

The Relevance of Entrepreneurial Development in Nigerian Economy

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ABSTRACT

This study was focused on “The Relevance of Entrepreneurial Development in Nigerian Economy” using (Esan West Local Government Area of Edo State) as a case study. The primary objective is to determine the relevance of entrepreneurship to the development of the economy. A hypothesis was drawn from the research questions and a self-designed questionnaire was used to measure the relationship between the variables using the sample size of 298 employees from Esan West Local Government Area of Edo State. The analysis of collected data was done using SPSS (Statistical Package for Social Science) at 95% confidence level. The data was therefore presented in tables, in rows and column to ensure better understanding of the data. Based on the findings, the researcher concluded that access to capital or finance is necessary but not a sufficient condition for successful entrepreneurial development. It was therefore recommended that development of entrepreneurial skills coupled with excellent knowledge of information and communication technology (ICT) as additional key to technological and entrepreneurial development is important and therefore should be acknowledged.

Keywords: *Entrepreneurship, Capital, and Entrepreneurial Development*

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I. Introduction

Entrepreneurship in Nigeria started when people in the villages and farming communities produced more products than they needed, as such; they had to exchange these surpluses with those who needed them within their immediate and neighboring communities. The exchange of goods for goods or services was based on trade by barter initially, until commodity money was developed and used. Exchange encouraged specialization among producers, and the communities came to realize that they can concentrate on the areas of production they are best fitted. Consequent on the above, the culture of entrepreneurship started in Nigeria (Nicks, 2008; Raimi and Towobola, 2011). Entrepreneurship otherwise regarded as Small and Medium Enterprise (SME) has been an assisting factor in the development of the economy at large, Small and Medium Enterprises (SMEs) occupy a place of pride in virtually every country or state. Because of their (SMEs) significant roles in the development and growth of various economies, they (SMEs) have aptly been referred to as “the engine of growth” and “catalysts for socio-economic transformation of any country.” SMEs represent a veritable vehicle for the achievement of national economic objectives of employment generation and poverty reduction at low investment cost as well as the development of entrepreneurial capabilities including indigenous technology. Other intrinsic benefits of vibrant SMEs include access to the infrastructural facilities occasioned by the existence of such SMEs in their surroundings, the stimulation of economic activities such as suppliers of various items and distributive trades for items produced and or needed by the SMEs, stemming from rural urban migration, enhancement of standard of living of the employees of the SMEs and their dependents as well as

those who are directly or indirectly associated with them. The socio-economic impact of entrepreneurship on the sustainable economic growth of the Nigerian economy is difficult to accurately measure or estimate, but it is believed to be highly dynamic and significant (Chu, Kara, Benzing, 2010). However, a study estimated that between 45 and 60 percent of the urban labour force work for small private enterprises is otherwise called small businesses (Chu, Kara, Benzing, 2010 quoting Nwaka, 2005). Another study suggests that entrepreneurship has been beneficial because the Nigerian private sector comprising of small and medium enterprises provides diverse employment opportunities for 50 percent of the country's population and 50 percent of its industrial output (Ariyo (2005).

Adam Smith, founding father of modern economics 'detested business men' (Lewis 2008). Development scholars and development economists in particular have, if not detesting business men or entrepreneurs because they felt they hindered development. Following Leff (1999) many development scholars took the position that "entrepreneurship is no longer a problem" or a "relevant constraint on the pace of development" in developing countries. Entrepreneurship scholars on other hand have been more concerned with who, why and how of entrepreneurship rather than with the impact of entrepreneurship on development or developing countries (Bruton 2008; Shane 2000); a state of affairs described as a 'scholarly disconnect' Audretsch (2007). Closer scrutiny of the relationship between entrepreneurship and economic development is therefore needed. In order to stimulate the development-entrepreneurship discourse it may be necessary to first attempt to formalize or reconcile the role of entrepreneurship in the "grand ideas" of development economics, and to consider how this resonates with available evidence, and what this means for policy. There are at least three "grand" ideas in development economics. The first is that development requires a structural transformation of what, how and where production and consumption takes place: from low-value added, low productivity and rural-based activities to more productive, higher value-added activities in services and manufacturing located in cities. The second idea is that development is a multi-dimensional concept that requires more than just the eradication of income poverty. The third is the idea that market failures are prevalent and that the state has an important coordinating and regulatory role to play in development. All of these grand ideas are currently at the forefront of thought in development, and much of what development scholars are occupying themselves with either directly or indirectly resort under the umbrellas of these ideas. It has however been worrisome that despite the incentives, policies, programmes and support aimed at revamping the Entrepreneurship, they have performed rather below expectation in Nigeria especially in Esan West Local Government Area of Edo State. It is against this backdrop that this study seeks to critically examine Entrepreneurship in Nigeria and their challenges. On account of encouraging entrepreneurial initiatives, the country has experienced exponential growth from the benefits entrepreneurship. Some of the major factors that have hindered entrepreneurial developments are:

- ❖ Majority of these businesses are very small when their operations are measured in terms of capital, employment and revenues (Attahir&Minet, 2000), entrepreneurship organizations within the stated area are usually quite small therefore their financial status are also quite small and they are confined within a measured scope of operation.
- ❖ Added to the above is difficulty confronted by small businesses in accessing bank credits, banks usually find it difficult to grant loans to SMEs who are trying to find a way to expand their mode of operation sometimes because banks collateral are challenging to the entrepreneurs.
- ❖ The most serious and damaging problem threatening the state of entrepreneurship in Nigeria is a lack of government interest and support for micro, small enterprises (Ariyo, 2005; Chu, 2008). Governments do not usually patronize the effort of entrepreneur by giving them contracts.
- ❖ Entrepreneurship and small and medium enterprises development is hampered by a plethora of challenges like bad roads, bribes by government officials, multiple taxes, epileptic power supply and rising overhead costs on transportation and communication.

All these challenges and similar others have attracted global attention (Business Environment and Enterprise Performance Surveys, 2007). More importantly, economic growth has eluded Nigeria on account of poor utilization of its numerous oil wealth for communal benefits, as current socio-economic indicators suggest that the nation's mineral wealth has become worthless and a source of misery (Alan, 2007).

This study, therefore, discusses how Nigeria can attain a sustainable economic growth through the effort of the entrepreneurs in the society.

Objectives of the Study

The broad objective of this study is to examine the relevance of Entrepreneurial Development in Nigerian Economy using Esan West Local Government Area, Edo State as the case study however, the specific objective is:

1. To determine the measures that can be put in place by government in other to ensure entrepreneurial development.

II. Review of Related Literature

Concept of Entrepreneurship

Aruwa (2006) define entrepreneurship as a process of action an entrepreneur undertakes to establish his enterprise. Entrepreneurship is a creature activity. It is the ability to create and build something from practically nothing Entrepreneurship is the attitude of mind to seek opportunities, take calculated risks and drive benefits by setting up a venture. It comprises of numerous activities involved in conception, creation and running an enterprise. Mbaegbu (2008) opined that entrepreneurship refers to the activities of the entrepreneur as the initiator, organizer, innovator and risk bearer in production or business. The entrepreneur is the person whose activities create wealth and employment which can be measured either directly on through economic growth rates. This definition is without prejudice to the classification of entrepreneurs on a continuum from small craftman entrepreneurs to big time opportunistic entrepreneurs adopted by Drucker, (1985). Whether big or small entrepreneurs are all in business to make profit and grow their enterprises (Lyson, 2002).According to Mainoma,(2008) entrepreneurship can be defined as the process of using private initiative to transform a business concept into a new venture or to grow and diversify an existing venture or enterprise with high growth potential. Entrepreneurs identify an innovation to seize an opportunity, mobilize money and management skills, and take calculated risks to open markets for new products, processes and services. While Entrepreneurship development (ED) refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programmes. Entrepreneurship development aims to enlarge the base of entrepreneurs in order to hasten the pace at which new ventures are created. This accelerated employment generation and economic development. Entrepreneurship development focuses on the individual who wishes to start or expand a business. Small and medium enterprise (SME) development, on the other hand, focuses on developing the enterprise, whether or not it employs or is led by individuals who can be considered entrepreneurial. Furthermore, entrepreneurship development concentrates more on growth potential and innovation than SME development does. However, many on growth potential and innovation than SME development does. However, many of the lessons learned from experiences in both types of development are similar (Mainoma,2008).Abdullahi (2008) explained that Burnett (2000) posited that throughout the theoretical history of entrepreneurship, scholars from multiple disciplines in the social sciences have grappled with a diverse set of interpretations and definitions to conceptualize this abstract idea. Over time, "some writers have identified entrepreneurship with the function of uncertainty-bearing, others with the coordination of productive resources, others with the introduction of innovation, and still others with the provision of capital" (Hoselitz, 2001). Burnett (2000) then concluded that even though certain themes continually resurface throughout the history of entrepreneurship theory, presently there is no single definition of entrepreneurship that is accepted by all or that is application in every economy.Thus, our most appropriate and adopted definition is a combination of three different definitions, wherein, entrepreneurship can be defined as a force that mobilizes other resources to meet unmet market demand (Drucker,1985); the ability to create and build something from practically nothing (Timmons, 1994); and the process of creating values by pulling together a unique package of resources to exploit an opportunity (Stevenson, 1985).

Concept of an Entrepreneur

These frequently asked question reflects the increased national and international interest in entrepreneurs by corporate executives, venture capitalists, university professors and students, recruiters, and government officials. To an economist, an entrepreneur is one who brings resources, labor, materials, and other assets into combinations that make their value greater than before, and also one who introduces changes, innovations, and a new order. To a psychologist, such a person is typically driven by certain forces the need to obtain or attain something, to experiment, to accomplish, or perhaps to escape the authority of others. To one businessman, an entrepreneur appears as a threat, an aggressive competitor, whereas to another businessman the same entrepreneur may be an ally, a source of supply, a customer, or someone who creates wealth for others, as well as finds better ways to utilize resources, reduce waste, and produce jobs others are glad to get. Although being an *entrepreneur* means different things to different people, there is agreement that we are talking about a kind of behavior that includes: (1) initiative taking, (2) the organizing and reorganizing of social and economic mechanisms to bundle resources in innovative ways, and (3) the acceptance of risk, uncertainty and/or the potential for failure.According to Anthony (1992) Entrepreneur is defined as an individual who organizes or operates a business or businesses. Credit for coining the term entrepreneur generally goes to the French economist Jean-Baptiste Say, but in fact the Irish-French economist Cantillon (2005) defined it first in his Essay on the Nature of Trade in General, a book William Stanley Jevons considered the "cradle of political economy", Cantillon used the term differently. Biographer Anthony Breer noted that Cantillon saw the entrepreneur as a risk-taker while say considered the entrepreneur a "planner".Cantillon (2006) defined the term as a person who pays a certain price for a product and resells it at an uncertain price: "making decisions about obtaining and using the resources while consequently admitting the risk of enterprise." The word first appeared in the French

dictionary entitled "DictionnaireUniversel de Commerce" compiled by Jacques des Bruslons and published in 1723, Successful entrepreneurs have the ability to lead a business in a positive direction by proper planning, to adapt to changing environments and understand their own strengths and weakness.

Entrepreneurship and Economic Development

Given the "grand ideas" in development economics the main policy considerations for enhancing the developmental impact of entrepreneurship are to improve the quality and allocation of entrepreneurial ability; and reduce the need for necessity entrepreneurship. Both considerations require better quality and quantity of research and data-generation, improving the quality of entrepreneurial ability means not only improving the skills and education of entrepreneurs, their 'human capital', but focusing on the innovative abilities of entrepreneurs. It is innovative entrepreneurship that is most desirable for growth. Innovation policy ought therefore to be a central focus of entrepreneurship promotion in developing countries as it is in advanced economies. Entrepreneurs in developing countries have a much greater propensity for innovation than is often recognized in the literature or by policy-makers. Stimulation of innovation has not been paramount in most development agencies or donor's private-sector development programs, nor in national entrepreneurship support programmes. The only innovation relevant aspects of such support programs have been their concern to improve the general business environment, a prerequisite for innovation, and to argue for patent protection - and to a lesser extent basic research. Such policies tend to be more concerned with improving static and allocate efficiency, and not dynamic efficiency, which is more important for job creation and growth (Evenett 2005). Attempting to improve dynamic market efficiency through raising innovation, and aiming to limit necessity entrepreneurship, may have implications for policy that runs counter to many current policies. For instance, many aim governments justify competition policy referring to the need to improve static and allocation efficiencies in markets.

However, this may miss the fact that with underdeveloped financial markets in developing countries, raising competition might not improve dynamic efficiency. In the absence of financial markets, firms can only finance innovation through profits; if too much competition erodes their profits, it will also erode their innovative activities. Reducing the need for necessity entrepreneurship may also imply policies to encourage job creation and provide social security, policies not popularly associated with an entrepreneurial economy. Promoting innovative entrepreneurship in developing countries runs into further difficulties in that there is a broad lack of sufficient impact evaluations³ with which to judge what works and what does not (Lerner 2009). Lopez-Acevedo and Tinajero (2010) mention that most existing evaluations typically do not consider biases due to unobserved firm heterogeneity or self-selection. Evaluations of entrepreneurship policy tend to be qualitative rather than quantitative, and cannot keep track with continual changes in programs over time. Many 'impact' studies also do not attempt to attribute impacts or outcomes to interventions, while lack of reliable SME data makes evaluation and cross-country comparisons of programmes difficult. There is thus a need for much more rigorous empirical evidence as to what works and why, with respect to entrepreneurship policies. In the near future, most poor people may reside in so-called fragile states where an understandable lack of rigorous micro-level studies of firms and entrepreneurs limits the contribution of aid and other policies towards private sector development in conflict or post-conflict countries (Brück, 2013). Despite the need for, and their contribution, one should be cautious of an undue reliance on randomized field experiments as the sole approach to inform appropriate policy formulation for entrepreneurship development (see also Deaton, 2009). What are needed are interdisciplinary approaches combining insights from randomized field experiments with anthropological fieldwork, and with the political economy of development. Such approaches offer promise for further evolution of the scientific field demarcated by the intersection of development economics and entrepreneurship.

Theoretical Framework

The theoretical framework adopted for the study will be from the socio-cultural perspective of entrepreneurship, The review reinforces the view that the problem of integrating analyses of the social and cultural factors that affect entrepreneurship is challenging. A growing number of scholars are developing institutional approaches to explain various topics of entrepreneurship and SMEs (Aidis, 2005; Anderson, 2000; Busenitz, 2000; Djankov, 2002; Hardy & McGuire, 2008; Kalantaridis, 2007; Lerner & Haber, 2001; North, 2001; Pugh & Dehesh, 2001; Stephen, 2009; Urbano, 2006; Wai-Chung, 2002; & Welter, 2005). Because institutions are constituted by culture and social relations, and because human, social and cultural capital are often antecedents to acquiring financial capital and other resources needed to start a business, an institutional approach with its broad meta-theory holds out the promise of developing future entrepreneurship research.

Various theories and methods of institutional analysis are used in the different branches of the social sciences for example, in sociology, political science and economics (Scott, 2008). There is considerable variance in the definition of an institution, and in the analytical methods used by scholars to study institutions

and their effects. At the baseline, we define institutions as establishing a stable structure for human interaction. Scott (2008) suggests that institutions consist of cognitive, normative and regulative structures and activities that provide stability and meaning in social behavior. Institutions are the rules of the game in a society that function as constraints and opportunities shaping human interaction (North, 1990: 3). Applied to the field of entrepreneurship, institutions represent the set of rules that articulate and organize the economic, social and political interactions between individuals and social groups, with consequences for business activity and economic development (Díaz, 2005; Veciana& Urbano, 2008).

According to North (1990), institutions can be formal, such as political and economic rules and contracts, or informal, such as codes of conduct, conventions, attitudes, values and norms of behaviour. Formal institutions are subordinate to informal institutions in the sense that they are the deliberate means used to structure the interactions of a society in line with the norms and values that make up its informal institutions. North's definition implies that policy-making which attempts to change the formal institutions of society without measures to adjust the informal institutions in compatible ways will have marginal success. For example, difficulties arise when a governing body can influence the evolution of society's formal institutions in a direct way, yet the less tangible informal institutions remain unaltered outside the direct influence of public policy. While informal institutions can be shaped, they are likely to resist change and take time to evolve towards new social norms. For example, 'radically different' performance of economies can exist over long periods of time as a result of the embedded character of informal institutions (North, 1990, 2005). Sociologists (DiMaggio, 1988; Scott, 2008; Thornton, 1999) extend this economic view of the distinction between formal and informal institutions arguing that the gap or lag between formal and informal institutions, potentially generated by corporate and public policy-makers, can give rise to an unintended consequence. In the sociologist's parlance (Thornton, 1999), this is a 'loose coupling' effect caused when individuals and organizations decouple elements of culture or layers of organizational structure to avoid the conflict that such an incompatibility may present. Such decoupling, for the 'institutional entrepreneur', can be the genesis for new combinations of institutional and organizational parts from the entrepreneurial landscape (DiMaggio, 1988; Meyer & Rowan, 1977). Hence, both formal and informal institutions can legitimize and delegitimize business activity as a socially valued or attractive activity and promote and constrain the entrepreneurial spirit (Aidis, 2008; Veciana& Urbano, 2008; Welter, 2005). In summary, the different varieties of institutional approaches provide an overall meta-theoretical framework for integrating an understanding of the contributions of the socio-cultural factors in entrepreneurship research, as well as suggesting avenues for future research.

Significance of the Entrepreneurship in the Nigerian Economy

The importance of the Entrepreneurship in Nigeria economy cannot be over-estimated. Firstly, it is emphasized that the entrepreneurship makes the possibility of the equitable distribution of national income more realistic by providing employment on a large scale. By creating more employment opportunities, entrepreneurship help in mobilizing capital and human resources that would otherwise be left idle. While some small businesses may meet untapped demand, some fill a niche in the market, yet others provide some distinct services that cannot be matched by large organizations. In this wise, they contribute to the succession of large businesses. The SME sub sector helps to economize resources. Resources such as capital, technical and management skills are scarce and constitute the central problem of underdevelopment. Entrepreneurship have shorter gestation period and as a result yield quicker returns on investment. They facilitate balanced industrial development in that only such industries can easily be established in many rural areas. In this regard, they also present a potent means of alleviating rural-urban migration and the associated urban congestion and unemployment. Entrepreneurship promote competition and hinder monopoly. The relative ease with which entrepreneurship are established and the responsiveness of entrepreneurs to innovations is a major factor for the preponderance of entrepreneurship in any economy especially in developing economy. Observation has it that the existence of many healthy business firms in a nation constitutes a barrier against monopoly. The importance of a competitive market to the consumer in particular and the economy in general cannot be over-flogged.

Entrepreneurship, Small Business Enterprises and Economic Growth

According to Burnett,(2000) entrepreneurship is characterized by uncertainty and typically occurs in the presence of imperfect information, unknown production functions, and market failure. According to Saeed, (1998), it is most preferred for governments to promote domestic and indigenous entrepreneurship because domestic entrepreneurs are more aware of the market gaps that need to be filled domestically. Burnett, (2000) subscribed to this view when he opined that instead of producing goods that might not be consumed within the country; domestic market forces encourage domestic entrepreneurs to create innovations and creative imitations that fulfill a real market deficiency domestically. Hence, MNCs can be used for entrepreneurship-led development, but domestic entrepreneurship is thought to be more effective. Gillis, (1996) and Burnett, (2000) assert that entrepreneurship is a necessary ingredient for stimulating growth and in order to achieve successful

economic development, a country must experience both economic growth and “fundamental changes in the structure of its economy. Despite their typically unappreciated role, entrepreneurs orchestrate these transformations and create new channels for economic activity and employment. Thus, all countries that wish to pursue continued development must encourage entrepreneurship. Given the importance of entrepreneurship to economic growth and development, it is incumbent upon governments to increase the supply of entrepreneurs. However, this can only be done when policy makers understand the factors that affect the supply of entrepreneurs. Burnett, (2000) advanced two factors that affect the supply of entrepreneurship: opportunity and willingness to become an entrepreneur. Sherief,(2004) and Lyson (1995) study on entrepreneurship and economic development found that small-enterprises provide the framework of a development strategy for economically disadvantaged communities for the following reasons:

a) Small businesses would provide products for local consumption that are not readily available in the mass market.

b) Small-scale technically sophisticated enterprises would be able to fill the niche markets in the national economy that are too small for mass producers

Small, craft-based, flexibly specialized enterprises can alter production quickly to exploit changing market conditions. Stam,(2005) observed that in contrast with the tradition of depicting the entrepreneur as a “lone hero” Lyson (1995) opined that entrepreneurship is a collective activity. Furthermore, relying on the work of Sherief (2000), Stam (2005) submitted that teams of entrepreneurs are critical for the growth of new venture.

III. Methodology

The area of this study is centered on the importance of entrepreneurial development in an economy using Esan West Local Government Area of Edo State as the case study. Data for this study was collected through well-structured questionnaires to respondent. In the selection of data for this study, the researcher adopted the use of both primary and secondary sources of data. The method used to collect the primary data was the use of questionnaires, which involved the use of question relevant to the study for obtaining data and it is structured into two sections to deal with possible dimension of the research problem while the secondary sources made use of journals, articles, magazines and internet. The descriptive survey research design was adopted for this study in which a structured questionnaire was used to elicit information from the target respondent who are the entrepreneur and business owners within the case study which is Esan West Local Government Area of Edo State. Primary data was collected and processed in the study. The survey research design adopted becomes imperative because of the population characteristic and a representative nature of the sample of the population for the study. The population for this study comprises of entrepreneurs and business owners of Small and Medium Scale Enterprise (SME) within Esan West Local Government Area of Edo State. The population comprises of selected business owners of Small and Medium Scale Enterprises in Esan West Local Government Area which is 300. Due to the cumbersome amount of the population used a case study, It is impossible or impracticable to observe the entire group especially if it is large. Instead of examining the entire groups it is better to use a sample. A sample is a number or elementary units. The purpose of any sampling is to select a small segment of the whole population so that we can make inference about the population. The choice of sample size depends on a number of variables. First, we consider the degree of accuracy to aid decision making or the sample tolerance. Beside the size is a function of sampling error or the risk that the sampling procedure may not provide result within the range of sample tolerance. lastly, the degree of variation, the characteristic procedure which in a nutshell tends to reduce sampling error on increase sample precision as sampling size approaches the size population , therefore this study made use of the simple random technique. The Yaro Yammane (1973) sampling technique which provides a formula to calculate sample sized with a 95% confidence level and $e = 0.05$. From the known size of population to determine the sample size the formula was therefore stated as thus:

$$n = \frac{N}{1 + N(e)^2}$$

n = Sample Size

N = Population Size

e = Level of Precision

The value was set for formula

N = 300

e = 0.05

$$n = \frac{300}{1+300(0.05)^2} = 298$$

Therefore, the sample size was 298 staff, this is the sampling technique the researcher adopted.

The instrument used for the study was the questionnaire method. The content validity of the instrument was carried out by two senior lectures; in the Department of Business Administration, Ambrose Alli University,

Ekpoma. They ensured that the questions were relevant, clear and precise so that each of the items in the instrument measures what it was intended to measure. Also, the split-half method reliability was used to determine the reliability of the study. The instrument was administered on a group of 40 students within the target population but not included in the main study. Data collected were analyzed using the split half method and reliability co-efficient of 0.73 was obtained Davidsson & Johan (2001). A data analysis procedure was done through bivariate correlation procedure using statistical package for social sciences (SPSS). Data analysis was executed at 95% confidence level. The data will therefore be presented in table's rows and column to ensures better understanding of the data.

Data Analysis and Interpretation

Testing of Hypotheses

H₀: There is no significant relationship between entrepreneurship and economic development

H₁: There is a significant relationship between entrepreneurship and economic development

Where: **ENT** = Entrepreneurship
ENTECODEV = Entrepreneurship Economic Development

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1 dimension0	.006 ^a	.032	-.003	.502	.000	.011	1	296	.917	1.825

a. Predictors: (Constant), ENT

b. Dependent Variable: ENTECODEV

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.481	.091		16.274	.000		
	ENT	-.006	.058	.006	-.104	.917	1.000	1.000

a. Dependent Variable: ENTECODEV

Table 2 present the result of the significant relationship between entrepreneurship and economic development. Entrepreneurship plays a vital role in the development of the economy which was accounted for 32.7 % variation in organizational performance (r square = 0.327). The result of the regression also revealed a significant positive effect of entrepreneurship on economic development. (*B* = -0.006, *t* calculated = -0.104, *t*-tabulated = 1.96, *p* < 0.05).

IV. Conclusion and Recommendation

Contrary to the generally believed notion or assumption, this research found out that access to finance or capital is not the greatest problem facing Entrepreneurship in Nigeria. The greatest or worst problem confronting Entrepreneurship in Nigeria is managerial capacity. Access to capital or finance is necessary but not a sufficient condition for successful entrepreneurial development. If one has the entire funds in the world and does not have the capacity to manage that fund and does not have the necessary information as to what he/she should do, the money would go down the drain. The top ten key problem areas facing Entrepreneurship generally in Nigeria in descending order of intensity include management problems, access to finance/capital, infrastructure, government policy inconsistency and bureaucracy, environmental factors related problems, multiple taxes and levies, access to modern technology, unfair competition, marketing problems and the non-availability of raw materials locally. The mortality rate among Entrepreneurship in Nigeria is very high within their first five years of existence. The reasons for the high mortality rate include the following among others: Many prospective entrepreneurs do not have a clear vision and mission of what they intend to do. Many of the Entrepreneurship are not business specific and hence have no focus and are easily blown away by the wind. With the dismantling of trade barriers as part of globalization, Entrepreneurship in developing countries are facing intense competition from industries of other countries, which have enabling environment for production, distribution and marketing. The environment in which Entrepreneurship in Europe, South East Asia and America operate provides stable power and water supply, standard road and rail network, efficient water and air transport system, advanced technology, modern communication facilities, efficient and responsive financial system and above all good governance. Unless Nigeria puts its policies right, many Entrepreneurships may not survive this global competitive drive.

There is however some opportunity windows which discerning Nigerian entrepreneurship promoters can leverage on and take advantage of to grow. The liberalization of trade through WTO Agreements has provided awareness through which Entrepreneurship could access international markets. Another opportunity is the African Growth Opportunity Act (AGOA), which favors exports from African countries to the United States of America. Currently many Entrepreneurships in Nigeria are yet to tap into this opportunity.

V. Recommendations

Economic growth is the key to higher living standards; entrepreneur which also enhances the growth of developing country is a vital factor. According to Onipede (2003), economic theory suggests several key institutions and policy factors that are important for the achievement of maximum economic growth. It is therefore recommended that the following institutions and policies be enhanced in order to make way for sustainable economic and entrepreneurship development in Nigeria:

1. Development of entrepreneurial skills coupled with excellent knowledge of information and communication technology (ICT) as additional key to technological and entrepreneurial development is important and therefore should be acknowledged.
2. There is the need for political stability as an organization can only thrive in a conducive environment.
3. There must be in place policy and regulations that enhance entrepreneurial growth.

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