EFFECT OF QUALITY MANAGEMENT ON THE PERFORMANCE OF SMALL AND MEDIUM SCALE ENTERPRISES IN ANAMBRA STATE OF NIGERIA

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Abstract
This study examined on the effect of quality management on the performance of Small and Medium Scale Enterprises in Anambra State. The study had three objectives, three research questions and three null hypotheses. Literature related to the study were reviewed. The study adopted survey research design. The population of the study was 425 employees of five SMEs which were selected from the three senatorial zones of Anambra State. The entire population was used, hence there was no sampling. Questionnaire was the instrument of data collection. Cronbach Alpha reliability method was used to test the reliability of the instrument. Simple percentage was used to analyze the research questions while One Way Analysis of Variance was used to test the null hypotheses. The findings of the study revealed among others that quality management is now a watchword for every entrepreneur because this will broaden the scope of entrepreneurial activities which will enhance productivity, maintain competitive advantage not only in local market but globally. Three recommendations were made among which was that government should encourage financial institutions to give loans to SMEs at reduced interest rate and also eliminate the rigorous time taking procedure to help them have easy access to finance and plan to achieve quality management goals.

Keywords: Quality Management, Performance and Small and Medium Enterprises (SMEs)

INTRODUCTION
Background of the Study

In order to be successful, firms must view quality as an essential part of their strategic process. Quality is a term that carries important meaning to both producer and customer. In the global market place today, many organizations realized that its survival in the business world depend highly on producing high quality product and services. Indeed, a lot of organizations have emphasized that quality should have to be put in place, integrated within the management system, especially in terms of bringing the end products or services to the customers, especially with the intense competition arriving from the rivals (Oluseye, 2014).The concepts of quality management have become guiding elements for what, in the business world, is known as management excellence. The International Organization for Standardization's ISO 9001:2015 series describes standards for quality management as the principles and processes surrounding the design, development and deliveryof products and services.

Accordingly, quality management has become increasingly prevalent as one of the management strategies in ensuring customer satisfaction and loyalty, improving products and service, quality and reinforcing continuous improvement. Total Quality Management is a philosophy and a set of guiding principle that represents the foundation of an excellent organization that ensure survival of industrial organization in the competitive economy of today (Besterfeild, 1999). In a competitive environment which arises from world globalization and liberalization, firms survive with much difficulty unless they create a competitive advantage over their competitors (Samson &Terziovski, 1999). With the increasing competition, business survival, pressure and dynamic changing, as well as customer-oriented environment has been recognized as one of the important issues that have generated substantial amount of interest among managers and researchers in the business world. Total quality management is very imperative in Small and Medium Enterprises (SMEs).

Adeniji in Okeke-Ezeanyanwu (2017) stated that Small and Medium Enterprises (SMEs)was defined by the National Council of Industries as business enterprises whose total cost excluding land is not more than Two Million Naira (N2,000,000) only. The Federal Ministry of Commerce and Industry defined SMEs as firms with a total investment (excluding cost of land but including capital of up to Seven hundred and fifty thousand Naira (N750, 000) and paid employment of up to fifty (50) persons. SMEs in Nigeria are seen as the backbone of the economy and a key source of economic growth, dynamism and flexibility. The performance of SMEs determines the achievement of their goals.

SMEs performance can be seen as how the firms provide value to the stakeholders such as owners, customers, society even government. In other words, performance indicates how thriving the management manages the firm resources (Moullin, 2012). Neely (2005) on the other hand defined firm performance as the procedure of quantifying business firm actions in terms of accomplishing its objectives. Firms attain their objectives if they succeed in satisfying their stakeholders' needs more than their rivals. The performance and

growth of small and medium enterprises is a major driver and indices for the level of industrialization; modernization; urbanization, gainful and meaningful employment for all those who are able and willing to work, equitable distribution of income, the welfare, income per capital and quality of life enjoyed by the citizenry (Aremu & Adeyemi, 2011), because SMEs contributes to employment growth at a higher rate than larger firms. The importance of SMEs in the development of economies, reduction in poverty, increase in employment, output, innovation in technology and uplifting in social status and standard is globally recognized and acknowledged in developing economies.

Statement of the Problem

One of the main issues that concern most of the policy makers at the helm of affairs is how to improve the economy through the support of small and medium scale enterprises in order to sustain economic development. In Nigeria today, SME sector's contribution has fallen short of its potentials. Most SMEs die within their first five years of existence (Okeke-Ezeanyanwu, 2017). Most Nigerian SMEs struggle to operate, manage and improve their businesses efficiently in order to consistently deliver quality products and services on time (Adeniji, 2015). There is lack of coordinated effort to support SMEs operations and performance in Anambra State. Among the numerous challenges to increase performance and growth of most of these companies include quality management practices. It is of utmost importance that SMEs should remain competitive and produce high quality outputs not only at the macro level but also to every organization.

The importance of SMEs to economic development in Nigeria is increasingly becoming recognized by both local donors and international agencies. They have been acknowledged as the springboard for sustainable economic development (Iddris, 2012). The interest of nations in promoting SMEs especially the less developed countries is based on the failure of past industrial policies to generate efficient self-sustaining growth; increased emphasis on self-reliant approach to development and the recognition that is dynamic and growing SMEs can contribute substantially to a wide range of developmental objectives. Their importance includes employment generation, wealth creation and mobilization of domestic savings for investment, poverty alleviation and conservation of foreign exchange (Ogunleye, 2004).

Apparently, in Anambra state, a lot of SMEs are fast springing up and many have not survived the tide of the competition as a result of quality management, threats, challenges and crises, and external pressures as an outcome of sustainable competitive advantage within and outside; what is the way forward? How are they going to survive despite the pressure they face? Should SMEs in Anambra state be survival of the fittest? A very good understanding of SMEs and its operation will in no small measure be valuable to the policy maker and the government.

Therefore, this study seek to find out if quality management has any effect on the performance of SMEs in Anambra State and to identify the

challenges encountered by the SMEs in practicing quality management within their organizations.

Purpose of the Study

The broad objective of the study is to explore the effect of quality management on the performance of SMEs in Anambra State. Specifically, the objectives of the study were;

1. To determine how quality management affects the performance of SMEs in Anambra State.
2. To examine how the challenges encountered by SMEs affect the practicing of quality management within their organizations.
3. To examine how the performance of SMEs can be improved through overcoming the challenges of quality management.

Research Questions

The research questions guiding the study are:

1. How does quality management affect the performance of SMEs in Anambra State?
2. To what extent does the challenges encountered by SMEs affect the practicing of quality management within the organizations?
3. How can the performance of SMEs be improved through overcoming the challenges of quality management?

Research Hypotheses

The hypotheses stated below were formulated in line with objectives and were tested.

Hypothesis One

H_{o1}:   Quality management does not significantly affect the performance of SMEs in Anambra State.

Hypothesis Two

H_{o2}:   The challenges encountered by SMEs do not significantly affect the practicing of quality management

Hypothesis Three

H_{o3}: The performance of SMEs cannot significantly improve through quality management

Significance of the Study

   The findings of the study will be beneficial to Managers, Entrepreneurs, Stakeholders, Customers, Government, Employees and Researchers.

For the managers, the findings of the study will be a guide for expository in structuring and restructuring of their organizations to the understanding of the

importance of quality management both in concept and principles imbibed through their management system to achieve sustained success.

For entrepreneurs, the findings of the study will help to enlighten them on the knowledge, importance, practice, and the need to understand the numerous advantages which includes greater customer satisfaction hence customer loyalty, reduced risked, lower cost and increased profits and the maintenance of competitive advantage.

The findings of the study will lead to the stakeholders' understanding that the implementation of quality management tends to lead to sustained organizational success.

The findings of the study will increase customers' confidence in organizations' ability to consistently provide products and or services conforming to their requirements.

As organizations build stronger capacity and diversify, they can compete favourably to launch into the global market, thereby generating income for the government through taxes and fines.

Quality management through trainings and empowerment ensures clear communication structures, responsibilities and tasks across departments which leads to higher employee morale, improved performance and increased efficiency.

For Researchers, the findings of this study will provide an insight into quality management and how it affects performance of SMEs which will be helpful in other areas. In other words, the outcome of this research will serve as a basis for scholars, student researchers as well as companies who want to conduct studies in quality management. It will provide them with conceptual, theoretical and empirical background for further research work in this area or related area of study.

REVIEW OF RELATED LITERATURE

Literature related to the study were reviewed under the following headings: Conceptual Review, Theoretical Framework and Empirical Review.

Conceptual Review

Quality Management: The term quality management has a specific meaning within many business sectors. This specific definition, which does not aim to assure 'good quality' by the more general definition, but rather to ensure that an organization or product is consistent can be considered to have four main components: quality planning, quality control, quality assurance and quality improvement. Quality management is focused not only on product/service quality, but also the means to achieve it. Quality management therefore uses quality assurance and control of processes as well as products to achieve more consistent quality (Beliwoje, 2010).

Quality awareness is most essential topic for realizing quality and quality integration in practical cases. The concept may be defined very simply: having knowledge of quality. However, awareness is a profound totality of physical, psychological, and philosophical aspects of sensations, perceptions, ideas,

attitudes and feelings related to an individual or a group having knowledge of the abstract and comprehensive object of quality of a certain item, at any given time, or within a given time span. In time dimension, developing of the knowledge and learning become interesting aspects.

Metacognitive readiness and ability to learn and to open to question one's own way to think and act are the most sublime achievements in the development of learning. All these phenomena are very essential but also very complex things when developing quality integration in any kind of organization in modern business environments. The international organization for standardization defines quality as the totality of features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs. Quality management is a method for ensuring that all the activities necessary to design, develop and implement a product or service are effective and efficient with respect to the system and its performance (Deming, 1986). Quality management is not specific to managing people, but rather is related to improving the quality of goods that are produced in order to satisfy customer demands. Quality management permeates the entire organization as it is been implemented. Quality can therefore be identified as a management function because it need to be planned, implemented, monitored and improved.

Total quality management (TQM) is the system of activities directed at achieving delighted customers, empowered employees, higher revenues, and reduced costs (Oluseye 2014). It is a management approach which prescribes guidelines for organizations to operate and achieve high performance. Organizational excellence is a key stage on the TQM journey. The scope of TQM and models of performance excellence has not been restricted to any particular region or a particular sector of industries.

Factors Influencing Total Quality Management and Organization Performance
Flynn, Roger and Sadao (1995) has identified seven factors critical to TQM implementation and 45 measures of TQM performance. The seven factors includes top management commitment; quality measurement and benchmarking; process management; product design; employee training and empowerment; Vendor quality management; and customer involvement and satisfaction.
(i) Top management commitment: The degree of visibility and support that management takes in implementing a total quality environment is critical to be the success of TQM implementation. Four distinctive ways that management can support TQM implementation: allocating budgets and resources; control through visibility; monitoring progress; and planning for change. There should be a focus on transferring management support to the shop floor. Management should plan to reduce traditionally structured operational levels and unnecessary positions. Simplifying the organization will lead to the establishment of an infrastructure of integrated business functions participating as a team and supporting the strategic vision of the company.

(ii) Quality measurement and benchmarking: A company must embrace strong acceptance and maintenance of a total quality measurement and benchmarking plan. Quality programs should measure the percentage or the number of parts that deviate from the acceptable in order to prevent the recurrence of a defect. The cost of quality could include relevant changes in market share, warranty costs, and inspection, reworks, and scrap costs. The costs of nonconforming raw materials could include lost revenue or productivity costs and would aid in vendor selection and certification.

(**iii) Process management:** This factor emphasizes adding value to processes, increasing quality levels, and raising productivity per employee. However, there were varied tactics emphasized to accomplish this factor. The list contains; improving work center methods and installing operator-controlled processes that lead to a lower unit cost, embracing Kaizen (continuous improvement) philosophies, reducing the operator materials handling duties, promoting a design for a manufacturing program, and achieving a compact process flow.

(iv)Product design: Design practices provide and ideal starting point for the study of quality performance. A wide range of possible choices exist till designs are finalized. Organizations should consider the factors when planning for the product design processes: understand fully the customer product and service requirements; emphasize fitness of use, clarity of specifications and productivity; involve all affected department in the design reviews; and avoid frequent redesigns.

(**v) Employee training and empowerment:** Employees must be oriented to a company's philosophy of commitment to never-ending improvement, be informed of company goals, and be feel a part of the team. Proper training includes explanation of overall operations and product quality specifications. Specific measures for evaluating training include: the time and money spent by organizations in training employees and management in quality principles, problem solving skills, and teamwork. On the other hand, specific measures of employee empowerment include: the degree to which cross-departmental and work teams are used, the extent of employee autonomy in decision making, the extent of employee interaction with customers, and the extent to which employee suggestion systems are being used.

Theoretical Framework
This work is anchored on Deming`s theory of profound knowledge. It is based on the principle that each organization is composed of a system of interrelated processes & people which make up system is components. According to Deming, the journey from the prevailing management style to quality requires the understanding of systems. A system is composed of interrelated components. Quality is the optimization of performance of the components relative to the goal or aim of the system. Crosby`s theory was also cited to collaborate Deming`s theory.

Deming's theory

Deming's theory of quality management rests upon fourteen points of management. Deming is known for his ratio. Quality is equal to the rest of work efforts over the total costs. If a company is to focus on cost, the problem is that cost rises while quality deteriorates. Deming's system of profound knowledge consists of the following four points:

- **System Appreciation:** an understanding of the way that the company's processes and system work.
- **Variation knowledge:** an understanding of the variation occurring and the causes of the variation.
- **Knowledge theory:** the understanding of what can be known
- **Psychology knowledge:** the understanding of human nature, by being aware of the different types of knowledge associated with an organization, then quality can be broached as a topic. Quality involves tweaking processes using knowledge (Deming, 1986).

The fourteen points of Deming's theory of quality management are as follows:

1. Create constancy of purpose
2. Adopt the new philosophy
3. Stop dependencies on mass inspections
4. Don't award business based upon the price
5. Aim for continuous production and service improvement
6. Bring in cutting-edge methods for leadership
7. Abolish fear from the company
8. Deconstruct departmental barriers
9. Get rid of quality-based work goals
10. Bring in cutting-edge on the job training
11. Get rid of quotas and standards
12. Support pride of craftsmanship
13. Ensure everyone is trained and educated
14. Make sure the top management structure supports the previous thirteen points (Deming, 1986)

Crosby's theory
Philip Crosby is another person credited with starting the total quality management movement. He made the point, much like Deming, that if you spend money on quality, it is money that is well spent. Crosby based on four absolutes of quality management and his own list of fourteen steps to quality improvement (Crosby, 1979).

Crosby's four absolute are:

- We define quality as adherence to requirements
- Prevention is the best way to ensure quality
- Zero defects (mistakes) is the performance standard for quality.
- Quality is measured by the price of nonconformity

The fourteen steps to continuous quality improvement, for Crosby, are:
1.   Attain to commitment from management

2   Form a quality management team
3   Create metrics for each quality improvement activity
4   Determine cost of quality and show how improvement will contribute to
         gains
5   Train supervisors appropriately
6   Encourage employees to fix defects and keep issues lags
7   Create a zero-defects committee
8   Ensure that employees and supervisors understand the steps to quality
9   Demonstrate your company's commitment by holding a zero defects day
10   Goals are set on 30,60 or 90 day schedule
11   Determine root causes of errors, remove them from processes
12   Create incentives programs for employees
13   Create a quality council and hold regular meetings
14   Repeat from step one (Crosby, 1979)

Review of empirical Literature

In Nigeria, Eniola (2014), used descriptive survey to investigate SME firm performance in Nigeria. Sample size of 500 was used and chi-square statistics was used to test the hypothesis. The result found proved that SMEs performance act as a significant part that is linked to the strengthening and enhancement of the development of the country.

Okpala (2012) in his study total quality management and small & medium practices (SMPs) performance effects in Nigeria. A review of six sigma methodology, the population of the study consists of 884 SMPs in Nigeria and 133 respondents were purposively selected. Pearson product moment correlation method was used to confirm the hypothesis of the study that concluded that total quality management substantially enhanced industrial performance.

Ojiako (2009), studied the problems of small and medium scales enterprises in Nigeria, using descriptive survey design with sample size of 300. The result showed that 80% of small and medium scale enterprises are stifled because of poor financing and other associated problems. He further stressed that, the problem of financing SMEs is not so much the sources of funds but its accessibility. Factor identified inhibiting funds accessibility are the stringent conditions set by financial institutions.

Ajayi (2011) studied Analysis of quality management on organizational performance of SMEs in Nigeria, the objective was to determine quality management on the performance of SMEs using descriptive statistics. The result showed quality management can make use of different strategies and policies to improve SMEs work settings and performance in the country. Furthermore, SMEs must adapt their structures rapidly to evolving strategies and changing environment for better SMEs performance. It is evident from empirical studies so far, that studies abound that has treated quality management, however, little or scanty empirical studies has not ascertained the effect of quality management on the performance of SMEs in Anambra state. This is the knowledge gap that this study tends to fill.

Summary and Gap in Literature

In this study, the literature review covered three important segments namely conceptual review, theoretical framework and empirical review.

Conceptually, the meaning of quality management, quality management practices, small and medium scale enterprises and performance were examined.

Theoretically the study is anchored on Deming's theory of profound knowledge and Crosby's theory of defect. These theories are relevant to the study as it provides basic principles when applied tactically and strategically have been proven to increase performance and customer loyalty.

It was seen that none of the studies reviewed were done in small and medium enterprise in Anambra state to which this study will bridge the gap.

This study tends to correct the notion that quality management is and works for large organizations having proven that if quality management is adopted by SMEs or any other organization creates competitive advantage thereby increase sales, customer satisfaction and loyalty.

Research Method

Descriptive survey design was adopted for this study. This research design was adopted to elicit information from the respondents. This research design therefore will help in the structural framework upon which the research work was built. The population of the study comprised 425 employees of Millennium Plastic Industry, Enugu Onitsha Express Way Awka and Elax Table Water and Beverages, Elax Avenue Amansea, Orange Drugs Limited Onitsha, Kenberth Pharmaceutical, Awada Layout Obosi and Suxxess Brands Nigeria Limited Nnewi. The breakdown is stated in table 1.

Table 1: The Selected five SMEs are

S/N	SMEs	Number of Employees
1	Millennium Plastic Industry, Enugu Onitsha Express Way Awka	146
2	Elax Table Water and Beverages Elax Avenue Amansea	42
3	Orange Drugs Limited Onitsha	121
4	Kenberth Pharmaceutical, Awada Layout Obosi	67
5	Suxxess Brands Nigeria ltd Nnewi	49
	Total	**425**

Source: Field Survey, 2018

The entire population was used for the study. Hence there was no sampling. Structured questionnaire was the instrument used for collection of data for this study. The questionnaire was made up of sections A and B. Section 'A' sought information on personal data of the respondents. Section 'B' consists of information relating to statement of the problem, specific objective, and research

questions. The questionnaire was structured on a five points rating scale ranging from strongly agree to strongly disagree.

The instrument was validated by two experts in measurement and evaluation and management from which necessary corrections were made before the questionnaire was distributed to respondents. The reliability of the instrument was determined by administering it to 20 employees of SMEs from other manufacturing firms within Anambra State for the test of reliability. Cronbach Alpha was used to test the reliability of the research instrument. The reliability score of the research instrument was 0.82. Hence, the result revealed that the instrument was reliable.

The Researchers with the help of two Research Assistants administered the instrument to the respondents. It lasted for three weeks. Data were presented in frequency tables and analyzed using weighted mean. The study adopted 5 Likert Scale which ranges from: Strongly Agree (SA) - 5, Agree (A) -4, Neutral (N) -3, Disagree (D) -2, Strongly Disagree (SD)- 1

$$\mu = \frac{5 + 4 + 3 + 2 + 1}{5} = \frac{15}{5} = 3.0$$

For the analysis of the questionnaire items, the mean scores that are 3.0 and above were considered agreed whereas the means scores below 3.0 were considered disagreed. The study also adopted One Way Analysis of Variance (One Way ANOVA) in testing the hypotheses formulated for the study

Results

Data presentation and analysis were done based on research questions.

Characteristics of Respondents
Table 3: Gender Distribution of the Respondents

Gender	Frequency	Percentage (%)
Male	225	52.9
Female	200	47.1
Total	**425**	**100**

Source: Field survey, 2018.

Table 3 shows the gender of the respondents. The result indicates that 225(52.9%) of the respondents were male while 200(47.1%) of the respondents were female. This implies that majority of the respondents were male.

Table 4: Educational Level of Respondents

Educational Level	Frequency	Percentage (%)
SSCE	48	11.5
OND	102	24
HND	97	22.9

B.SC.	107	25.3
M.SC.	71	16.8
Total	**425**	**100**

Source: Field survey, 2018.

Table 4 shows the educational level of the respondents. The result shows that 48(11.5%) of the respondents were with S.C.C.E. certificates. 102(24%) of the respondents were OND certificate holders. 97(22.9%) of the respondents own HND certificates. 107(25.3%) of the respondents were B.SC. certificates; and 71(16.8%) of the respondents were M.Sc. certificate holders. The information on table 3 shows that the respondents were literate enough to understand and respond accordingly to the questionnaire items with little or no guidance.

Table 5: Years of Working Experience of Respondents

Years of Experience	Frequency	Percentage (%)
5-9	85	20
10-14	108	25.3
15-19	112	26.5
20 and above	120	28.2
Total	**425**	**100**

Source: Field survey, 2018.

Table 5 shows the working experience of the respondents. The result reveals that 85(20%) of the respondents have 5-9 years working experience; 108(25.3%) have 10 -14 years' experience while 112(26.5%) of the respondents have 15 – 19 years experiences and 120(28.2%) have 20 years and above experience. This implies that majority of the respondents have more working experience.

Analyses Based on Research Questions
The data obtained from the copies of the questionnaire according to the research questions were presented in the tables below and also analyzed.
Question 1: How does quality management affect the performance of SMEs in Anambra state?

Table 6: Mean ratings on how quality management affects the performance of SMEs in Anambra State.

S/N	Items	SA	A	N	D	SD	T	X̄	Decision
		5	4	3	2	1			
1	Quality management helps SMEs in their quality planning of the business	112 (560)	104 (416)	127 (381)	57 (114)	45 (45)	425 (1516)	3.57	Agree
2	Quality management helps SMEs ensure adequate quality control of their products	127 (635)	128 (512)	108 (324)	41 (82)	21 (21)	425 (1574)	3.70	Agree
3	Quality management helps in giving SMEs quality assurance in production	99 (495)	109 (436)	94 (282)	65 (130)	58 (58)	425 (1401)	3.30	Agree
4	Quality management gives the organizations quality improvement in goods and services	108 (540)	121 (484)	128 (384)	41 (82)	27 (27)	425 (1517)	3.57	Agree
5	Quality management act as a means of achieving effective performance of the SMEs	113 (565)	133 (532)	109 (327)	36 (72)	34 (34)	425 (1530)	3.6	Agree
6	Quality management ensures quality integration in practical cases	112 (560)	103 (412)	79 (237)	55 (110)	35 (35)	425 (1354)	3.19	Agree

Source: Field Survey, 2018.

Table 6 shows how quality management affects the performance of SMEs in Anambra State. The results revealed that items 1, 2, 3, 4, 5, and 6 have mean scores of 3.57, 3.70, 3.30, 3.57, 3.6, and 3.19 respectively. This showed that all the mean scores of the items 1 to 6 were above the decision point of 3.00; hence, they were agreed.

Question 2: To what extent does challenges encountered by SME affect the practicing of quality management within the organizations?

Table 7: Mean ratings on the extent challenges encountered by SME affect the practicing of quality management within the organizations

S/N	Items	SA	A	N	D	SD	T	$\overline{X}$	Decision
		5	4	3	2	1			
7	Financial challenges affects affording quality planning in running the SMEs businesses	130 650	120 480	115 345	34 68	26 26	425 1569	3.69	Agree
8	Inadequate infrastructural facilities affects the quality control of SMEs	123 615	120 480	112 336	41 82	29 29	425 1542	3.63	Agree
9	Poor quality management hinders the quality assurance of productions	117 585	115 460	113 339	57 114	23 23	425 1521	3.58	Agree
10	The challenges of marketing planning affects the analysis of market	123 615	117 468	105 315	41 82	39 39	425 1519	3.57	Agree
11	The challenges of poor technology affects quality improvement of production of good and services	126 630	116 464	106 318	54 108	23 23	425 1543	3.63	Agree
12	The inability of the government to execute efficient and consistent policies both fiscal and monetary undermines the capacity of SMEs	138 690	117 468	88 264	51 102	31 31	170 1555	3.66	Agree

Source: Field Survey, 2018.

Table 7 shows the mean scores onhow the challenges encountered by SME affect the practicing of quality management within the organizations. The results revealed that items 7, 8, 9, 10,11, and 12 have mean scores of 3.69, 3.63, 3.58, 3.57, 3.63, and 3.66 respectively. This showed that all the mean scores of the items 7 to 12 were above the decision point of 3.00; hence, they were agreed.

Question 3: Howcan the performance of SMEs be improved through overcoming the challenges of quality management?

Table 8: Mean ratings on how can the performance of SMEs be improved through overcoming the challenges of quality management?

Source: Field Survey, 2018.

From table 8, items 13, 14, 15, 16, 17, and 18 have mean scores of 3.37, 3.44, 3.44, 3.44, 3.45, and 3.37 respectively. This showed that all the mean scores of the items 13to 18 were above the decision point of 3.00; hence, they were agreed.

S/N	Items	SA	A	N	D	SD	T	X̄	Decision
		5	4	3	2	1			
13	Overcoming challenges related to financing & finance management in SMEs will improve performance and productivity.	110	105	89	75	46	425	3.37	Agree
		550	420	267	150	46	1433		
14	Improving constructive creativity & innovation in decision making enhances performances of SMEs	114	112	82	79	38	425	3.44	Agree
		570	448	246	158	38	1469		
15	Adequate trainings and follow up on quality management policies, procedures and compliance increase and boost performance of SMEs.	122	104	83	69	47	425	3.44	Agree
		610	416	249	138	47	1460		
16	Transforming organizational culture & overcoming resistance to change enables for better improved performance of SMEs	116	111	85	72	41	425	3.44	Agree
		580	444	255	144	41	1464		
17	Enforcement control & monitoring of the implementation of quality management policies helps to improve SMEs performance.	125	103	81	69	47	425	3.45	Agree
		625	412	243	138	47	1465		
18	The need to systemize & formalize series of procedures for continuous improvement on quality management on both product & services help advance performance of SMEs	108	110	88	70	49	425	3.37	Agree
		540	440	264	140	49	(1433)		

Test of Hypotheses

Hypothesis One

H_o: Quality management does not significantly affect the performance of SMEs in Anambra state

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	332.391	4	83.098	854.467	.000
Within Groups	18.964	195	.097		
Total	351.355	199			

The result in test of hypothesis one reveals that F(854.467), p(.000) < .05. This signifies that the null hypothesis is rejected. Therefore, quality management significantly affects the performance of SMEs in Anambra State.

Hypothesis Two

H_o: The challenges encountered by SMEs do not significantly affect the practicing of quality management

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	343.161	4	85.790	658.775	.000
Within Groups	25.394	195	.130		
Total	368.555	199			

The result in test of hypothesis two shows that F(658.775), p(.000) < .05. This signifies that the null hypothesis is rejected. Therefore, the challenges encountered by SMEs significantly affect the practicing of quality management.

Hypothesis Three

H_o: The challenges encountered by SME do not significantly affect their practicing of quality management within their organization.

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	350.475	4	87.619	914.626	.000
Within Groups	18.680	195	.096		
Total	369.155	199			

The result in test of hypothesis two shows that F(914.626), p(.000) < .05. This signifies that the null hypothesis is rejected. Therefore, the challenges encountered by SME significantly affect their practicing of quality management within their organization.

Discussion of Findings

The findings of the study revealed that quality management has become increasingly prevalent as one of the management strategies in ensuring customer satisfaction and loyalty, improving products and service quality and reinforcing continuous improvement. This is in line with the views of Samson & Terziovski (2009) who were of the opinion that due to world globalization and liberalization,

firms survive with much difficulty unless they create a competitive advantage over their competitors.

The findings of the study also revealed that quality management is now a watchword for every entrepreneur and managers because this will help broaden the scope of entrepreneurial activities which will enhance productivity, maintain competitive advantage and sustainability of their organization to enable them compete favorably not only in the local market but globally. This finding is in line with the opinion of Oluseye (2014) who emphasized that organizations should put quality in place, integrated within the management system especially with the intense competition arising from rivals.

Another finding of the study was the unwillingness and inability of financial institutions in extending credit to SMEs for startup and expansion due to requirement and numerous procedures and this have seriously hampered the growth of SMEs. As a result, SMEs have falling short of its potential of being the spring board to economic development and sustenance. This finding is in line with the views of Mazana and Fatoki (2012) and Rogers (2010) which stated that access to finance is directly related to the performance of SMEs. SMEs cannot perform effectively with shortage of finance. No business can take off smoothly without having startup or initial capital.   Expansion can never take place in organization when there is lack of finance.

Conclusion

Based on the findings of the study, the following conclusions were drawn:
1. The level of quality management implementation seems to reflect the desire of a firm to improve its performance and to prosper its network in achieving organizational goal and objectives. However, because of the strategic advantages that quality improvement brings, many firms have embraced the principles of quality management in their operations.
2. Non adherence to quality management policy and procedures creates low productivity, high cost, and customers dissatisfaction hence reduced market share and profitability.
3. This research observed that there is need to periodically evaluate the level of awareness of quality management, its effects, and the challenges encountered while practicing quality management in small and medium scale enterprises in Anambra state to maintain continuous improvement and desired level of excellence.

Recommendations

Driven by the findings of this research work, SMEs in Nigeria have a long way to go for the sector to be significant, focused, productive, and to have a proper quality management style, and play the crucial roles it is expected to play significantly in contributing to the growth and development of the economy. The recommendations made are enumerated below as follows:

1. The government should encourage financial institutions to lend to SMEs at reduced interest rate and also reduce if not eliminate the rigorous time taking procedures in order to help them not only to have easy access to finance but to help them plan to achieve their quality management goal.
2. The infrastructural facilities provided should be of high standard, this will help facilitate the implementation of quality management among SMEs in Anambra State.
3. The SMEs especially those in Anambra State should not only include quality management in their plan and policy but should enforce and make quality management a culture.

CONTRIBUTION TO KNOWLEDGE

This study has in no doubt provided immense contribution to knowledge as it will serve as a reference to Academics. The findings of this study will provide an insight into quality management and its effect on the performance of SMEs which will be helpful to other researchers interested in the area or related field of study. It will provide them with conceptual, theoretical and empirical background for further research work. In other words, the outcome of this research will serve as a basis for scholars, student researchers. Companies who want to conduct studies in quality management can find this study useful.

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