistinct, Kakabadse, Louchart and Kakabadse (2006). Throughout this section, the study intends to provide an answer to the question that has generated such a polemic: what is the role of business consultants? Kubr et al (2002), identified five generic roles of consulting as; i) achieving organizational purposes and objectives, ii) solving management and business problems, iii) identifying and seizing new opportunities, vii) enhancing learning, and v) implementing changes or change agents.

i. Achieving Organisational Purposes and Objectives

All consulting to management and business tends to pursue a general and overriding purpose of helping clients to achieve their business, social and other goals. These goals may be defined in various ways: sectorial leadership, competitive advantage, customer satisfaction, achieving total quality or productivity, corporate excellence, high performance, profitability, improved business results, effectiveness, growth, etc. It may have assumed that the owner-manager has defined such goals but this is not the case. The consultant helps the owner-manager to develop a vision of the future, set ambitions but realistic goals, develop a strategy, focus on results, and start viewing current problems and opportunities in the light of longer term and more fundamental organizational goals.

ii. Solving Organisational Uncertainties and Business Problems

It appears from the literature that managers' uncertainty towards the fast changing environment is a core element of the demand for consulting services (Kakabadse, Louchart and Kakabadse, (2006). Helping managers and other decision makers with problem solving is probably the most frequent role of consultants. SMEs are plague with such problems as: complaining clients, poor business results, unexpected loss, natural disaster, loss of important market, lack of perspective, obsolete control system, wrong investment choices, missed opportunity, high staff turnover, lack of cash, idle resources, pressure of competition, internal conflicts, failure to meet targets, etc.

iii. Identifying and Seizing New Opportunities

This role has been recognized by many business corporations and organizations that are well managed and ambitious. They regard consulting as a source of valuable information and ideas that can be turned into a wide range of initiatives, innovations and improvements in any area or function of business: developing new markets and products, assessing and using state-of-the-art technologies, improving quality, becoming more useful to customers, optimizing the use of financial resource, finding new business contacts (and contracts), etc.

iv. Enhancing Organisational Learning

Turner (2012) notes that 'the emphasis of consulting has changed from "solving problems" to building clients' capacity for diagnosing situations on their own and thus managing more effectively. Increasingly, management consultants are worth their fees not only because of their ability to analyse client problems and provide sound recommendations, but also because of their skills in conducting a human process that facilitates needed learning and change'. Business consultants, when working on projects with clients, facilitate organisational learning, which appears to be a core element of organisations' survival currently (Kakabadse, Louchart and Kakabadse, 2006). Burnes et al (2003) argue that with the constantly changing environment that businesses operate in nowadays, an organisation would not survive if it failed to learn at least as fast as its environment changed.

v. Implementation of Change or Change Agents

It is argued that faster changes create weaker situations and therefore justify a need for external help. In that sense, the consultant's role is more than simply reassuring managers and alleviating feelings of uncertainty, it is also to facilitate organisational change. As noted by Brown and Eisenhard (1998), the best-performing

companies, via the domination of the industry, set the pace and rhythm of change, and one can argue that the role of consultants is not only to transfer their skills to clients but to help them to create the change or catch-up with it. McKinley & Scherer (2000) investigated the unanticipated consequences of restructuring in organisations. They hypothesised that there is a relationship between the writings of consultants and organisational restructuring. According to them, the writings of consultants on organisational change drive top-executives to restructure organisations, which lead consultants to write even more; thus giving the impression of an endless loop.

2.4 Contextual Review

The Definition, Operations and Challenges of Small and Medium Scale Enterprises in Nigeria

The definition of SMEs tends to vary according to the nature of its activities, the purpose of the definition, and the level of development where the enterprise is located. The criteria for describing an enterprise as “small” might be the number of employees, the money value of sales, capital investment, maximum energy requirements or various combinations of these and other factors. As the ILO suggests, it is up to each country to formulate its own definition of SMEs. However, in most discussions and writings on the subject by management consultants, a small enterprise is taken as one in which the administrative and operational management is in the hands of one or two people (Kubr et al, 2002).

In Nigeria over the years there have been controversies in literature concerning appropriate definitions of SMEs. Nigeria is still struggling to get a unified definition out of the several inconsistent and ambiguous definition proffered by several industries and agencies such as the 1992 review by the National Council on Industrial Standards that defined Small and Medium Scale Enterprises (SMEs) as enterprises with total cost (including working capital but excluding cost of land) above thirty-one million naira (₦31m) but not exceeding ₦31.150m, with a labour size of between eleven (11) and one hundred (100) employees. The Federal Ministry of Industries defines a Medium Scale Enterprise as any company with operating assets less than 200 million, and employing less than 300 persons. A small-scale enterprise, on the other hand, is one that has total assets less than 50 million, with less than 100 employees. The National Economic Reconstruction Fund (NERFUND) define a SMEs as one whose total assets is less than 10 million, but made no reference either to its annual turnover or the number of employees.

2.5 The Need of Management Consulting in SMEs

Bruhn (2011) asserts that SMEs in developing countries seem to grow slower than equivalent firms in the developed world. This may be due to lack of managerial capital. There is substantial research supporting the need to manage knowledge in organizations today (Cook & Brown, 1999) and knowledge is believed to be deeply rooted within organizations (Sturdy et al., 2009; Prokesch, 1995). In fact, organizations can be seen as a learning organism that constantly evolves through small activities and other efforts to capture information externally and internally, developing it into useful knowledge within the company (Prokesch, 1995). Nonaka (1994) and Prokesch, (1995) shows that modern businesses, large and small, must find, develop and utilize the internal knowledge within companies to make it available to everyone in the company. This knowledge, which can be tacit or explicit in nature (Nonaka, 1994; Nonaka, Toyama, Kono, 2000; Cook and Yanow, 1993; Örtenblad, 2005; Engelhardt and Simmons, 2002), is widely believed to result in a *competitive advantage* and benefit those that are able to handle learning better than others (Senge and Sterman, 1992; Dodgson, 1993; Stewart, 2001; Nonaka et al., 2000). Organizations today are trying to cope with vast and increasing amount of information (Engelhardt and Simmons, 2002) and there is a problem in trying to turn information into useful knowledge that can be leveraged by the organization (Jaenson, 1997).

As identified by Kubr et al (2005), SMEs are plagued with such problems as: complaining clients, poor business results, unexpected loss, natural disaster, loss of important market, lack of perspective, obsolete control system, wrong investment choices, missed opportunity, high staff turnover, lack of cash, idle resources, pressure of competition, internal conflicts, failure to meet targets, etc. To curb with these problems, Kubr et al (2005) posits five principal ways consultants can render help. Some of them are;

- **Providing Information:** Better, more complete and more relevant information is often the main or only thing the owner-manager needs to make the right decisions. It may be information on markets, customers, sector trends, raw materials, suppliers, competitors, potential partners, sources of engineering expertise, government policies and regulations, or other.
- **Providing Specialist Resources:** A consultant can be used to supplement the staffs of SMEs. Usually such consultants will be specialist in areas where the owner-manager is looking for short-term expertise, or wants to avoid recruiting a new employee.
- **Establishing Business Contacts and Linkages:** SMEs suffer from so much from this. They lack the contacts/link in their industry or across industries that can boost their operation. Consultants often offers new business contacts, agents, representatives, suppliers, subcontractors, joint-venture partners, business and professional networks, sources of funding, additional investors and so forth.
- **Providing Expert Opinion:** Most owner-managers lack the expertise, experience and know-how to make shrewd business decisions. Consultants can offer professional opinions and business alternatives to SMEs in core areas like long-term business planning, marketing, financial accounting, etc.
- **Diagnostic Work:** The owner-manager often lacks the skills and insight to discover where the firm needs attention. Diagnostic skills and instruments are among the consultant's principal assets. Consultants can perform wide range of diagnostic tasks concerning the organizations.

2.6 Empirical Review and Theoretical Framework

Bruhn, Karlan and Shoar (2010) from their studies of 432 SMEs showed that small firms lack the required basic knowledge to make firms grow. they tend to focus on technical part of the business while neglecting the administrative aspect. Furthermore, Akingholu (2014) conducted a study using 320 SMEs and the research findings revealed that 70% of SMEs fail in their first three years of operation in Nigeria due to lack of management consultancy services. Again Uchegbulam (2015) also conducted an empirical study among SMEs in Nigeria, where it was discovered that SMEs lack strategies to implement specific policies, strategies and actions designed to achieve market growth which management consultancy ought to provide.

2.6.1 The Functional Theory (Structural Functionalism)

The functional perspective is a view of management consulting that takes a prescriptive approach, comprised of principles and models for how the consultant role can and should be exercised, and how the consultant process should be planned and implemented. The underlying assumption is that consultants can add value to a client organization and that such value is created through a planned and systematic problem-solving process. As such this theory is highly normative in nature (Block, 2000; Gallessich, 1982; Griener and Metzger, 1983; Kubr, 2005; Nelson, Albon & Economy, 2009; Poulfelt, 1999; Turner, 1982).

The reasons that consultants exist from a functional perspective (Werr and Styhre, 2003) are that they do things clients cannot, (providing expertise), they fill in for managers (management substitute), have an objective perspective (outsiders) (Sturdy et al., 2009; O'Mahoney, 2010), provide access to methodologies (codification into best practice) (Baiij, Van den Bosch and Vol-berda, 2005; O'Mahoney, 2010), provide original thinking (leadership in research), validate internal decisions (legitimizing) or provide necessary skills and expertise absent within the firm (O'Mahoney, 2010). Frostensson (2011) argues that consultants who are perceived as elite consultancies – advocate that management consultants deal with strategy and high value added activities. They point towards the consultant as a *doctor* who (a) identifies the problem (b) research and recommend a solution and (c) implement the solution. This stance might be justified in a functional and historical perspective; however, there has been a change in the societal context and what was before cannot wholly be applied today.

Nevertheless, the role of the traditional management consultants is converging with many other business areas due to their growing importance as a competitive factor for host companies (Kipping, 1999). A functional perspective that is derived from transaction cost economics and advocated by consultants themselves (Hicks et al., 2009), is that consultants help commodify knowledge and distribute it to their clients. In this perspective the consultant is dependent on a comparison on what the production of the service would cost in comparison to buying the resource from external distributors (consultants). Moreover, this

knowledge is up-to-date due to the fact that consultants work within different client organizations (economies of scale).

2.6.2 The Critical Theory

The critical perspective on management consulting developed some posteriori its growth among scholars and various business schools, looked at what role the consultant undertakes in social, political and cultural setting and how they affect the public agenda (O'Mahoney, 2010, Mohe and Seidl, 2011). When talking about the sociological function of the management consultant, there are according to Sturdy et al., (2009) two (opposite) dominant perspectives: consultants as innovators (bringing new knowledge) or consultants as legitimizers (legitimizing existing knowledge). The innovator perspective bears strong affinity to the functionalist perspective (Sturdy et al., 2009).

O'Mahoney (2010) explains that the perspective on consultants as legitimizers is in stark contrast to the (functional) transaction cost economical perspective, since it does not involve direct economic benefit. Instead it involves justifying manager's changes and the consultant provides outsider information and validation for the manager's ideas rather than providing expertise or working as "doctors". Sturdy et al., (2009) suggests that the critical perspective offers a broader view than the functional perspective. Armbürster & Glücker, (2007) shows a similar stand-point arguing that consulting projects are not exclusively founded upon economic reasoning, but are most of the times tied to organizational politics.

Some proponents of the critical perspective on the management consultant see the consultant as the controlling party, fooling the naïve clients through rhetoric's and impression management (Werr and Styhre, 2003; Sturdy and Wright, 2011). Sturdy et al., (2009) suggests that the division into these two distinct areas (functional or critical) is far too simple as knowledge flows are far more complex and dynamic than these two perspectives suggest. Management consultants do not simply work as functionalist or critical, but rather as a mix of the two. However, whichever perspective adopted, the consultant works with knowledge management and can be seen as knowledge brokers: between and within their client organizations (Werr and Stjernberg, 2003) dealing with the flow, translation (Sturdy et al., 2009) and commodification of knowledge, (O'Mahoney, 2010) and as knowledge entrepreneurs (Heusinkveld, et al., 2011) to solve organizational problems.

3. Issues/Gaps/Outcomes

3.1 Issues/Gaps.

Uchegbulam (2017) From their studies observed that SMEs lack strategies to implement specific policies, strategies and action desired to achieve market growth which management consultancy ought to provide. This is the absence of management consultancy of services consequently result in lack of require skill to successful formulate and implement strategies actions. 70% SMEs to have been observed registered to decline in their growth in the first three to five years of its operation in Nigeria due to low management education which will have been derived from appropriately designed management by consultancy service. This fact was established by Akingholu (2014) which he studied 320 SMEs in Nigeria. Bruhn, Karlan and Shoar (2014) conducted a study of 432 SMEs and the result showed that one of the key reason for business failures is the inability of SMEs to recognize administrative and behavioural lapses in organization. Thus, they placed under importance on the technical aspect at the expense of administrative aspect.

3.2 Outcomes

Helping managers and other decision maker to solve organizational uncertainties and business problems, is in fact one of the most important role of management consultants. Secondly, beyond solving problems one very important role management consultancy plays is building clients capacity for diagnosing situations on their own and thus managing more effectively. This process is known as organizational learning. Finally, managers and decision maker who embrace mentoring and counselling, which are components of consultancy and coaching are often able to discover their inner world and interpret unconscious thoughts feelings and images. This is usually brought to bear with their increased ability and skills that embraces problem solving.

Conclusion and Recommendation

The SMEs sector is very important as seen in the study; its dynamics significantly influences the overall development of national economies and even social sphere (through employment) in many countries. This forces academicians and other bodies to constantly analyse facilitators and obstacles of SMEs growth. Numerous support programs have been developed in various countries for reducing / removing obstacles for SMEs growth. Most often, they concentrated on financial support (loan programs) or educational influence. These influences together with SMEs support programs' activities have been rather well analysed and documented (Chrisman & McMullan, 1996). However, many other influences on SMEs development and growth can also be observed. One of them is the use of professional business consulting services that bring additional expertise and give a certain push to SMEs growth. This happens because consulting integrates informational, technical, training and other external influences with characteristics of individual companies. It is indicative that entrepreneurs and small businesses in Nigeria use the services of professional management consultants in a small volume. There are several reasons for this; the most important is the underdevelopment of that specific kind of consulting service, lack of awareness of entrepreneurs about this type of service, high prices, etc. The research clearly showed that there is not enough mutual understanding between the consultant and the owner of a small business, lack of a clear benefits the service will add and cost, but in overall the owner-managers were willing to adopt the services.

Having critically analysed the findings of this work, the we therefore make the following recommendations that: the owner-managers of SMEs should aggressively adopt the services of management consultants to boost their capacity and sustainability. Research has revealed that in a dense competitive business environment such as Nigeria survival is the top most priority of firms. SMEs in Nigeria due to high level of competition from larger firms, lack of government support and even adequate funds to run their operations. For this reason, it is necessary for SMEs to formulate adequate strategies as they give direction to what the business has in mind and also helps identify ways through which they can achieve their goal, all these are amply provided by management consultants. Second, Nigerian government as part of her assistance to SMEs should adopt any of the strategies stated, especially subsidizing management consultancy services for SMEs as finance have been identified as one of the inhibiting factor to them acquiring the services. Instead of just giving away grants which are mostly later mismanaged by SMEs since they lack the requisite knowledge to properly utilize financial capital.

In addition, Government and other social institutions should aggressively engage in the dissemination and grooming of owner-managers in managerial capital. Today business cannot be run on just common sense, systematic and tested knowledge is needed to conquer in the business world. Also, the micro franchising consulting model should be adopted. This is the establishment of strategic business unit (SBU) at public university to offer business consulting services that could fill in the market gap that are required by SMEs. This model has been applied in other civilizations which justify its application in Nigeria. Finally, and significantly, awareness creation/sensitization campaigns. The owner-mangers of SMEs must be intimated of the existence of management consulting and its usefulness. SMEs should be ready to work with consultants and be ready in to invest in managerial capital through management consultancy services.

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