

**EVALUATION OF THE CONTRIBUTION OF  
ENTREPRENEURIAL DEVELOPMENT TO THE NIGERIA  
ECONOMY**

**BY**

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**AUGUST, 2018**

## **DECLARATION**

I hereby declare that this dissertation has been written by me and it is a report of my research work. It has not been presented in any previous application for any Masters in Business Administration. All quotations are indicated and sources of information specifically acknowledged by means of references.

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**Date**

## CERTIFICATION

This dissertation “Evaluation of the Contribution of Entrepreneurial Development to the Nigeria Economy” meets the regulations governing the award of Masters in Business Administration (MBA) of the School of Postgraduate Studies, Nasarawa State University, Keffi, and is approved for its contribution to knowledge.

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## **DEDICATION**

This research work is dedicated to Almighty God.

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## **ABSTRACT**

*With the current trend in Nigeria micro and macro-economic policies towards a dynamic private sector led economy. The indispensability of entrepreneurial development thus becomes of paramount importance. This study assesses the contribution of entrepreneurial activities to the growth and development of the Nigerian Economy. Questionnaires administration and interviews have been carried out on entrepreneurs to obtain primary data and related literatures have also been used. Data have been analyzed using tables and percentages and hypothesis have been tested using chi-square. Based on the findings, entrepreneurs were found to be innovative but still find the growth of their company difficult to handle because of inadequate capital, high costs of input and government policies. To this end the study recommended that government should establish specialized banks that will offer loan to entrepreneurs, develop industrial estate with adequate and reliable infrastructure and provide subsidy on vital raw material for industrial growth which in turn develops the economy.*

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background to the study

The word entrepreneur was first used in the early 18<sup>th</sup> century by an Irish man named Cantillon who was then living in France. The word therefore originated from the French word, entrepreneur, which means to start a business. It was used broadly in connection with the innovative modern individual business leaders. The entrepreneur has been described as the person who perceives business opportunities and takes advantage of the scarce resources to use them. He bears the non-insurable risk in his enterprise and direct human business.

According to Ndechukwu (2001), an entrepreneur is an individual who takes upon himself the risk of going into business with the expectation of earning all the profits or losses. He is, in economics, regarded as a special type of labour that assemble all the other factors of production namely, capital, land and labour and endeavour to ensure optimal combination of these resources to maximize profit. The word as we know is becoming a global village; great forces are pursuing the nations to have a dynamic and sound economy. Economic competition and intimidation has become the era of the day, so one is justified if one becomes interested in one of the important factors of a strong and virile economy, the entrepreneur and the entrepreneurship.

Many societies placed great valued on the entrepreneur. To encourage their activity, they may be offered access to in-expensive capital, tax exception and management advice. An entrepreneur has the greatest chance of success by focusing on a market niche either too small or too new to have been noticed by established business. The practice entrepreneurship promotes self-reliance. Entrepreneurship skills are translated into practical business activities in the form of both small and medium scale enterprises

in private and public enterprises. With this embraces the activities and role of small and medium scale enterprises particularly in the area of reducing the level of unemployment, provision of goods and services and their combination of national economic welfare.

The dynamic role of private and public enterprises in Nigerian economy as a mechanism for growth has recognized its effects in achieving macro economic objective such as full employment, income distribution, development of local technology as well as diffusion of management skills and stimulation of indigenous entrepreneurship cannot be over emphasized. At the emerging of a modern day Nigeria in the early 60's and 70's, while collar jobs were at the disposal of every fresh graduate, with this idea in mind, the issue of self resourcefulness tending towards entrepreneurial development was at the ebb.

The introduction of Structural Adjustment Programme (SAP) in 1986 has a lot of effect in the private and public enterprises of the Nigerian economy which lay off a large number of their work force. This consequently led to economic hardship coupled with unemployment. For this reason, the need for self reliance and reliance and resourcefulness and development of new initiative for economic survival has led individuals to set up enterprises of various sizes and structure to meet up with the trend in the economy and to earn a living. This has indeed led to entrepreneurship development in Nigeria.

To qualify as an entrepreneur, it is not sufficient to be just managing an enterprises; one has to be an originator of profitable business ideas. According to Schumpeter (1911), the single function, which constitute entrepreneurship is innovation and indeed it creates a resources (the business entrepreneur). It should be noted that, nothing should be

considered as resource until man finds a use for it. These resources must be combined, recognized and efficiently utilized by entrepreneurship to achieve a desirable satisfaction for human needs which entrepreneurship readily provides. Entrepreneurial development holds a lot for economic growth and development. A typical example of what it has to offer is seen in the case of Dangote Group of Companies, which grew from a small enterprise into a large conglomerate. Today, it is with several lines of business and diverse product, it is making a tremendous contribution to the development and growth of the Nigerian economy.

For a nation to stay independent; it must be economically independent and this is based upon the development of entrepreneurship spirit. The establishment of a new business involves a thorough understanding of entrepreneurial process. This process does not just involve problem solving but also an entrepreneur must find, evaluate and develop opportunity by overcoming the strong forces that very new ventures face.

Entrepreneurial process has four distinct phases which include ability to identify business opportunities, ability to harness the necessary resources to utilize opportunities identified, ability to be able to harness the necessary resources to utilize opportunities identified, ability and the willingness to initiate and sustain appropriate actions towards the actualization of business objectives and managing the resulting enterprises. Some useful sources of business opportunity are consumers existing companies distribution channels, research and development, as well as the Federal government involved in promoting entrepreneurship.

## **1.2 Statement of the Problem**

The developments of entrepreneurial skills in Keffi Local Government have been affected by the various factors. One of this is the issue of entrepreneurial education. The graduates of our educational system are ill prepared to meet challenges of the global economy. Our educational system prides it-self as producers of businessmen and women rather than entrepreneurs. Lack of adequate financing is another factor especially for small business enterprises operating in developing economics, such as Nigeria. Every small business is concerned about financing policies and strategies for efficient and effective business management decision. It takes the resources of money in small business enterprises in Nigeria are many, and many include payroll, taxes, insurance, rent, office supplies, inventory and telephone bills among others.

The commercial banks and financial houses, which are expected to be sources of finance for growth and development of business enterprises, have been too rigid in providing adequate collateral in order to make funds available for entrepreneurs. It is against this background that the study evaluates the contributions of entrepreneurial developments to the Nigerian economy.

## **1.3 Objectives of the Study**

The main objective of the study is to assess the contribution of entrepreneurial activities to the Keffi economy.

- To examine the extent to which entrepreneurial development contribute to Keffi economy.
- To determine if entrepreneurial development contribute to employment generation in Keffi.

#### 1.4 Research Questions

For this study, the following research questions are proffered with answers;

- Is there contribution of entrepreneurship development to the Nigerian economy?
- Can the contribution of entrepreneurship be enhanced in Nigeria?

#### 1.5 Statement of Hypothesis

To achieve the objectives of this study, the hypothesis below was formulated and tested.

**H<sub>0</sub>:** Entrepreneurial development has made no significant contribution in GDP and provision of employment in the country.

**H<sub>1</sub>:** Entrepreneurial development has made a significant to GDP and provision of employment in the country.

#### 1.6 Significance of the Study

Government has declared that there is an urgent need to tap into the potential of entrepreneur; hence, it became absolutely to work into the approaches and their involvement. It is in line with this guest that the study of entrepreneurship became necessary in order to undertaker proper analysis. Understanding in this case will help in bringing under control, personal, social and economic variables such as employment, income distribution, and price and wealth creation in the most desired manner. This research work intends to be beneficiary to the followings:

- **Bank:** The existence of many entrepreneurs creates a wider market in any economic thereby expanding the market/banking activities and creating avenue for more banking transactions.
- **Businessmen:** This study however directs businessmen in acquiring the necessary capitals, the requisite knowledge and the essential managerial know-how

- **Government:** The quest to provide employment to all Nigerians as the government stands a greater chance to benefit from this research work if they carefully study the content of this work. The problem with Nigeria is not initiatives but the inability of the government to provide enabling environment for entrepreneurship.
- **Producers:** entrepreneurial development aims at making more creative innovation; this however, brought ideas to the producers in proving the quality of their product for customer satisfaction.
- **Individuals:** Nigeria on yearly basis is producing lots and lots of graduates each looking forward for a white-collar job but the government's inability to provide enough employment to this set of individuals lead to unemployment. Graduates of all levels of education will benefit much from this study if they lay their hands on this project because it will broaden their knowledge on entrepreneurship.
- **Researcher:** It will serve as a guide to more competent researcher to carry out investigation on the field.

### 1.7 Scope of the Study

The study is based on evaluating the contributory role of entrepreneurship to the development of Keffi Local Government Economy. However, evaluating entrepreneurship as a tool in the growth and development of Keffi Local Government economy seems too broad for the time frame of this research work. Hence, the scope of this work is framed towards the contribution of small and medium scale enterprise to the development of Nigeria economy.

## 1.8 Limitations of the Study

A study of this nature cannot be effectively carried out without certain constraints. However, these constraints do not have any prejudice on the result of the findings in the course of the study. The major limitations of this study include the unwillingness of some respondents to give all necessary information required. This work is not conclusive on its own, it is still open to further research studies.

## 1.9 Definition of key Terms

The following key terms are used in this study:

- **Capital:** This is that part of wealth used for further production of wealth
- **Economy Development:** This is when the real per capital income of a country increase over time.
- **Employment:** This involves taking an occupation or trade or business.
- **Enterprises:** This is accepting as an established system of political administration by which a nation is governed.
- **Gross Domestic Product (GDP):** This is the monetary values of all the goods and services produced by an economy over a specified period.
- **Innovation:** This is the ability of the entrepreneur to develop new ideas
- **Investment:** This is placing of money, capital or other resources to make profit.
- **Production:** This is the creation of utility for the satisfaction of human wants.
- **Profit:** The financial gain made in a transaction.
- **Economy:** Any specified collected of interrelated marketed and non-marketed productive activities.

- **Labour:** productive human resources, mental and physical, both inherited and acquired.
- **Market:** An area over which buyers and sellers negotiated the exchange of well-defined commodity.
- **Equilibrium Price:** The price at which quantity demanded equals quantity supplied.
- **Collateral:** Property used to secure a loan.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

The philosophy of developmental programme being Nigeria's today Initiatives is among other things to increase the supply of adequately trained entrepreneurs that will achieve success in their business ventures. The government is therefore, putting in place basic social and economic infrastructure, which will lurch Nigeria into an industrial giant in the foreseeable future. Also, it desire to achieve accelerated economic development through aggressive participation of the private sector and this role is assigned to the entrepreneur.

Economic development is not just a matter of nature, resources, capital and labour, it is part of the whole social development of attitude of the people to life as a whole. It is for this critical ideology that we seek to bring out the contributions of entrepreneur to the development of our economy. This chapter review different literatures on the nature of entrepreneurship and the level of impact it has so far on the Nigerian economy.

#### **2.2 Concepts of Entrepreneur**

In the early eighteenth century, the term entrepreneur was first applied to business by an Irishman, Mueller (2012) a business man and financier. He identified and associated entrepreneur with the function of risk bearing. He stressed that, an entrepreneur is some one that has both the foresight and the willingness to assure risk and take the necessary action required in making profit or bearing a loss. He carved the concept 'entrepreneur' and postulated that the entrepreneur buys goods and services a certain prices with a view to selling the product at "uncertain" prices in the future. He presents the entrepreneur as a pivotal figure who operates within a set of economic market.

According to him, the entrepreneur has a central role in bringing about equilibrium prices in markets (entrepreneurship; test and cases).

According to Mueller and Anderson, (2014) the entrepreneur function is described in a much wider scope emphasizing of continuous management as well as risk bearing. He concluded that the entrepreneur shifts economic resources out of an area of lower and into an area of higher productivity and greater yield.

Afshar (1985) broadly identifies the entrepreneur with the modern industrial business management. However, in the world of today the word entrepreneur may be defined in terms of the specific functions which the entrepreneur performer or in terms of the characteristics generally associated with the entrepreneur. The characteristics of an entrepreneur are as numerous as the number of people seeking to describe them. Because of the numerous characteristics of an entrepreneur is likened the word become very illusive. This illusive character of the entrepreneur is likened by Peter Killby to mythical animal “Haffalump” the fact that there are different perspective of what Haffalump looks so also is the extra definition of who an entrepreneur is. The sociologist, psychologist and anthropologist and economist all have different perspective about who an entrepreneur is.

For the sociologist, entrepreneurship is governed by the society’s value and status hierarchy. They analyze the characteristics of entrepreneur in terms of caste, family, social status, value system etc. it is believed that entrepreneurship will flourish in society where status movements in the society is dependent on hard work, initiative and good performance (Agbonifoh, et al 1999).

The psychologist attempts to isolate entrepreneur from the general population on various perspective traits such as need for achievement, creativity, prosperity to take risk, independence leadership etc. this concept emphasizes the inner psychic concerns of the individual as the primary technique of risk bearing and innovation. The economist simply considers the structure of economic incentives that are found in the economic and market environment as relevant to the development of entrepreneurship. This goes in hand with the managerial perspective, which enable a person to exploit economic opportunity in the environment and obtained economics gain.

From the different perspective is used to define outline entrepreneur above the economists/managerial perspective is used to define entrepreneur. In this vein, entrepreneurship is defined according to Agbonifoh, et al (1999) as the willingness and ability of an individual to seek out investment opportunities in an environment and be able to establish and run enterprise successfully based on the identified opportunities.

To be able to establish and run a business enterprise successfully, a number of activities are involved. These activities constitute the function of an entrepreneur, Mullins (2005), they include the identification of an investment opportunity, decision making, creativity risk bearing, the selection and acquisition of resources and establishing the business venture.

### **2.3 Evaluation of Entrepreneurship in Nigeria**

In the 6<sup>th</sup> century, making money (entrepreneurship) was for the less privilege members of the society comprising well-educate and well-informed people from races and sects that were not right highly rated by the society (Nwoye, 1994).

According to Onyejeocha (2009), the Ibos/Ijebus in Nigeria and most of Africa have exhibited the start reality of life that hardship and dislocation could lead to

entrepreneurship. The unique experience of a race/individual/sect finding itself in a difficult political/economic/social, succeeding in new and sometimes hostile business milieu demands peculiarities of self-restraint, abstinence, hard work, and intentional postponement of comfort and enjoyment.

Prior to independence in 1960, economic activities in Nigeria were largely commercial in nature. Initial efforts in industrialization then produced industrial goods for imported ones and the production of intermediate goods. The Federal Government in Nigeria actively supports the entrepreneur development especially in small scale. Federal Government introduced small-scale industries credit scheme (Sics) in the second National Development plan period 1970-74 to grant loans to small-scale business development, the Sics had been operating as far back as 1966 to complement the Industrial Development Centre (IDC) in Northern Nigeria.

Another important policy with possible effects on small business development in Nigeria is the Nigeria Enterprises promotion act otherwise known as the act included in 1977, had its prime objective, the promoting and protection of indigenous participation in all the sectors of the nation's economy

### **2.3.1 Role of an Entrepreneur**

The term "entrepreneur" and the speculation regarding the role of the entrepreneur dates back to the physiocrats but received more serious attention in the work of Richard Meredith G.G., et al (1996) and a more sophisticated formulation in the different ways provided a more theoretical entrepreneur is not a man of industry managerial ability but one who introduces what is entirely new. He does not provide funds but directs their use. However, an enterprise also does not need to be small to be an entrepreneurship is

being practiced by large and often old enterprises. What make them “entrepreneurial” are specific role other than size of growth. The roles of entrepreneurial are:

### **Being Entrepreneurial**

An entrepreneur should have the ability to see and evaluate business opportunities, to gather the necessary resources to take advantage of them and initiate appropriate action to ensure success. Entrepreneurs are action-oriented motivated individuals who take risks to achieve goals. There is need for an entrepreneur to possess some traits or have potential to develop. The traits are as follows;

- Self confidence – that is confidence, independence and individualism option.
- Task – result oriented that is need for achievement profit-oriented persistence, perseverance, determination, hard work, drive, energy, initiative.
- Risk – taker that is risk-taking ability, like challenges.
- Leadership – leadership behavior gets along well with others responsive to suggestion and criticisms.
- Originality – innovative, creative, flexibility (openness of mind) versatile, knowledgeable.
- Future oriented – foresight and perceptive for this view, we shall regard the entrepreneur as a combiner of resources.

### **Leadership**

The total performance of a business is mainly determined by the attitude of the entrepreneur and his effectiveness as a leader and by the results he achieves. Successful entrepreneur are successful leaders, whether they lead a few employees or a few hundred employee. By the very nature of their role, entrepreneurs are leaders because

they must seek opportunities, initiate projects, set goals for themselves and others direct and guide others to accomplish goals. To be aware of better ways to accomplish task is to be an effective leader. He is likely to be success leader if he behaves in continuous growth, improved efficiency and the continuous success of his organization.

### **Risk Taking**

All economic activities take place condition of uncertainty. Entrepreneurs are calculated risk-takers. They take great satisfaction in accomplishing difficult but realistic tasks by applying their own skills. As a risk take, the entrepreneur takes decisions in condition in conditions of uncertainly, Balancing potential success against potential loss whether or not he chooses a “risky” alternative or a conservative alternative

### **Decision Making**

To be entrepreneurial, it requires that the entrepreneur must be creative especially in relation to decision-making. He must strongly believe in himself and his ability to make good decision. Successes of an entrepreneur depend on his ability to make decision, which improve the future probability of his business. Initiative decisions ability, most valuable entrepreneurial resources comes form year of experience of being exposed to making necessary decision in increasing complex situation. Many key problems can be solved in different ways. When facts are not made under a higher a high degree of uncertainty where risks may not be known.

### **Business Planning**

Planning; helps to establish company goals. As a company grows the greater there is the need for planning. According to Mullins, J. (2005). Planning is an activity, which involves decision about ends as well as result business planning can be viewed in two ways; long term planning and short term planning. God planning includes making a

time schedule for implementing the plans and also includes control necessary to implement the plan successfully.

### **Using Time Effectively**

Time is a vital item that entrepreneur cannot save, by budgeting time, the entrepreneur achieves better results. The specific ways to make better use of his time include establishing goals; determine deadlines and allocating time for each important activity.

Time is one of his greatest assets but time must be spent.

### **2.3.2 Effect of Entrepreneur in Nigeria**

The business entrepreneur takes risk in a free enterprise system. That is within the framework of force that exist within an environment, which are either external or internal to the environment. The internal forces are controllable while the external forces are generally not controllable. This paper will limit itself to the external environments, which are as follows:

#### **Demographic Forces**

Demography is the statistical study of human population and its distribution characteristics. It is of environmental fact of interest to the entrepreneur because of its marketing implication. The sources or failure of the entrepreneur id determined by the extent to which the entrepreneur is able to take into consideration in his risk taking, the population characteristics in terms of geographical distribution, destiny, mobility trends, age distribution, birth, marriage, death rates, racial ethnic and religious structure

#### **Economic Conditions**

Generally economic conditions are critical to the success or failure of the entrepreneur to adopt intelligent to the ecosystem. Consequently, the condition of the economy is significant force that affects the state if positive activeness of the entrepreneur's ability

and desired state risk or decision outcome. Since, an entrepreneur is out for a reward – “profit”, to which not only people are critical issue in this equation but also their purchasing power, that is total purchasing power which is a function of current income, prices, saving and interest rate, money supply price inflation credit availability. All of which are dependent on other economic factors such as interest rate, money supply, price inflation credit availability.

This involves value, which are very basic to the very foundation of the lives of both the internal and external public of the entrepreneur. It is the value that determines the choice which both the enterprise or and his various publics have to made. Essentially, social cultural variable, people and their socio-cultural customs and beliefs and core issue which shape the economy political – legal system and technology.

### **Political and Legal Forces**

The political – legal processes in society are influencing the entrepreneur’s action. With the political system and legislation at all levels of Government exercising increasing influencing on the entrepreneur, the firm and all the phase of its operations. According to Philip Kotler (1880) the political system is a broad term covering the firms and institutions by which a nation is governed

### **Technology Innovations**

Technology is a mixed blessing in other ways. A new technology may improve our life in one way while creating environmental and societal problems in other ways. For the entrepreneur, he must determine in time the technology process he want to employ to produce his goods and services. He must also consider the growth level, personnel and the market in relation to technology development.

## **Competitive Forces**

In virtually all our social – economic systems competition is a strong environmental force to be reckoned with. A fact which the entrepreneur must take cognizance of and ready to accept as one of the factors that could be a limitation on his ability to take risk and make decision. He must be ready to identify, monitor and out-manuever to gain and maintain the loyalty of the market.

### **2.4 Legal Issues of Entrepreneurial Development**

Many legal issues facing business activities can be categorized into the broad areas of contract, tort, property, agency, commercial or bankruptcy law. According to Nwoye, (1994), the legal issues relating to the establishment of a small business enterprise are complex and many variables affect the business decision of entrepreneur and this may spur him to seek for legal security.

Onyejeocha (2009), also state that apart from being legal guideline for business operation business law sets the regulation and relationship between business enterprises and their relevant stakeholders. In Nigeria, the Companies and Allied matters Decree (CAMD) No 1 of 1990, with its amendment (Decree No 32 of 1990), governs the legal dimension of business activity.

With the commencement of CAMD, section 8 sub-section 1 of the Decree states that nay two or more persons may form and incorporate a company in Nigeria by complying with requirements of the decree with respect of the registration of the company. Section 19 subsection 1, state that no company, association or partnership comprising more than 20 persons shall be formed for the of aim carrying, on any business for profit or gain by the company, association or partnership, or by the individual members thereof unless it

is registered as a company under the Companies and Allied Matter Decree requirement in force Nigeria.

Some law relevant to small business operations are as follows;

**Consumer Protection Laws:** Various laws protect consumer from fraudulent acts, misleading advertisement and defective products among others.

### **Contract Laws**

**Employment laws and regulations:** Various laws and regulation deal with issue like hazardous waste, the discharge of water and other items that affect the environment, among others.

### **Intellectual Property Laws**

Security law, which deals with how to comply with these laws when selling stock or other securities.

### **Tax Laws**

**Local laws:** local laws/regulations may limit the use of particular property and may regulate parking waste disposal, signage post, business that can be conducted among others. A small business entrepreneur needs to establish a system where he can file records of relevant law requirements and documents in a way that they can be easily and effectively retrieved.

Government uses policies, edicts, acts and decree to regulate small business activities with the view of achieving social, security, political and economic goals toward maintaining stability, growth and development in Nigeria. The legislation in place for these purposes are Companies and Allied Matters Decree (CAMD), Standard Organization of Nigeria (SON), National Agency for Food and Drug Administration

(NAFDAD) and so on. These are some of the factors to put into consideration before establishing any business organization in Nigeria.

## **2.5 Entrepreneurial Development in the Public and Private Sector of the Nigerian Economy**

Entrepreneurship is not found only in small business enterprises. It is also present in corporate organizations; this is referred to as corporate entrepreneurship. Corporate entrepreneurship involves organizational learning which propelled by organizational collaboration (among functions units), creativity and commitment of individual members of the organization. It is anchored on an organization's ability capability to study, learn and understand, beneficially, via both exploitation of existing knowledge with and outside the organization (Haytou, 2005).

The importance of corporate entrepreneurship can be mainly to its impact on the renewed success of some declining organizations, which transformed themselves through corporate entrepreneurial activities (Wilson, 1991). Also, there is interest in corporate entrepreneurship owing to its use by business organization to improve their staff's innovative and to achieve corporate efficiency and effectiveness via the creation of new business organization business venture.

Entrepreneurship generally is seen to encompass organizational behavior of creating, renewing or innovating, which takes place inside or outside an existing business organization. Corporate entrepreneurship which is further divided into private and public sector entrepreneurship is defined as the process by which a person or group, in relation to an existing company, create new business organization or initiate renewal or innovation in that organization.

### **2.5.1 The Major Types of Public and Private Entrepreneurship**

Corporate Entrepreneurship includes the creation of new businesses venture within existing business organization (or corporate venturing). Corporate venturing in this sense refers to the creation of new business venture(s) within existing business organization in order to take advantage of new business opportunity.

Transforming or renewal of existing business organization corporate renewal in this sense refers to the internal transformation of an existing business organization conducts its business activities. A business organization undergoing corporate renewal manifest changes in it unit's product/market combinations and the aspects on which it decides to compete.

A major change in and the industry in which the rules of business competition are substantially altered (Mueller, 2012). Schumpeterian corporate entrepreneur is concerned with a situation where a business organization alters/change the rule interest. The resultant changes creation of new structure. It should be noted that, respect to emphases on these types of corporate entrepreneurship, there may be distinctions between top managers and organizational employees who seek to exploit entrepreneurial activities.

For instance who top organizational manager perception of the need for entrepreneur activities and organizational employees desire to exploit entrepreneurial opportunities corporate renewal is the likely type of corporate entrepreneurship prevalent in the organization.

### **2.5.2 Entrepreneurial Development In Public Sector of The Nigerian Economy**

Entrepreneurship development has great impact on the revolution or industrialization, liberalization and globalization of the Nigeria economy. In public sector, various initiative and ideas has been inculcated by past and present agencies or transparency and reduction of waste and corruption by carry various reforms agenda. For example, in the past in the establishment of National Directorate of Employment (NDE) in 1987 to stem the rising tide of youth unemployment in Nigeria by creating job opportunity and promoting entrepreneurship among the Nations' youth. Also the idea of the chairman of Revenue Mobilization Allocation and Fiscal Commission, monetization of fringe benefit (2003) which is aimed at disposing cash in public servant to set up business before and after retirement.

National Economic Empowerment and Development Strategy (NEEDS) (2020), which are aimed at enlightening people on self-employment programme.

### **2.5.3 Entrepreneurial Development in Private Sector of the Nigerian Economy**

In private sector, most individuals have converted their initiatives and dreams into profit making organization, firm and enterprises. A private limited company as state by Anderson, and Warren, (2011) has some characteristics which make it different form public limited company.

### **2.5.4 Stages in the Entrepreneurial Process of the Private Entrepreneur Development**

The first stage in the entrepreneur process is the dream and desires of development. They start by thinking of what to do considering his or her level of development. The dream is realize through training association, reading, environments, experience, etc. Status and prestige; with a dream and desire the next state is to ascertain the legal;

implication of the business command? After one's consideration of the status and prestige, the entrepreneur, if favored will climb to the next stage.

The next stage is the challenge in which the entrepreneur in a less developed country like Nigeria is faced with. The social system in a developing society denies opportunity for creative faculties. The force of curiosity, combine to create an atmosphere inimical to experiment an innovation. Traditional attitude discourage the full utilization of human resources.

The entrepreneur, at what is known as the freedom stage is free to invest his funds in the business area he wants. Certain considerations about the risks and returns on investment must be taken into account because some business yields more and are riskier while other has risks and lower returns. To be successful entrepreneur, you need an understanding of the investment risk and realistic expectations of rewards. An understanding of the tradeoff between the return you are expecting from an investment and the degree of risky you must assume to earn is perhaps the most important key to successful investment.

The entrepreneur may be reach a stage when is financially independent. The return on his investment is high while the risk management processes in the company. The entrepreneur at this stage may start to think of expansion and venturing into other area. The entrepreneur is now in full of his company, the borrowed funds if any, have been paid back. This is the expected stage of any investment or business venture (Wilson, 1991).

### **2.5.5 Benefit of Entrepreneur in Private Sector**

The best things about being your own boss is the sense of independence you feel. You get a great deal of personal satisfaction from being directly involved in guiding your business's growth. It is also possible to make a sizeable fortune. You not only draw a salary but you also own the business, the value of which may increase manifold over the years. Owning your business is also good for your ego. The entrepreneur fulfills the "Nigeria dream". You are respected by others because you are not a "cog in a wheel". You are "the wheel". Clearly it gives you personal, economic and social benefits

To appreciate entrepreneurship at play in contemporary Nigeria business terrain, let's take a peek into the success story of two young companies Tantalizer and Guaranty Trust Bank respectively. Tantalizer, which was originally titled "First Bite Ltd", opened the first outlet on May 1, 1997 by Folu Ayeni.

The company's objectives were to provide customer satisfaction and value for money, motivation and satisfaction for employees and good return on investment. The business slogan of Tantalizers has been "every bite, a promise kept". The growth of Tantalizer fat food is quite explicit. The number of outlets grew from three in 1999 to nine by the end of 2001, while additional outlets were being planned in the coming years. As more outlets were being opened, they employed more hands, thereby contributing to the Nigeria economy by paying their tax and satisfying public demand.

The banking boom was in full bloom when Guarantee Trust Bank got its license in August 1990. The potential for gloom in the industry was also giving notice as Fola Adola; chief executive officer of the new venture, enterprise. The key objective of the procedure for them was to identify customer need and to stubbornly pursue whatever it would take to deliver customer satisfaction. It was the commitment to these pillars of customer satisfaction as they saw it that the entrepreneurial team of GTB faced a

market in which the number of banks had exploded from less than 40 to more than 100 reaching 120 shortly after GTB opened its' doors to business.

Guarantee Trust Bank (GTB) for the most part had been part of a few rule stone in the development of Nigeria Banking, and green staff who had been charge up with a passion of winning against impossible odds that you could smell the strategic intent of GTB from a mile off as they came calling their marketing rounds. Leading the people to learn has been part of the culture of GTB from the beginning, as illustrated by the atmosphere of creativity that is encouraged service example of executives who work the counter and leave their doors open for any bright forum have been made available at the new head office building as have facilities for in house training.

To build personal, effectiveness, it has forged a relationship with the covey leadership centre in Utah in the United State. The bank has brought covey centre trainee to Nigeria on several occasions to run leadership and personal effectiveness training programmes (Utomi, 2003). However, this has greatly contributed to the Nigeria economy by positively the government and individual.

#### **2.5.6 Challenges of Entrepreneurship in Private Sector of the Nigeria Economy**

As the global economy grows, there is greater urge for people to establish business with ultimate view of being their own bosses. In order to achieve this objective, however, there are lots of per-requisites to be acquired. Obijofor in his paper highlighted some of the ingredients, which an entrepreneur must garner in order to be well established. These include risk-taking, self-denial, the principle of thinking and doing, painstaking ability to cope with situations that require quick judgment, personal involvement in manual labour when the need arises and, of course judicious utilization of time. Also, he

most important aspect of entrepreneur is capital, which enables the individual to embark on his venture.

## **2.6 Conceptual Framework**

The term “entrepreneur” and the speculation regarding the role of the entrepreneur dates back to the physiocrats but received more serious attention in the works of Richard Cantillon (2003) and a more sophisticated formulation in the writing of Wilson (1991). However, Max Weber and Joseph Schumpeter in different ways provided more theoretical presentation of the entrepreneur. Joseph Schumpeter opined that the entrepreneur is not a man of ordinary managerial ability but one who introduces what is entirely new. He does not provide funds but directs their use.

According to Say, an entrepreneur shifts economic resources out of an area of lower productivity to an area of higher productivity and greater yield; however, Say's definition did not tell us who this entrepreneur is. In the United States of America, the entrepreneur is often referred to as one who starts his own new and small business. However, not every small business is entrepreneurial or presents entrepreneurship. Small business has many factors in common. But to be entrepreneurial, an enterprise must first of all have special characteristics over being new and small. They create something new, something different; they change or transmit values (Drucker).

According to Wilson (1991), they defined an entrepreneur as people who have the ability to see and evaluate business opportunities, acquire the necessary resources to take advantage of them and to initiate appropriate actions to ensure success. Oliver, et al (2006) states that the entrepreneur is largely viewed as the individual who takes upon himself the risk of going into business with the expectation of earning all the profits or losses. He is in economic, regarded as a special, land and labour endeavors to ensure optimal combination of these resources to maximize profit.

Entrepreneurship is generally associated with or is usually defined to reflect the indigenous trait inherent in an individual (Wehrich and Hoontz (2005). Entrepreneur can also be seen as a particular creativeness which combines resources and opportunities in view ways. It involves the application of personnel qualities, finance and other resource within the environment of business success (Wehrich and Hoontz, 2005).

According to Emmanuel (2002) entrepreneurship is seen as the willingness and the willingness and the ability of an individual to seek out an investment opportunity establish an enterprise based on this and run it successfully. From the research point of view, an enterprise does not need to be small and new to be an entrepreneur. Indeed entrepreneurship is being practical by larger and often old enterprise. What make them “entrepreneurial” are specific characteristics other than size and growth. Also, entrepreneurship is by no means limited to economic institution. It can be found in non-business serves institution such as universities and hospitals. What make this service entrepreneur in the education or health do every much the same things, use very much the same problems as the entrepreneur in business or labour union.

Entrepreneur se change as the norm and as health, they always searches for change, response to it, and exploit it is an opportunity.

## **2.7 Summary**

This chapter presents a review of relevant literature with much focus on the concept of entrepreneur and their contributions to the development of the Nigerian Economy. Public and Private Enterprise, which have a direct effect of the practice of entrepreneurial skill and the benefit and challenges available to the private entrepreneur, were closely examined. The attainment of economic development goals lays on the

entrepreneur's ability to manipulate resources. The entrepreneur must rate high in self-confidence, risky taking ability, flexibility and a strong need to achieve and an accepted way of life and that failure is a part of the learning experience. He must be willing to learn from the past experience which will channel his actions to obtain more positive result from persistent efforts. In additions he must pursuer goals related to his skills and abilities.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

The research methodology in any study reflects the nature of the subject under study. Thus, this chapter concentrates on the sources of data and how these data are analyzed so as to drive at a conclusion by the end of this study.

#### **3.2 Research Design**

The research design facilitates the procedure for gathering the required information for the study and also states the sources of such information. This study used both exploratory and descriptive design. The exploratory and descriptive research design is flexible and accurate when applied on a wide range of issues. The exploratory and descriptive researches are also very important in the identification of variables by interpreting and analyzing existing conditions.

#### **3.3 Population of the Study**

The population of this study comprised of all fast food outlets within the Federal capital Territory. Among which, Tantalizers fast food s was taken as the case study with staff strength of one hundred and twenty five in five outlets

#### **3.4 Sample Study**

By the application of random sampling technique, the researcher administered questionnaire to one hundred (100) employees from both senior and junior staff cadre of the total population of the study.

### **3.5 Sources of Data Collection**

There are two sources of data. The Primary source of data and the Secondary source of data

#### **Primary Source**

To get useful information, Tantalizers fast food was visited where questionnaires were administered to members of staff randomly. These questionnaires were of closed ended type with alternative answers to restricted. Interview method was also used.

#### **Secondary Source**

Information is primarily sourced from works of other people through alternative source like book, journals, publications, lecture notes. The national libraries and resource personnel were made use of a great extent.

### **3.6 Method of Data Analysis**

Information collected is tabulated and analyzed using percentages and the research hypotheses were tested using Chi-square statistical method.

### **3.7 Questionnaire Administration**

Out of 100 questionnaires distributed to both senior and junior staff to solicit for useful information, 80 of the questionnaires were duly completed and returned by both levels of staff.

Table 3.1: Questionnaire Distributions

Options	Number	Percentage
Questionnaires	80	80
Questionnaires not returned	20	20
Total	100	100

Sources: Field survey, 2015

From the above Table 3.1, a total of 100 questionnaires were administered and 80 were duly completed and returned while 20 were not returned.

## **CHAPTER FOUR**

### **DATA PRESENTATION AND ANALYSIS**

#### **4.1 Introduction**

This chapter deals with the presentation and analysis of data collected through the questionnaires administered. This will lead to the testing of hypotheses formulated by the researcher in the earlier part of this research work.

#### **4.2 Historical Background Tantalizers Fast Food**

The Ayeni's opened Tantalizer's fast food chain first outlets on May 1<sup>st</sup>, 1997. It was the family business idea to engage the attention of Bose (Folu Ayeni's Wife). Who retired in 1991 from Lever Brothers as the product Group Manager, after working for 11 years with the company. Folu Ayeni's then a busy executive at Rank Xerox, was just to be the corporate planner and adviser. But the success of the take-off outlet at Festac town, a predominantly residential area encouraged the Ayeni's to open a second outlet on Board Street, a commercial district exactly one year after. May 1<sup>st</sup> 1999 witnessed the establishment of the third outlet, this time in Ikeja, a major industrial area of Lagos. By this time, the complexity of operations and the management of the growing business transcended the initial entrepreneurship drives of the Ayeni's. The workforce has increased from about 25 at take-off to over 250, while the annual turnover more than quadrupled. To devote more time to the professional management of the growth and operations of Tantalizers, Folu retired from Xerox in September 1999, after 14 years of service. As Tantalizers continue to keep their promise along with its business slogan, customers kept coming in increasing numbers from far and near to daily satisfy their palates in these outlets. It was evident to them that each outlet they opened expanded the market as more people took to the habit of eating out. The number of outlets grew from three in 1999 to nine by the end of 2001, while additional outlets were being planned in

the coming years. This rapid growth created challenge on two broad front; one, operation and management of the outlets to the standards that fuelled the initial business success; and two, inventory management to ensure timely and adequate supply of materials to the outlets both in quality quantity.

As keeping up with inventory of close to 200 line items for supply to the outlets was not a mean task. It was particularly difficult to meet the demand for chicken, which represented close to 40% of the cost of raw material input. Tantalizer’s success strategy was based on the determination to provide evidence of high quality food and services to the customer. The deeply rooted entrepreneurial involvement of Folu and Bose was a strong factor that made this elegant strategy work.

At inception, Tantalizers hired a consultant to help establish a good focus on products. Tantalizers’ recipes were formulated, while production staff was tutored on production processes. Tantalizer’s food and drink products were in five major broad areas as indicated below.

Table 4.1: Tantalizer’s Food and Drinks Products

Meal	Fried Rice and Chicken, Chicken and Chips, Coconut Rice and Chicken Fillet Fish and Rice
Side item	BBQ/Roasted/Crunchy, vegetable Salad, Cake, Tasty, Pudding, Smoked Chicken
Snacks	Meat Pie, Chicken Pie, Beef roll, Beer burger, Royal Pizza, Tantalizer’s special House, Doughnut, Scotch egg, Hot dog
Drink	Can orange, Soft drinks Malt drink, Five alive, ice cream, Assorted ice cream.

**Source: Tantalizer’s Food and Drinks Products**

## Supplier and Inventory

A purchasing Manager did the buying for the outlets, guided by the sales pattern and the level of inventory. Purchasing of consumable and perishable items was done just in time of need; other items, such as Chicken were supplies. For the perishable items, the frequency of purchase was about three times weekly to ensure freshness. Most of these input raw materials were prepared and frozen and a First In First Out (FIFO) stock management system was used. Non- perishable consumer items were kept in the store. Inventories and production were decentralized and took place at the outlets.

### 4.3 Data Presentation and Analysis

Out of the total staff strength of the organization under study, which stood at 125 as at the time of carrying out in research work, 100 were selected of which 30 were administered to senior and 70 to the junior staff? The information above leads to the following tables:

Table 4.2: Classification of Respondent According to Sex

<b>Options</b>	<b>Respondents</b>	<b>Percentage</b>
Male	60	75.25
Female	20	25.75
Total	80	100

Sources: Field Survey, 2015

From above Table 4.2, it is clear that Men are more involved in entrepreneurship than Women.

Table 4.3: Classification of Respondent According to Age

<b>Options</b>	<b>Respondent</b>	<b>Percentage</b>
18-25 years	30	37.5
26-30 years	10	12.5
31-40 years	40	50
40 and above	-	-
Total	80	100

Source: Field Survey, 2015

From the above Table 4.3, entrepreneurs of average age of 31-40 years predominate in the operation of this form of business.

Table 4.4: Educational Qualification

<b>Options</b>	<b>Respondents</b>	<b>Percentage</b>
O' Level/SSCE	-	0
OND/NCE	40	50
HND/BSC	15	18.75
Others	25	31.25
Total	80	100

Source: Field Survey, 2015

From the Table 4.4, it is clear that most of the staff engaged in this business is mostly OND/NCE holders and HND/BSC holder.

Table 4.5: Category of Staff

<b>Options</b>	<b>Respondents</b>	<b>Percentage</b>
Junior	40	50
Senior	30	37.5
Management	10	12.5
Total	80	100

Source: Field Survey, 2015

From the above Table 4.5, 50% are junior staffs, 37.5% are senior staffs while 12.5% are management staffs.

Table 4.6: Classification of Respondent According to Department

<b>Options</b>	<b>Respondents</b>	<b>Percentage</b>
Accounting	13	16.25
Administrative	12	15
Personnel	22	27.5
Others	33	41.25
Total	80	100

Source: Field Survey, 2015

From the above Table 4.6, 16.25% of the respondents are in accounting department, 15% in administrative department, 27.5% are in Personnel department while 41.25% are in other departments like marketing.

Table 4.7: Years in Services

<b>Options</b>	<b>Respondents</b>	<b>Percentage</b>
Bellow 2 Years	22	27.5
3-5 Years	33	41.25
6-10 Years	13	16.25
10 and above	12	15
Total	80	100

Source: Field Survey, 2015

From the above Table 4.7, most of the staff have worked with the organization for 3-5 Years.

Table 4.8: Performance of Entrepreneurial Development in your Company

<b>Options</b>	<b>Respondents</b>	<b>Percentage</b>
Very Good	30	37.5
Good	50	62.5
Fair	-	-
Bad	-	-
Total	80	100

Source: Field Survey, 2015

From the response Table 4.8 above, 37.5% gave their opinion to be very good, 62.5% agreed to be good while fair and bad are nil. This means that the performance of entrepreneurial development is good in the organization.

Table 4.9: Training essential for Employee Capacity Building for Business Growth

<b>Options</b>	<b>Respondents</b>	<b>Percentage</b>
Yes	70	87.5
No	10	12.5
Total	80	100

Source: Field Survey, 2015

From the response Table 4.9 above, 70, representing 87.5% opinioned to yes while 10 representing 12.5% gave a contrary view.

Table 4.10: Relevant is Training to Entrepreneurship

<b>Options</b>	<b>Respondents</b>	<b>Percentage</b>
Very Essential	80	100
Not-Essential	0	0
Total	10	100

Source: Field Survey, 2015

From the response Table 4.10 above, very essential is 100% while Non-essential is nil that means training is very essential to entrepreneurship.

Table 4.11: Degree of Demand for Product or Services by Customer

<b>Options</b>	<b>Respondents</b>	<b>Percentage</b>
High	60	75
Moderate	15	18.75
Low	5	6.25
Total	80	100

Source: Field Survey, 2015

From the Table 4.11 above, it indicates that High is 75% while Moderate is 18.75% while low is 6.25%. This means that the demand is high.

Table 4.12: Entrepreneurial Development has a Significant Contribution to GDP and Provision of Employments

<b>Option</b>	<b>Respondent</b>	<b>Percentage</b>
Yes	66	82.5
No	14	17.5
Total	80	100

Source: Field Survey, 2015

From the response, “Yes” option is 82.5% and “No” option is 17.5%. this mean entrepreneurial development has made a significant contribution to GDP and provision of employment.

Table 4.13: Rate Customer Service Delivery in Organization

<b>Option</b>	<b>Respondents</b>	<b>Percentage</b>
Very High	55	68.75
High	20	25
Low	5	6.25
Total	80	100

Source: Field Survey, 2015

From the response, very high option is 68.75%, high option is 25% while low is 6.25%. This means customer service delivery is very high.

Table 4.14: Existing Government Policy Affecting Produces

<b>Option</b>	<b>Respondents</b>	<b>Percentage</b>
Yes	50	62.5
No	30	37.5
Total	80	100

Source: Field Survey, 2015

From the response, the ‘yes’ option gained 62.5% while the ‘No’ option got 37.5%. That means there is some existing government policy that is affecting the organization.

Table 4.15: Management Subordinate Relationship

<b>Option</b>	<b>Respondents</b>	<b>Percentage</b>
Cordial	60	75
Not Cordial	20	25
Total	80	100`

Source: Field Survey, 2015

From the above Table 4.15, only 75% gave their option as being cordial while 25% gave a contrary opinion. This means management – subordinate relationship is cordial.

Table 4.16: Major Problem Affecting Business Development

<b>Option</b>	<b>Respondents</b>	<b>Percentage</b>
Lack of Finance	20	25
Problem of Raw Materials	10	12.25
Multiplicity of Taxes	45	56.25
Others	5	6.25
Total	80	100

Source: Field Survey, 2015

From the response, lack of finance got 25%, problem of raw material got 12.25%, multiplicity of taxes got 56.25%, and 5 respondents representing 6.25% gave other opinion respectively. This means that multiplicity of taxes is a major problem to the organization business development.

Table 4.17: Possible Solutions to these Problems Affecting Entrepreneur

Option	Respondents	Percentage
Granting of loans from banks and Government	13	16.25
Reduction of tax by government	40	50
Government should provide more access to raw materials	15	18.75
Others	12	15
Total	80	100

Source: Field Survey, 2015

From the response, granting of loans from the banks and government is 16.25%. Reduction of tax by government is 50% and government providing more access to raw materials 18.75%. 12 respondent representing 15% of the total respondents gave alternative opinions. This means the entrepreneurs require reduction of tax by government to be able to carry out their business effectively.

#### 4.4 Test of Hypothesis

In this section, the hypothesis formulated to guide this study will be tested. To test this hypothesis, the chi-square ( $X^2$ ) statistical method was informed by the fact that the formulated hypothesis involved the personal view and assessment of the respondents.

H<sub>0</sub>: Entrepreneurial development has made no significant contribution to GDP and provision of employment in the economy.

For the test of this hypothesis question 11 proposed thus: Do you think entrepreneurial development has a significant contribution to GDP and provision of employment?

Based on the respondents answer(s), Chi-Square test was used to assess the proposition with a view to accepting the hypothesis stated above. Thus: the formula for chi-square is

$$X^2_{Cal.} = \frac{\sum(O_i - E_i)^2}{E_i}$$

Where Q<sub>i</sub> = the observed frequently

E<sub>i</sub> = the expected frequently

Note: that decisions was ruled in comparison to the degree of freedom of X<sup>2</sup> tabulated at 1dfx using 5% i.e. X<sup>2</sup> tabulated = 0.05 = 3.841, base on respondents answers to the question (4).

Table 4.18: Contingency Test for Hypothesis

Options	Yes	No
O <sub>i</sub>	66	14
E <sub>i</sub>	40	40

$$X^2_{Cal.} = \frac{\sum(O_i - E_i)^2}{E_i}$$

$$= \frac{(66 - 40)^2 + (14 - 40)^2}{40 \quad 40}$$

$$= \frac{(26)^2 + (-26)^2}{40 \quad 40}$$

$$= \frac{(26)^2 + (-26)^2}{40 \quad 40}$$

$$\begin{aligned}
& 40 \quad 40 \\
& = \frac{676}{40} - \frac{676}{40} \\
& = \frac{676}{40} + \frac{676}{40} \\
& = 22.5 + 22.5 \\
& = 33.8 \\
& = 34.
\end{aligned}$$

Decision Rule

Reject  $H_0$  and accept if  $X^2 > \text{cal } X^2 \text{ tab}$ .

Since  $X^2 \text{ cal} > X^2 \text{ tab } H_1$

bie  $34 > 3.841$ , we therefore reject  $H_0$  and accept  $H_1$  that Entrepreneurial development has made a significant contribution to GDP and provision of employment in the economy.

#### **4.5 Summary of the Finding**

It was also discovered that some government policies have favorable effect on entrepreneurial activity and tends to limit business motivation and interest. Some of the major policies affecting the organization are inadequate loans, inflation, and subsidy withdrawal on some product and increase import charges. Government should show more commitment by reviewing policies in manner that will create an investment friendly atmosphere for speedy economic growth and development.

The problems affecting entrepreneurial development are lack of finance, problem of raw material and multiplicity of taxes. Funds are not made available. To entrepreneurs, high

cost of input inevitable lead to high price for products and services, which affects customer demand in an adverse way, and taxes imposed on entrepreneur may discourage upcoming entrepreneurs from establishing own enterprise.

However, the problem affecting the entrepreneurs should be addressed by both banks and government providing efficient scheme for provision credit facilities to entrepreneurs, government should give some waves ins one of the taxes to encourage entrepreneurship, and government should also provide more access to raw materials. This can be possible if raw materials for industries input can be obtained at least cots, where government have been subsidizing any of such inputs; it should continue to do so in order to encourage growth and proliferation of local industries.

Despite the importance of the entrepreneur to economic development it has been facing quite a number of challenges, which still persist today which includes:

- **Lack of Finance:** The key problems most entrepreneurs are facing today is that of lack of finance. The natural desire of a person in financial difficulties is to maintain their credibility and credit worthiness. Commercial banks and development banks, which are expected to make loans available to the small-scale enterprises, render advice and supervise them for their growth and development, have failed in giving meaningful and adequate support to small business in Nigeria.
- **Multiplicity of Taxes:** The entrepreneur is being discouraged because of the taxes that are imposed on him such as charge for business permit, ground rent, signboard and special charge in respect of chosen area of business. These costs are enormous to bear within the running costs of the enterprise and nonpayment might even lead to closure or disruption of business activities.

- **Geographical Limitation:** A good location is necessary for a business to be able to operate effectively. There are some rural areas that have the resources entrepreneurial production purpose but such are unattractive to entrepreneurs because of infrastructural absence. An enterprise should be located closer to the reach of customers, sources for raw materials and availability of infrastructure facilities.
- **Over Dependence on Foreign Products:** Nigerians depends so much on imported goods thus killing the local market. Once there is low market for the local products, entrepreneur will be forced to fold up their business and new entrant will be discouraged to set up their own enterprise.
- **Managerial Capability on Entrepreneur:** Entrepreneur is run with high level of inefficiency. Enterprise affairs are hardly distinguished from personal or family affair especially in the recruitment of able hands to manage the enterprise.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Summary**

The research work focuses on evaluation of the contributions of Entrepreneurial Development to the Nigerians economy and the attempts that could be made to encourage entrepreneurial development in economy

To achieve this aim, the research work was approached on a systematic basis. The first chapter introduces the project topic, it state the objective of the study, formulate research questions on how the contribution of entrepreneurial development can be enhanced in Nigeria, and the problems that affect entrepreneurial development.

This was followed by an attempt to review existing literature in the field of study, with much focus on the concept, role, effect and legal issue of entrepreneurial development and its contribution to the Nigerian economy. It also looked at the entrepreneur in the public and private sector of the Nigerian economy. After reviewing relevant literature, an attempt was made to state the method used in conducting the research work. The method of data collection such as personal interview and questionnaire were discussed, techniques of data analysis and justification of the technique used in the study were also discussed.

Lastly, the research covered the presentation of data interpretation. The major research work was done here. The appraisal of the enterprise was made and summary of the finding

#### **5.2 Conclusion**

From the hypotheses tested, it was discovered that entrepreneurial development has made a significant contribution to the GDP and provision of employment in the country. Therefore for an economy to survive and thrive on healthy ground, entrepreneurs must

develop a sense of imagination, they must take risks, find and create opportunities for production. This will lead to increase in employment level, increase market demand for products and consequently increased production. The development of local small scale industries into viable production outfit seems to be the only way-out for the problems of industrial backwardness, unemployment and mass poverty.

Government should show more commitment in promoting entrepreneurship by activating existing policies and introducing new modalities such as fiscal and monetary policies incentives. Financial support and technical assistance programme. Entrepreneur should organize in a manner that will make it easier for the government to reach out to them both in the area of identifying and meeting their needs appropriately.

Also, the government should be concerned on what should assist small scale business with their major inputs. Relevant business management skills must be obtained on a regular and continuous basis to meet changing situation through symposia, workshops and exhibitions to broaden frontiers of practicing entrepreneur's exposition and experiences gained from such avenues will have tremendous impact both on the entrepreneurs as individuals and their business.

In spite of all the problems mentioned earlier, most entrepreneurs have been able to record increased net profile in their business.

#### **5.4 Recommendations**

For this research work, the following recommendations are proffered.

- **Establishment of Specialized Institutions:** The government should establish banks that would offer loans to entrepreneurs to enhance the survival of infant enterprises that is need be financed through such loans.

Such loans should be guaranteed by the government or high placed personalities in the society.

- **Provision of Infrastructural Facilities:** Government at all levels should complement the banks effort by developing industrial estates with adequate and reliable infrastructure. This will go long way to reduce cost on the part of the entrepreneurs and make them competitive.
- **Compliance with Credit Guidelines:** Financial houses and lending homes should comply with the credit guidelines central bank of Nigeria to make funds available for the development of entrepreneurship in Nigeria.
- **Reintroduction of Subsidy on some Vital Raw Material:** Industries especially the agro-allied industries and those engaged in agriculture be granted subsidy on raw materials to facilitate mass food production and supply at low rates thereby creating employment and empowerment.
- **Reduction on Taxes:** Government should reduce import taxes on essential raw materials that cannot be sourced locally.
- **Inflammation Control:** Policies that can control the excesses of players in the economy should be in place for the betterment of the economy. This will encourage foreign direct investment which are economic boosters.

Finally, most entrepreneurs are of the opinion that if their needs are being properly and adequately met, there will be a more rapid growth. It generally accepted that for a country to be truly industrialized it must be able to make machines. The quality of human resources should be increased by improvement in education and training we should remind ourselves that Rome was not built in one day, where there is a will, there will be a way that necessity is the mother of invention. Our problem is that of the will to grow and not lack of potential where many of our graduates are littering the streets.

It has been observed that lack of finance is a major hindrance in entrepreneur pursuits: this is why we are calling on financial institution and government and its agencies to come to the aid of entrepreneurs. Entrepreneurs are believed to have potentials for growth and hence reliable for promotion with their undeniable advantages, which are real, they justify the need to strengthen positions.

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## APPENDIX

- How is the performance of entrepreneurial development in your company? Very Good ( ) Good ( ) Fair ( ) Bad ( )
- Is Training essential for employee capacity building for business growth? Yes ( ) No ( )
- In your view, how relevant is training to entrepreneurship. Very Essential ( ) Non-Essential ( )
- What is the degree of demand for your product or services by your customer? High ( ) Moderate ( ) Low ( )
- Do you think entrepreneurial development has a significant contribution to GDP and provision of employments? Yes ( ) No ( )
- How do you rate customer service delivery in your organization? Very High ( ) High ( ) Low ( )
- Is there any existing government policy affecting your produces? Yes ( ) No ( )
- How is management subordinate relationship in the organization? Cordial ( ) Not Cordial ( )
- Which is the Major problem affecting your Business development? Lack of Finance ( ) Problem of Raw Materials ( ) Multiplicity of Tax ( ) Others ( )
- What are the possible solutions to these problems affecting you as an entrepreneur? Granting of Loans from Banks and Government ( ) Reduction of Tax by Government ( ) Government should provide more access to raw materials ( ) Others ( )