

COURSE CODE: HSM 404

COURSE TITLE: NIGERIAN COTTAGE INDUSTRY

COURSE SYNOPSIS: Concept and principles of cottage industries case studies of various types of cottage industries in Nigeria. Their operations, problems and prospects. Government policies and laws on cottage industries.

Report of case studies/reviews done individually or group.

LECTURE NOTES

TOPIC I: INTRODUCTION – MEANING OF COTTAGE INDUSTRY

Principles of cottage industry

Types of cottage industries in Nigeria.

- Household scale.
- Workshop scale.

TOPIC II: GROWTH PROSPECTS OF COTTAGE INDUSTRIES

1. Government contributions – loan for SMEs.
2. NGO contributions – Awareness creation and training
-Facilitation with soft loans.

TOPIC III: COTTAGE INDUSTRIES RELATED TO WOMEN

- Tapestry.
- Cane making.
- Dressmaking.
- Weaving.
- Batik tie & dye.
- Interior decoration & crafts.
- Soap making.
- Local food processing.

TOPIC IV: PROBLEMS OF COTTAGE INDUSTRIES

- ✓ Market facilities.
- ✓ Raw material wastefulness.
- ✓ Slow market growth.
- ✓ Death of small/medium technology appropriate for scale of production.
- ✓ Management problems.
- ✓ Heavy use of family labour.
- ✓ Lack of managerial training.
- ✓ Managerial responsibility of entrepreneur.

TOPIC V: ROLE OF TRADITIONAL FINANCIAL INTERMEDIARIES

- ❖ Credit unions.
- ❖ Cooperative societies.

- ❖ Community banks.
- ❖ SMEs associations.
- ❖ Microfinance industries.
- ❖ Leasing & finance companies.

TOPIC VI: FACILITATION OF MARKET LINKAGES AND ACCESS TO CAPITAL

- ❖ Discuss activities of GBF & FNF.

TOPIC VII: POTENTIALS OF SMEs

- Employment generation.
- Rural development.
- Economic growth and industrialization.
- Diversified utilization of indigenous resources.

TOPIC VIII: CONSTRAINT OF SME OPERATION

- Insufficient personal savings/funding.
- Uncoordinated business ideas and plans.
- Non bankable projects.
- Flunctuating and prohibitive interest rate.
- Volatile exchange rate engine.

TOPIC IX: PROJECT EVALUATION

Introduction – Need for evaluation of a project before embarking on it to discover the profitability or non-profitability of it.

Types of evaluation

- Baseline studies.
- Ongoing evaluation.
- Expert evaluation.

TOPIC X: REPORTING FEASIBILITY STUDY OF A PROJECT

These are the features it must contain

- Availability of resources (manpower, market resources)
- Experience of progressive investors.
- Visitation of location to note
 1. Climate.
 2. Market region.
 3. Surrounding towns.
 4. Accessibility to infrastructural facilities.

TOPIC XI: (1) Managerial Feasibility.

Discuss the required information on examination of type and level of personal i.e foreign/local personnel.

(2) Economic feasibility

The desirability of project from the point of view of the society and also the benefits that will accrue to the propretor of the project.

TOPIC XII: PRESENTATION OF REPORT OF PROJECT STUDIED BY STUDENT