



Effect of Naira Redesign Management on Development of Entrepreneurship of Micro Businesses in Enugu State

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Abstract

The study examined the effect of naira redesign management on development of entrepreneurship of micro businesses in Enugu State. The specific objectives includes to; examine the extent to which naira value affect opportunity evaluation of micro businesses and ascertain the extent to which naira denominations affect idea generation of micro businesses. A survey research design was adopted for the study. The study sample size was 80 considering census sampling techniques. The population of the study was 80 staff both management, senior and junior. The instrument used for data collection was the structured questionnaire. The findings revealed that naira valuation has significant positive effect on opportunity evaluation of Micro businesses in Enugu State (p value = $.000 < 0.05$) and naira denominations have a significant positive effect on idea generation of micro businesses in Enugu State (p value = $.000 < 0.05$). The study conclude that that naira value and naira denominations had a significant positive effect on opportunity evaluation and idea generation of micro businesses in Enugu State, the following recommendations were made that naira valuation processes managers should continue to educate appropriately about this processes to common layman in the street and CBN should make sure any naira redesign policy mapped out will be in favorable to individuals who control and manage such currency in terms of denominations.

Keywords Naira Redesign Management; Development of Entrepreneurship; Micro Businesses in Enugu

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Introduction

The basic form of money is numbers; currently the basic form of currency is paper notes, coins or plastic cards (i.e., credit or debit cards). Though this distinction between money and currency is important in some context, for the purpose of this study, the terms 'money' and 'currency' are used interchangeably (Gary, 1996). Money allows people to trade goods and services indirectly. It helps communicate the price of goods, and it provides individuals with a way to store their wealth. Money, whether it's represented by a seashell, a metal coin, a piece of paper, or a string of code, or electronically mined by computer, doesn't always have value. Rather, its total global value depends on it as a medium of exchange which people place on it (Pillah, 2023).

Globally, there are over 180 currencies in the world circulating in 197 (Eurochange, 2022). There is the United States Dollar (USD), European Euro (EUR), Japanese Yen JPY, British Pound (GBP), Swiss Franc (CHF), Canadian Dollar (CAD), South Africa Rand (ZAR), Ghanaian Cedis, Nigerian Naira, etc. Altogether, there are 162 official currencies around the world of these 162, however, 47 currencies are tied to another with a fixed exchange rate. This means that, for example, the Danish Krone is a currency in its own, but is tied to EUR with a constant rate. Other countries like Bahamian dollar even correspond to the USD directly in 1:1 rate. The oldest currency still in use is the British Pound sterling. It spread over Great Britain and its various colonies like Nigeria, Ghana and others, for more than 1,200 years.

Reserve currencies have come and gone with the evolution of the world geopolitical order. International currencies in the past have (excluding those discussed below) included the Greek drocfima, coin in the fifth century BC. The Roman denarii, the Byzantine solidus and Arab dinar of the middle ages and the French Franc. The Vientiane ducat and the Florentine Florin became the gold-based currency of choice between Europe and Arab world from the 13th to 16th centuries, since gold was easier than silver to mint in standard sizes and transport over long distances. It was the Spanish silver dollar, however, which created the first true global reserve currency recognized in Europe, Asia and America from the 16th to 19th centuries due to abundant silver supplies from Spanish America (Gary, 1996; Coyle, Kim & O'Brien, 2021).

In Nigeria, During the pre-colonial era, different cultures used a variety of items as mean of exchange. These included cowries, manilas, beads, bottles, and salts among others. The first major currency issue in Nigeria was undertaken sequel to the colonial ordinance of 1880 which introduced the Shillings and Pence as a legal tender currency in British West Africa. The units of coins managed by the bank of England were one Shilling per Pence, ½ Penny and 1/10 Penny were distributed by a private bank, the Bank of British West Africa till 1912 (Pillah, 2023).

From 1912 – 1959, the West African Currency Board (WACB) issued the first set of banknotes and coins in Nigeria, Ghana, Siera-Leon and the Gambia. The highest banknote, while the WACB issued banknotes, coins were withdrawn. It was not until 1st July, 1962 that the currency was changed to reflect the country republican status. The banknotes which bore the inscription 'Federation of Nigeria' and now had 'Federal Republic of Nigeria' inscribed at the top. The notes were changed again following the misuse of the currency banknotes during the circular. Sequel to the decision of the FG to change from metric to decimal, the name of the Nigerian currency was changed in January, 1973. The major unit of currency which used to be one Pound (1 Pound) ceased to exist and the one naira which was equivalent to ten Shillings became the major unit, while the minor unit was called the Kobo, hundreds of which made one naira (Pillah, 2023).

On 11th February, 1977, a new banknote with the value of twenty naira note (N20) was issued. It was the highest denomination introduced at the time as a result of the growth of the economy, the preference for cash transactions and the need for convenience. The Bank note was the first in Nigeria to bear the portrait of a prominent citizen, the late Head of State, General Ramat Murtala Mohamed (1938-1976) who was the torch bearer of Nigeria's revolution in July, 1975. The note was issued on the first anniversary of his assassination as a fitting tribute to an illustrious son of Nigeria. He declared as a National Hero on 1st October, 1978.

The name "naira" was coined from the word Nigeria by Chief Obafemi Awolowo, First Premier of Western Nigeria who later became federal commissioner of finance. Till Dec. 1972, the official currency of Nigeria was Pound because

Nigeria was the British colonial administration so, when the first naira was introduced, it replaced Nigeria Pound at a rate of 2 naira to 1 Pound. It made Nigeria, the last former colony to abandon the Pound currency system in favour of the decimal currency system.

In 1973 also, we had ½ 1, 5, 10, 25 kobo coins and 50 kobo, #5 and 10 bank notes. The half and one kobo were made with bronze and the higher denominations in cupro-nickel #1 is 100 kobo. In 1977, the #20 was introduced, in 1987, the 5 kobo, 10 kobo and coins removed from circulation and in 1991, the 50 kobo and #1 notes were changed to coins in 1999, the 100 note was introduced in 2000 #200 was introduced #500 was introduced in 2001 and #1000, the largest Nigerian in circulation was produced.

Small and Medium Scale Enterprises are sub-sectors of the industrial sector that play crucial roles in entrepreneurship development through use of naira currency (Ahmed, 2016). Following the adoption of the Economic reform programme in Nigeria in 1981, there have been several decisions to switch from capital-intensive and large-scale industrial projects which were based on the philosophy of import development to Small and Medium Scale Enterprises which have better prospects for developing the domestic economy, thereby generating the required goods and services that will propel the economy of Nigeria towards development. It is based on this premise that Ojo (2019), argued that one of the responses to the challenges of development in developing countries particularly, in Nigeria, is the encouragement of entrepreneurial development scheme.

Entrepreneurship is strongly linked to SMEs, which are the main developing force of the developed market economies (Stefanovic, 2018) that provides the springboard for industrial development and economic growth. Since the economic reform of 1986, there has been a decisive shift of emphasis from grandiose, capital-intensive, large-scale enterprises to SMEs of pre-independent (Zimmerman & Chu 2018). Apart from SMEs having the potential for ensuring a self-reliant industrial development in terms of the ability to depend on local raw materials, they also generate more employment per unit of investment and guarantee an even industrial development, including the rural areas (Bullock, 2017). Based on historical overview and extent of naira management in Nigeria over past years, this study necessitated to investigate the effect of naira redesign management practices on development of entrepreneurship among Micro businesses in Enugu State.

Statement of Problem

Over the years, naira plays a vital role in the economy of a nation, in fact, it can be likened to the human heart in biology which helps to transport blood to all parts of the body. Without naira, no business both in the private or public sector can thrive because it is needed for the day to day running of activities. People at the helm of affairs in the government ministries, parastatals, industries, companies etc. with corrupt mindsets have always device means to hoard the naira notes in their quest to amass wealth to themselves, their children and generations yet unborn.

Perceptibly, according to Central Bank of Nigeria (CBN), naira redesign has played an important role in area of micro businesses and large organization across Nigeria. The purpose of the naira redesign is to mop up the huge amount of cash that is outside the banking system, which currently estimated at 2.73 trillion or about 85% of the total cash in circulation. Despite all this, the Economic factors driving the redesign of the Naira include lowering inflation, thwarting counterfeiting, reducing insecurity, and increasing the amount of money in circulation, as it is believed that 85% of all the country's cash is hidden away in houses outside of the banking system. Amassoma, Keji and Emma-Ebere (2018), explained that monetary policy is a vital tool which could be used to achieve currency management, price stability, and strengthen the growth of investment.

Previous Studies have shown that naira redesign is a good approach to manage the money in circulation (International Monetary Fund, 2022; Whelan, 2010; Kregel, 2010). It is hoped to minimize the influence of money on the organizational promotion of workers, getting raw material available, motivating workers with cash and level of personnel consumption of fund. However, many experts have argued that the timing of this exercise in Nigeria is always wrong, and this paper cannot agree less. Literatures available revealed that the CBN always plans to execute the naira redesign to effectively manage the flow of the currencies (CBN, 2015). And the short period notice is put in place to penalize those hoarding or laundering the Nigerian currency.

Despite, Studies have shown that the urgent need to redesign and take control of currency in circulation in a country needs to address because the issue of hoarding of banknotes outside the banking system, the shortage of clean and fit banknotes in circulation, the increase in counterfeiting of high denomination banknotes, interest rates and inflation, trade, laundering, market expectations among others may have resulted in the redesign of the naira note. This study is set out to evaluate the effect of naira redesign management practices on development of entrepreneurship among Micro businesses in Enugu State. This study was divided into five sections: introduction, literature review, methodology, conclusion and recommendation.

Objectives of the Study

The broad objective of study was to examine the Effect of naira redesign management on development of entrepreneurship of micro businesses in Enugu State. Other specific objectives include to:

- i. Examine the extent to which naira value affect opportunity evaluation of micro businesses in Enugu State.
- ii. Ascertain the extent to which naira denominations affect idea generation of micro businesses in Enugu State.

Research Questions

Following research questions were asked under the study;

- i. To what extent does naira value affect opportunity evaluation of micro businesses in Enugu State?
- ii. To what extent does a naira denomination affect idea generation of micro businesses in Enugu State?

Statement of Hypotheses

Following hypotheses were formulated to guide the study;

H₀₁: There is no significant positive effect of naira value on opportunity evaluation of micro businesses in Enugu State.

H₀₂: There is no significant positive effect of naira denominations on idea generation of micro businesses in Enugu State.

Significance of the Study

To the managers of the various micro businesses, the findings of this study will provide information to guide their management decisions following the changes in the naira redesign in Nigeria so as to enable strong micro businesses. It will outfit them with the fundamental information for making the important move to secure the execution of their businesses.

To the regulatory body that is the government of Nigeria, the findings of this study will inform the formulation of policies and regulations for strong and resilient micro businesses. The findings of this study would inform the fragile foreign currency reserves making it difficult for the micro businesses to transact freely.

To the future scholars, the discoveries of this study will be imperative in giving material to their reference other than proposing regions for further research. The future scientist who will do a comparable study will profit by the study and they will know more about the relationship between naira redesign and development of entrepreneurship and think of an alternate study to give more data as would be essential in connection to the theme.

The research will be of immense help to the central bank of Nigeria as they would know the effects of the naira redesign and then make use of them in the future if in case the situation repeats itself. Future researchers would also benefit tremendously from the findings of this research as they may use it as sources of reference material.

Scope of the Study

The scope of the study covered effect of naira redesign management on development of entrepreneurship of micro businesses in Enugu State, Nigeria. The study was restricted on staff of selected micro businesses in Enugu namely Eastern Shop, Emily Restaurant, Genesis Fast-Food and Best Banana Bread etc. The study covered both dependent variable (development of entrepreneurship proxied by opportunity evaluation and idea generation) and

independent variables (naira redesign proxied by value and denominations).

Limitations of the Study

In carrying out this study, the study was confronted with some limitations. This is not unusual as it is part of research experience by researchers all over the globe. The major limitation is the attitude of the respondents in giving typical responses, not the true responses. This is probably due to their ignorance of the main purpose of the study. Also, some respondents of the selected micro businesses were unwilling to cooperate. Others were apprehensive of the researcher's intention suspecting that they may disclose their businesses' information to their competitors. To overcome these limitations of the study, the study assured the respondents of adherence to confidentiality and anonymity and that information provided was to be used solely for purpose of research and was in no circumstances to be disclosed to other parties.

Operational Definition of Terms

Naira redesign: Currency redesign is generally aimed at achieving specific objectives such as improving security of banknotes, mitigating counterfeiting, preserving the collective national heritage, controlling currency in circulation and reducing the overall cost of currency management.

Entrepreneurship Development: Entrepreneurship development is the process of enhancing entrepreneurial skills and knowledge through structured training and institution- building programs

Review of Related Literature

Conceptual Framework

Naira Redesign

Leaner (2019) and Mass (2017) use the terms currency redesign and naira redesign" interchangeably, However Bhagavan (2018) used the former to refer to exchange rate-based liberalization while the latter was defined as the specific act of removing Zeros from the currency, currency redenomination to him is a way by the government attempt to reverse it currency substituting behavior. The microeconomic indicators are poor. As for Taiwan, Li (2021) sees currency conversion during the post-war of 1946 to 1950 and the results show that the policy produced severe hyperinflation that the government nearly exhausted the country's reserves to cover much of its deficit. The inflation arose from suppressed pent-up demand, due to rationing and price control during the war.

Entrepreneurship Development

Entrepreneurship development has, therefore, become a matter of great concern in all developing and under developed countries all over the world. It refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution building entrepreneurship. Entrepreneurship development have emerged as an important strategy for development of human resources for promoting small and medium enterprises in developing and underdeveloped countries which are characterized by lack of entrepreneurship, pockets of urban industrial concentration and large scale unemployment.

Micro Businesses

Micro businesses are the thing like small and medium scale enterprises. There is no universal definition of small scale businesses as the changes in price level and advancement in technology affects its actual definition. In Nigeria, the definition of small scale enterprises has been based on different criteria such as investment in machinery and equipment, working capital, capital cost, turnover, and values of installed fixed cost (Osotimehin, 2019). The National Council on industry (2019) defined micro enterprises as an industry whose total project cost excluding cost of land but including working capital is not more than five hundred thousand naira (N500, 000) while small scale enterprises are those industries whose total project cost excluding cost of land and including working capital does not exceed five million naira (N5, 000, 000).

Conceptual Framework

Following what other studies have done, this present study illustrates a model that indicates the relationship between dependent and independent variables under the study:



Figure 1 Researchers Own Model
 Source: Adapted from Pillah (2023)

Momosu and Akani (2016) affirmed currency valuation to be an endogenous factor affecting economic performance generally, where the required factors to aid achieve its positive benefits are not available. Yilikal, (2018) perceives valuation as a deliberate increase in the value of the currency in a particular nation in relation to other currencies of nations partaking international trade within the framework of the fixed exchange rate to boost growth. Okaro (2017) currency valuation is habitually triggered when there is a profit in trade balance and balance of payment (BOP/BOT) with the 2016–2017-naira valuation in Nigeria associated to shocks springing out from the declining oil price and external economic and financial shocks.

Naira Denominations

The Nigerian currency notes (Naira) is of two forms, which are the paper-based and the polymer-based, although the coins still exist in the country but they are hardly found in circulation. The polymer-based ones are the lower valued notes which are: five Naira(N5), ten Naira(N10), twenty Naira (N20), and fifty Naira(N50) notes; whereas the higher valued notes are paper based which are: hundred Naira (N100), two hundred Naira (N200), five hundred Naira (500), and one thousand Naira (N1000) notes. Thus, a total number of eight notes are currently in use in Nigeria and this study attempt to recognise all of them. In the country, all the currencies in circulation can be grouped as new, neat, dirty, defaced and mutilated notes; the first three, referred to as non-mutilated notes, were the basis for which the algorithm in this paper was developed.

Opportunity Evaluation

An entrepreneurial opportunity, therefore, consists of a set of ideas, beliefs and actions that enable the creation of future goods and services in the absence of current markets for them (Venkataraman, 2017). For example, the entrepreneurial opportunity that led to the creation of Netscape involved (a) the idea of a user-friendly Web browser (Mosaic); (b) the belief that the internet could be commercialized; and, (c) the set of decision-actions that brought together. As such, entrepreneurial opportunities “are those situations in which new goods, services, raw materials, and organizing methods can be introduced and sold at greater than their costs of production” (Shane & Venkataraman, 2021).

Idea Generation

Generating ideas is the systematic process of creating and capturing ideas in accordance with the requirements set

by the organization, and it includes elements related to creativity and details of the organizational structure to support the process (Flynn *et al.*, 2018). Girotra, Terwiesch and Ulrich (2010) claim that almost all innovation processes include idea generation and selection of ideas or opportunities. Boeddrich (2014) emphasizes that all innovation is based on an idea that can be inside or outside the company. Verworn (2016) reports that domestic inputs are the main sources of generating ideas, and highlights areas of marketing, sales, senior management and R & D inputs as great ideas (Cooper & Edgett, 2017).

Theoretical Framework

The study theoretical framework was optimal currency area theory in the particular form developed by Mundell in (1961), i.e., emphasising labour and capital mobility (see also McKinnon, 1963). Other versions of optimal currency theory had offered different, potentially conflicting, versions. Some contributors specified real economic convergence as a precondition for monetary union (specifying conditions in terms of how far economies had a shared susceptibility to shocks and/or coincidence of economic cycles for example), while others specified capacity to address imbalances from asymmetric shocks by means of fiscal transfers, for example. But it is telling that Mundell's view dominated, reflecting the general equilibrium theoretical perspective whereby factor mobility was seen as allowing market forces to address any real imbalances without any need for further government intervention.

In other words, while optimal currency area theory allowed for the possible emergence of short-term productivity differences, an optimal currency area was one where factors were sufficiently mobile to promote convergence. Optimal currency area theory had aimed to identify groups of national economies which satisfied the conditions (e.g., a high degree of factor mobility) for being able to deal with balance of payments problems without recourse to exchange rate adjustment. The exemplar was those national economies which apparently coped with regional imbalances without regional exchange rates or regional monetary policy. Within national economies, any payments imbalances before full adjustment occurs were seen to be resolved by the payments settlement system, through the banks' balances with the central bank.

Empirical Review

Pillah (2023) examined currency redesign and monetary policy of Nigeria: an evaluation. This study examined the impact of currency redesign on monetary policy of Nigeria: an evaluation from 2015 to 2023. Findings revealed contributed that currency redesign can minimize the influence of money on the country's electoral process by discouraging vote-buying and inducing of electoral officers.

In the same view, Nwafor (2018) investigated effect of naira rate on economic growth in Nigeria Department of Accounting and Finance. This research work explored the effect of Nigeria's currency rate on the economic growth of Nigeria. It is focused on establishing the extent to which Naira rate have influenced economic growth from using data spanning between 2006 and 2016; and the extent to which the Naira rate has influenced inflation in Nigeria within the same time frame. This study however employed Ordinary Least Squares technique of analysis to construct a regression model to test stated hypotheses. Findings revealed that the Naira rate has no significant impact on economic growth in Nigeria and that the Naira rate has a significant influence on inflation rate in Naira.

Udo, Etim, Abener and Uzonna (2020) studied the implication of naira devaluation to the Nigeria's economic development university of Nigeria. The study by means of Classical Linear Regression Model (CLRM) adopts secondary data from 2000- 2015. The Ordinary Least Square technique signifies the prime technique in relation to an array of other universal/customary and analytical test. The R^2 explains that 92% of the variation in GDP in the model study is explained by the principal regressors. Exchange and inflation rate were sustained to have a positive and significant affiliation with GDP while, external debt, and public investment was negative and non-significant. The study established that devaluation is not peculiarly Nigerian. The results bare that devaluation does more harm than good within the Nigerian context since the needed prerequisite to ensure gains from devaluation are not present in the system owing to over dependency on foreign.

Frederick and Jatobá (2021) carried out a study on redesigning money as a tool for self-management in cultural production in Iran. Money is a crucial media on for organizing in capitalist sciences. This research describes collaboration, a collective who designed digital social currencies to nurture solidarity bonds in several cultural

production collectives spread through Brazil. These collectives embarked on an inquiry that led them to experiment with solidarity economy and self-management. The need to digitize their self-management prefaces brought them to Corals Flavor, a free design suite that adopts a participatory met design approach. Collaboration members joined the platforms' met design and proposed a new social currency tool, soon implemented.

In Nigeria, a number of studies have examined the exchange rate behavior. For instance, Olowe (2019) employed the monthly Naira/Dollar exchange rate volatility within the context of the GARCH models. The study found volatility to be persistent. However, the asymmetry models rejected an existence of leverage effect, notwithstanding the statistical significance of all the coefficients of the variance equations. The asymmetric models TS GARCH and APARCH were also found to be the best models.

Omotosho (2018) also estimated the probabilities of currency crisis as a logistic function of selected microeconomic indicators, in constructing an early warning system for currency crises in Nigeria. The study, in particular, investigated the extent to which the real exchange rate misalignment could be used as a leading indicator of currency crisis, by disentangling the impacts of exchange rate volatility and real exchange rate misalignment on the probability of currency crisis. Among others, the study revealed that real exchange rate misalignment increases the probability of crisis. The real exchange rate volatility, in particular, was very robust and improves the performance of the model.

David, Dikko and Gulumbe (2020) examined the naira exchange rate vis-a-vis US dollar, euro, British pound and Japanese yen, using the GARCH (1,1), with the objective of investigating the characteristics of exchange rate volatility in Nigeria and model it with exogenous variables to measure any improvement or otherwise of the specified models, as well as, to determine the forecasting performance of the specified models.

Fagbohun (2016) examined the impact of currency devaluation on manufacturing output growth in Nigeria between 1980 and 2014, employing Augmented Dickey-Fuller for stationarity test, Engel-Granger co-integration for long-run relationship, ordinary least square for long-run estimate and Granger causality test for causal relationships. The result revealed that all the variables are stationary at I (1) with a long-run relationship. It further showed that all the variables except import exert positive effect on manufacturing output growth.

Akindiyo and Olawole, (2015) examined redesign of Nigerian Naira, Bane or Panacea, the study revealed that microeconomic policy is the best alternative to address national issue. Findings revealed that redesign does more harm than good as far as Nigeria is concerned. They established that redesign should not be seen as a last resort each time there is global financial problem.

Sani, Babatunde, Omotosho and Sani (2015) examined ratchet effects in currency substitution: an application to Nigeria. This study examines the persistence of currency substitution in Nigeria by applying the Bounds testing approach to cointegration and including a ratchet variable in the estimated Autoregressive Distributed Lag (ARDL) model. Empirical results show that factors such as exchange rate risks, expected exchange rate depreciation, exchange rate spread, inflation expectations as well as the ratchet variables are significant determinants of currency substitution in Nigeria, with the ratchet variables having overarching influence in the long run. This indicates that currency substitution is persistent in Nigeria and may portend negative implications for the stability of the money demand function as well as the effectiveness of monetary policy.

Ewetoye (2020) explored setting the template for Naira denominations detection in Nigeria. Thus, this paper set the pace for future research studies in the area of automatic Nigerian Naira denominations recognition systems. Although numerous algorithms and devices have been developed to detect denominations for several currencies but, based on all accessible literatures, this paper seems to be the first attempt to automatically detect Nigeria currency denominations as it provides an algorithm that detects both paper based and polymer-based Nigeria currencies.

Osundina and Osundina (2018) studied effectiveness of naira devaluation on economic growth in Nigeria. The result of the analysis which is in line with the a priori expectation shows that devaluation reduces importation; encourages exportation and increases interest rate. Inflation and unemployment are the side effects of currency devaluation in

the short run according to Marshall-Lerner's condition which produces a J-shaped curve of devaluation.

Gaps in Empirical Review

Many extant literatures were reviewed to cover basic areas expected by the researcher. Basically, on effect of naira redesign management on development of entrepreneurship. The basic construct of the study were reviewed according to different authors perspectives such as naira valuation and naira denominations. It was observed that none of previous studies captured or used those constructs against development of entrepreneurship. Thus, a conceptual model was proposed which none of them did. Most of the studies were carried out in places with the different nature of business, thus creating a very crucial gap as a result; studies sometimes vary geographically and previous studies which was not ambiguous. Some studies confirmed the positive effect, some negative effect, while some remained undecided or inconclusive. This is the gaps the literature tries to fill.

Methodology

Research Design

The research design refers to the scheme or procedure that was employed by the researcher so as to enable addressing the various research questions. This study adopted the descriptive research design. The design was appropriate, as it allowed the description, interpretation of existing relationships, and comparison of variables under study. Moreover, it was suitable because the study sought to build a profile on the effects of exchange rate fluctuations on financial performance of Hotels in Nairobi. Its purpose was to portray the state of affairs as they are.

Area of Study

The study was carried out in the selected micro businesses exist in Enugu State, Nigeria. Eastern Shop Supermarket, Emily Restaurant, and Genesis Restaurant & Fast Food located in Enugu, Nigeria.

Sources of Data

In order to understand the studied case more deeply, several sources of data collection was used. Data sources comprised both primary and secondary sources.

Primary Data

Primary data is original data collected by the researcher for the research problem at hand. The study used Primary data collected through the use of the questionnaire.

Secondary Data

For this study, secondary data used were from company documents and other relevant publications. Secondary data refers to information collected by others for purposes which can be different from the researcher's purpose. Secondary data raises the validity and reliability of the study.

Population of the Study

The target population of the study consisted of management and senior/junior staff of the selected micro businesses in Enugu State. The actual population was Eight Four staff among four selected micro businesses in Enugu State such as East Shop, Emily Restaurant, Genesis Fast-food and The Best Banana Bread. The estimated population was total of 84 sample size. Therefore, the study limited population to all management and senior/junior staff of each of these micro businesses namely:

Table 1 Population Distribution

Businesses	Staff Categories
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		Mgt.	Senior	Total
Enugu State				
1.	East Shop	4	20	24
2.	Emily Restaurant	2	25	27
3.	Genesis Fast Food	3	15	18
4.	Best Banana Bread	5	10	15
Total		14	70	84

Source: Administrative Desk Office, 2023

Table 1 study shows that four micro businesses which were selected from Enugu State which the researcher deemed to be representative of the micro businesses. The basis of selection was on profit margin, sales volume, market share and quoted in Enugu State micro businesses bulletin.

Sample Size Determination

This sample size is justified because the population was huge and small such a sample would not be sufficient to address the research problem. The actual population was eight four employees also regarded as sample size determination.

Sampling Techniques

Sampling technique refers to the statistical and research means used to arrive at the sample. It is the strategy a researcher adopts in order to arrive at a good representative of the population (Uzoagulu 2011). The study adopted census sampling techniques. Due to no determination of sample size 84 copies of questionnaire was allocate equally among four micro businesses selected which each one have 21 copies of questionnaire.

Instrument for Data Collection

The study used structured questionnaire. It was divided into two sections. The first section aimed at collecting the respondents demography information such as gender, sex, marital status, education qualification and income level etc. The second part consisted of descriptive information using 5 points liket scale strongly agree, agree, undecided, disagree and strongly disagree (SA-SD).

Validity of the Research Instrument

The instrument were given to six experts from the industry and academia to measure face and content validity. To make sure that the research instruments applied in the work are valid, the research were ensure that the instrument measures the concept they are supposed to measure. A proper structuring of the questionnaire and a conduct of a pre-test of every question contained in the questionnaire were carried out to ensure that they are valid.

Reliability of the Research Instrument

Reliability of a test instrument is the consistency of the test in measuring wherever it purpose to measure. The questionnaire was developed using 5-point Likert scale and administered to the sample of the study. A test-retest method was used to test the reliability of the instrument. This was done by administering 10 copies of the prepared questionnaire to the sample of the study, after a period of time, the same questionnaire were re-administered on the respondents at the end of the exercise, the response of the group were consistent. The reliability of the two responses were determined using spearman rank order correlation coefficient which gave a reliability of, $r = 0.92$ showing that there is consistency in the items of the survey.

Methods of Data Analyses

The analyses of data were subjected to simple statistical treatment to be organized and presented in tables and percentages. The questionnaire responses were grouped into various categories and entered in the SPSS version 20 software to facilitate analysis using descriptive statistics. Frequency distribution tables were used to summarize the data from the respondents. The data were expressed in scale. Data were presented in tables, percentages, mean and standard deviation while hypothesis was tested using regression analytical tool.

Data Presentation and Analyses

Table 2: Percentage of the Questionnaire Issued and Returned

Respondents	Copies of Questionnaire Distributed	Copies Returned	Copies not Returned	Percentage Returned	Percentage not Returned
Staff	84	80	4	95%	6%
Total	84	80	4	95%	6%

Source: Field of Survey, 2023

In table 2 above, it indicates that out of 84 copies of the questionnaire distributed, 80 copies of questionnaire were returned with 95% percent, while 4 copies of the questionnaire were not returned from the respondents representing 6% percent. Therefore, the total of 80 copies was used for the analysis with 95% margin.

Analysis of Bio-data of Respondents

Table 3: Bio-data of Respondents

Option	Respondents	
	Frequency	Percentage%
Gender		
Male	50	63%
Female	30	37%
Total	80	100
Age		
18-30	40	50%
31-43	20	25%
44-56	10	13%
57-69	5	6%
70 and above	5	6%
Total	80	100
Marital Status		
Single	60	75%
Married	20	25%
Total	80	100
Highest Ed Qualification		
PhD	5	6%
Masters	5	6%
First Degree	15	13%
OND/NCE	30	37%
SSCE	20	25%
FSLC	10	13%
Total	80	100

Source: Field Survey, 2023

Despite, that 63 percent of the respondents were male while 37 percent were female, making a number of 50 and 30 for male and female respondents respectively. In view of age range, a total number of 40 respondents were of ages ranging between 18 – 30, 60 respondents were between ages 31 – 43, 20 respondents were between ages 44-56, 10 respondents were between ages 57-69 and only 5 respondents were of ages ranging between 5 and above. Based on the data derived from marital status, 60 of the respondents were single and 20 were married, comprising a percentage of 75 for single respondents and 25 for married respondents. Data retrieved from educational

qualification showed that participants with PhD. respondents were 5, masters were 5, first degree or its equivalent respondents were 15, OND/NCE were 30, SSCE were 20 and FSLC were 10 with percentage evidence of 6%, 6%, 13%, 37%, 25% and 13% respectively.

Analysis of Research Questions 1, 2, and Test of Hypotheses 1, 2

Table 4: Effect of Valuation, Denominations on Opportunity evaluation and Idea Generation

Focus Statement	SA (Freq %)	A (Freq %)	UD (Freq %)	D (Freq %)	SD (Freq %)	Total/Mean
A: Valuation						N=80
Value of naira is very important in any developing countries.	40 (50%) 200	20 (25%) 80	10 (13%) 30	5 (6%) 10	5 (6%) 5	80 100% 325 (mean value 4.1)
Value of naira boosts our economic strength.	50 (61%) 250	10 (13%) 40	5 (6%) 15	5 (6%) 10	10 (13%) 10	80 100% 325 (mean value 4.1)
B: Denominations.						
Denominations of naira categorize individual classes.	45 (56%) 225	15 (19%) 60	10 (13%) 30	5 (6%) 10	5 (6%) 5	80 100% 330 (mean value 4.1)
Denominations of naira gives every individuals equal self belonging.	40 (50%) 200	20 (25%) 80	10 (13%) 30	5 (6%) 10	5 (6%) 5	80 100% 605 (mean value 4.1)

Source: Field Survey, 2023

Table 4 respondents were asked whether value of naira is very important in any developing countries. 40(50%) of the respondents were strongly agreed, 20(25%) were agreed, 10(13%) were undecided, 5(6%) were strongly disagreed and 5(6%) were disagreed. We conclude that value of naira is very important in any developing countries.

Table 4 respondents were asked if value of naira boosts our economic strength. 50(61%) of the respondents were strongly agreed, 10(13%) were agreed, 5(6%) were undecided, 5(6%) were strongly disagreed and 10(13%) were disagreed. The majority strongly agreed that value of naira boosts our economic strength.

Table 4 staff was asked if denominations of naira categorize individual classes. 45(56%) of the respondents were strongly agreed, 15(19%) were agreed, 10(13%) were undecided, 5(6%) were strongly disagreed and 10(13%) were disagreed. The majority strongly agreed that Denominations of naira categorize individual classes.

Table 4 respondents were asked whether denominations of naira gives every individuals equal self belonging, 40(50%) of the respondents were strongly agreed, 20(25%) were agreed, 10(13%) were undecided, 5(6%) were strongly disagreed and 10(13%) were disagreed. The majority strongly believe that denominations of naira give every individual equal self belonging.

Table 5: Entrepreneurship Development of Micro Businesses

S/No	Focus Statement	GE	G	ME	LE	VLE	Total/Mean
1	Opportunity gives businesses chance of progressing.	40 (50%) 200	20 (25%) 80	10 (13%) 30	5 (6%) 10	5 (6%) 5	80 100% 325 (mean value 4.1)
2	Most times ideas sustain micro businesses in Enugu.	50 (61%) 250	10 (13%) 40	5 (6%) 15	5 (6%) 10	10 (13%) 10	80 100% 325 (mean value 4.1)

Source: Field Survey, 2023

Table 5 respondents were asked whether opportunity gives businesses chance of progressing, 40(50%) of the respondents were strongly agreed, 20(25%) were agreed, 10(13%) were undecided, 5(6%) were strongly disagreed and 5(6%) were disagreed. Majority believe that Opportunity gives businesses chance of progressing.

Table 5 respondents were asked if most times ideas sustain micro businesses in Enugu, 50(61%) of the respondents were strongly agreed, 10(13%) were agreed, 5(6%) were undecided, 5(6%) were strongly disagreed and 10(13%) were disagreed. The majority strongly agreed that Most times ideas sustain micro businesses in Enugu.

Test of Hypotheses One and Two

1. **H₀₁**: There is no significant positive effect of naira value on opportunity evaluation of micro businesses in Enugu State.
2. **H₀₂**: There is no significant positive effect of naira denominations on idea generation of micro businesses in Enugu State.

Test for Hypothesis One

1. **H₀₁**: There is no significant positive effect of naira value on opportunity evaluation of micro businesses in Enugu State.

Decision Rule: Accept the null hypothesis if the sign of the coefficient is negative and probability value > 0.05. Otherwise, reject the null hypothesis and accept the alternate accordingly.

Table 6: Model Summary

Multiple R	R Square	Adjusted R Square	Apparent Prediction Error
.989	.977	.977	.023
Dependent Variable: Opportunity Evaluation			
Predictors: Naira valuation			

Source: SPSS Version 25.0

Table 7: ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	360.604	2	40.067	1713.277	.000
Residual	8.396	78	.023		
Total	369.000	80			

Dependent Variable: Opportunity Evaluation
 Predictors: Naira valuation

Source: SPSS Version 25.0

From the regression result shown above, naira valuation has significant positive effect on opportunity evaluation of Micro businesses Enugu State with a probability value of .000 which indicates that naira valuation has significant positive effect on opportunity evaluation of Micro businesses in Enugu State.

Decision for Hypothesis One

Given the probability value of .000 is less than 0.05 level of significant. We reject the null hypothesis and accept the alternate, then concluded that naira valuation has significant positive effect on opportunity evaluation of Micro businesses in Enugu State.

Test for Hypothesis Two

H₀₂: There is no significant positive effect of naira denominations on idea generation of micro businesses in Enugu State.

Decision Rule: Accept the null hypothesis if the sign of the coefficient is negative and probability value > 0.05. Otherwise, reject the null hypothesis and accept the alternate accordingly.

Table 8: Model Summary

Multiple R	R Square	Adjusted R Square	Apparent Prediction Error
.985	.960	.979	.000

Dependent Variable: idea Generation
 Predictors: Naira Denominations

Source: SPSS Version 25.0

Table 9: ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	357.805	2	51.115	1648.334	.000
Residual	11.195	78	.031		
Total	369.000	80			
Dependent Variable: idea Generation Predictors: Naira Denominations					

Source: SPSS Version 25.0

From the regression result shown above, we have naira denominations and idea generation with a probability value of .000 which indicates that naira denomination has a significant positive effect on idea generation of Micro businesses in Enugu State.

Decision for Hypothesis Two

Given the probability value of .000 is less than 0.05 level of significant. We reject the null hypothesis and conclude that naira denominations have a significant positive effect on idea generation of micro businesses in Enugu State.

Discussion of Findings

Objective One: Examine the extent to which naira value affect opportunity evaluation of micro businesses in Enugu State. This is in total disagreement with the study of Pillah (2023) examined currency redesign and monetary policy of Nigeria: an evaluation. This study examined the impact of currency redesign on monetary policy of Nigeria: an evaluation from 2015 to 2023. Findings revealed contributed that currency redesign can minimize the influence of money on the country's electoral process by discouraging vote-buying and inducing of electoral officers.

Objective Two: Ascertain the extent to which naira denominations affect idea generation of micro businesses in Enugu State. In view of previous studies, Fagbohun (2016) examined the impact of currency devaluation on manufacturing output growth in Nigeria between 1980 and 2014. The result revealed that all the variables are stationary at I (1) with a long-run relationship. It further showed that all the variables except import exert positive effect on manufacturing output growth. Akindiyo and Olawole, (2015) examined redesign of Nigerian Naira, Bane or Panacea, the study revealed that microeconomic policy is the best alternative to address national issue. Findings revealed that redesign does more harm than good as far as Nigeria is concerned. They never established the same redesign pattern and inconsistent in most of their findings.

Summary of Findings

- i. Naira valuation has significant positive effect on opportunity evaluation of Micro businesses in Enugu State (p value = .000<0.05).
- ii. Naira denominations have a significant positive effect on idea generation of micro businesses in Enugu State (p value = .000<0.05).

Conclusion

In conclusion, the policy of currency redesign by the CBN may hurt the Nigerian economy by creating a distortive impact in the economy giving previous experience in terms of the cost of undertaking this exercise and the prevailing rates of Nigeria external debt, except the monetary authority is committed to stabilizing the economy. This does not imply that the policy itself is not good but the structural and institutional rigidity or features of the Nigerian economy before and after the introduction of the naira in 1973 has being the one that experienced immense and continuous structural bottle neck in the economy, weak institution, poor regulatory frame work, lack of adequate infrastructures, good roads and communication network and excessive reliance on crude oil since its discovery (mono-economy) which has subjected the economy into lopsided development in the international market. However, the also concluded that naira value and naira denominations had a significant positive effect on opportunity evaluation and idea generation of micro businesses in Enugu State.

Recommendation

Based on the findings, the study recommends that:

- i. Naira valuation processes managers should continue to educate appropriately about these processes to common layman in the street.
- ii. CBN should make sure any naira redesign policy mapped out will be in favor of individuals who control and manage such currency in terms of denominations.

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