
 Download This Paper (Delivery.cfm/SSRN_ID1534211_code1409802.pdf?abstractid=1534211&mirid=1)

Open PDF in Browser (Delivery.cfm/SSRN_ID1534211_code1409802.pdf?abstractid=1534211&mirid=1&type=2)

 Add Paper to My Library

Share:    

The Effect of Venture Capital Financing on the Economic Value Added Profile of Nigerian SMEs

African Journal of Accounting, Economics, Finance and Banking Research, Vol. 5, No. 5, December 2009

15 Pages

Posted: 14 Jan 2010

Walter G. Ollor (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=1415179)

affiliation not provided to SSRN

Daibi W. Dagogo (https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=1114306)

Rivers State University

Date Written: December 31, 2009

Abstract


This study examines the use of venture capital (VC) financing for small and medium-scale enterprise (SME) development in Nigeria by comparing the economic value added (EVA) of venture capital-backed SMEs and those of non-venture capital-backed SMEs. Three independent variables were specified namely: Equity finance, management support, and technical support, and the following tests were conducted: Paired t-tests for significance of the differences in dependent and independent means, f-test for significance of R2 and t-test for significance of individual regression coefficients. 120 sets of questionnaire were administered, 60 for each category of SMEs, and a stepwise procedure followed the first response in order to maintain balanced responses between venture capital and non-venture capital-backed SMEs. Each set of questionnaire retrieved was checked for adequacy and completeness and if not, fresh questionnaires were sent out, ensuring that the objective criteria set out were met. It was found that VC financed SMEs clearly outperformed non-VC-financed SMEs, and that the distinctive performance is the effect of management support by venture capitalists in their portfolio SMEs. The study concluded that given this positive trend in enterprise sustainability, VC-backed SMEs will contribute more to society in terms of taxes to government, provision for corporate social responsibility, and staff welfare. Finally, it was recommended among other things that more incentives for VC investments should be offered to encourage greater participation.

Keywords: Venture Capital Finance, Economic Value Added, Enterprise development, Private Equity Finance

JEL Classification: G14, G15

[Suggested Citation](#) >

[Show Contact Information](#) >

 Download This Paper (Delivery.cfm/SSRN_ID1534211_code1409802.pdf?abstractid=1534211&mirid=1)

Open PDF in Browser (Delivery.cfm/SSRN_ID1534211_code1409802.pdf?abstractid=1534211&mirid=1&type=2)

21 References

1. K Agyeman
Holistic approach to the notion of development: a prefatory analysis
Journal of Niger Delta Research , volume 1 , issue 1 Posted: 2002
 2. E Autio
High-potential entrepreneurship -The entrepreneurial advantage of nations, United Nations Headquarters erkkö Posted: 2003
 3. M Berlin
That thing venture capitalists do
Business Review Posted: 1998
- We use cookies that are necessary to make our site work. We may also use additional cookies to analyze, improve and personalize our content and your digital experience. For more information, see our [Cookie Policy](#) (<https://www.elsevier.com/legal/cookiepolicy>)
- The State as an Agent. Industrial Development in Taiwan
Asian Industrialisation and Africa -studies in Policy alternatives to structural adjustment , volume 5 , p. 1952 - 1978 Posted: 1996

[Cookie Settings](#)

Accept all cookies

0 Citations

Fetch Citations



Do you have a job opening that you would like to promote on SSRN?

[Place Job Opening \(https://www.ssrn.com/index.cfm/en/Announcements-Jobs/\)](https://www.ssrn.com/index.cfm/en/Announcements-Jobs/)

Paper statistics

| | |
|----------------|--------|
| DOWNLOADS | 1,300 |
| ABSTRACT VIEWS | 4,263 |
| RANK | 26,956 |

1 Citations

21 References

PlumX Metrics



https://plu.mx/ssrn/a/?ssrn_id=1534211
Related eJournals

Corporate Governance & Finance eJournal (https://papers.ssrn.com/sol3/JELJOUR_Results.cfm?form_name=journalBrowse&journal_id=1357632)

Follow ⓘ

Entrepreneurship & Finance eJournal (https://papers.ssrn.com/sol3/JELJOUR_Results.cfm?form_name=journalBrowse&journal_id=870524)

Follow ⓘ

View more >

Feedback 🗨

[Submit a Paper > \(https://hq.ssrn.com/submissions/CreateNewAbstract.cfm\)](https://hq.ssrn.com/submissions/CreateNewAbstract.cfm)

SSRN Quick Links



SSRN Rankings



About SSRN



(<https://www.facebook.com/SSRNcommunity/>)

([https://www.linkedin.com/company/493409?](https://www.linkedin.com/company/493409?trk=tyah&trkInfo=clickedVertical%3Acompany%2CentityType%3AentityHistoryName%2CclickedEntityId%3Acompany_493409%2Cidx%3A0)

https://www.linkedin.com/company/493409?trk=tyah&trkInfo=clickedVertical%3Acompany%2CentityType%3AentityHistoryName%2CclickedEntityId%3Acompany_493409%2Cidx%3A0

(<https://twitter.com/SSRN>)

(<http://www.elsevier.com/>)

Copyright (<https://www.ssrn.com/index.cfm/en/dmca-notice-policy/>) Terms and Conditions (<https://www.ssrn.com/index.cfm/en/terms-of-use/>)

Privacy Policy (<https://www.elsevier.com/legal/privacy-policy>)

All content on this site: Copyright © 2023 Elsevier Inc., its licensors, and contributors. All rights are reserved, including those for text and data mining, AI training, and similar technologies. For all open access content, the Creative Commons licensing terms apply.

We use cookies to help provide and enhance our service and tailor content.

To learn more, visit [Cookie Settings](#).



(<http://www.relx.com/>)

(<https://papers.ssrn.com/sol3/updateInformationLog.cfm?process=true>)