



THE FEDERAL POLYTECHNIC, ILARO

10TH NATIONAL CONFERENCE

SCHOOL OF MANAGEMENT STUDIES

Book of Readings

2019

**THEME: POSITIONING NIGERIA FOR GLOBALLY COMPETITIVE ECONOMY
 THROUGH YOUTH EMPOWERMENT**

ISSN: 117-1847

COPYRIGHT & REPRINT POLICY

This Publication is fully covered and protected by the Copyright Law. It is a criminal offence for any printer, distributor, book dealer or individuals to reproduce, photocopy, sell or distribute it, in part or whole, to the public without the permission of the School of Management Studies, The Federal Polytechnic, Ilaro, Ogun State.

Published by:

School of Management Studies
The Federal Polytechnic, Ilaro
Ogun State, Nigeria.

Edited by:

Ogunbi, J. O.
Sanni, M. R. (Ph.D.)
Ayozie, D. O. (Ph.D.)
Akinde, M. A (Ph.D.)
Bako, Y. A. (Ph.D.)
Aliu A. A.

Formatted by:

Faidot Publishing House, Lagos
E-Mail: jimohibrahim0201@gmail.com
Tel: 08065075070

ENTREPRENEURSHIP DEVELOPMENT AND YOUTH EMPOWERMENT: A VERITABLE SCHEME FOR ECONOMIC GROWTH IN ABEOKUTA SOUTH LOCAL GOVERNMENT

Atinuke O. AYO-BALOGUN^{1*}, Abayomi O. OGUNSANWO²

[1] Department of Business Administration, Federal Polytechnic, Ilaro, Ogun State, Nigeria, e-mail: atinuke.ayobalogun@federalpolyilaro.edu.ng

[2] Department of Business Administration, Federal Polytechnic, Ilaro, Ogun State, Nigeria, e-mail: abayomi.ogunsanwo@federalpolyilaro.edu.ng

Abstract

For every entrepreneurship initiative a job is created and if properly nurtured it expands and more jobs are created, moreover youth empowerment has been linked by previous researchers as veritable strategy for economic growth it has also been established empirically that entrepreneurship development is a veritable tool for youth empowerment. This study focused on the role of entrepreneurship in youth empowerment in Abeokuta South Local Government. The study adopted a survey research design. The entire populations of 250,278 of people in Abeokuta South Local Government were targeted. A sample of 200 SMEs (Owners Managers) was selected through a purposive (non-parametric) sampling technique, relevant data were collected using a questionnaire tagged entrepreneurship development scale. Both Descriptive and Inferential statistics tools were used in analyzing the relevant data. It was reveal from the findings of the study that Entrepreneurship Development is a strategy has a significant relationship with Youth Empowerment $r=.869$, $r^2=.755$ ($f(1/118)=363.022$; $\beta=.911$; $t=19.053$ $p<0.05$). Based on the finding it was concluded that entrepreneurship development and Youth Empowerment are good correlates and therefore recommended that government should intensify-effort at promoting youth entrepreneurship.

Keywords: Economic Growth, Entrepreneurship Development, Youth Empowerment.

INTRODUCTION

Young people are more likely to have fresh ideas and to be “born digital”; in some societies they have received more education than their parents. They are also not likely to have responsibilities such as mortgages and families, factors that generally make individuals risk averse GEM, cite in (UNCTAD, 2015) Nigerian youths constitute the most active segment of the entire population of over 140 million people (2006 census figure) (Fan, Agu & Tsav, 2016). About 70 to 80 per cent of this population is made up of youth and more than 80 percent are unemployed (Ibrahim, 2008). The estimated 10 percent in employment are burdened and depressed with near total dependence of relatives and family members (Giwa 2008) cited (Isa & Vambe, 2013). These youths roam the streets daily in search of better opportunities. They continue to ride on the unrealistic hope of dream jobs. While on the other hand, egoistic individuals perfect daily the crime of withholding these jobs (Adetipe, 2013). Somefun, (2016) their energy, vigour, inventiveness, character and orientation define the pace of development and security of any society. Fan, Agu & Tsav, (2016) to tap into this potential, several countries have recently introduced policies and programmes to foster young entrepreneurs GEM, cited in (UNCTAD, 2015)

Nigeria in her bid to develop a viable economy and reduce poverty had a number of entrepreneurial plans

**Corresponding author: Name SURNAME, E-mail*

since independence which include: the First National Development Plan (1962-1985), Rolling Plan, NEEDS and most recently, the Vision 2020 (Osabuohien et al., 2012). Regrettably, despite series of plans, all these efforts did not yield any reasonable result towards improving living standard of Nigerian (Udefuna & Uzodima, 2017). The 2012 Global Entrepreneurship Monitor (GEM) has empirically identified Nigeria as one of the most entrepreneurial countries in the world. The study showed that 35 out of every 100 Nigerians (over a third) are engaged in some kind of entrepreneurial activity or the other. Yet Nigeria has nothing to show for it.

Base on the foregoing the study set an object we make some inquisition and set an hypothesis as follows:

Objective: To examine the extent of prediction of Entrepreneurship development (ED) by Youth Empowerment (YE).

Question: What is the extent of predict of Entrepreneurship development (ED) by Youth Empowerment (YE).

Hypothesis: There is no significant prediction of Entrepreneurship development (ED) by Youth Empowerment (YE).

Literature Review

Conceptual Framework

Entrepreneurship: According to Ogundele (2005) Entrepreneurship can be define as the processes of emergence, behavior and performance of entrepreneurs. Anekwe, et al, (2018) Entrepreneurship is more than simply “starting a business”. It is a process through which individuals identify opportunities, allocate resources, and create value, (Imafidon, 2014). Anekwe, et al, (2018) Entrepreneurial success is simply a function of the ability of an entrepreneur to see opportunities in the marketplace, initiate change (or take advantage of change) and creates value through solutions. Entrepreneurship is known as the capacity and attitude of a person or group of persons to undertake ventures with the probability of success or failures. UNDP (2010) defined entrepreneurship 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. The most obvious form of entrepreneurship is that of starting new businesses (referred to as Start up Company); however, in recent years, the term has been extended to include social and political forms of entrepreneurial activity (Imafidon , 2014). Schumpeter, an entrepreneur is a person who is willing and able to convert a new idea or invention into a successful innovation. Entrepreneurship employs what Schumpeter called “the gale of creative destruction” to replace in whole or in part inferior innovations across markets and industries, simultaneously crating new products including new business models. In this way, creative destruction is largely responsible for the dynamism of industries and long run economic growth.

Youth: The concept of youth has attracted various interpretations that have mounted to a state of controversy. This controversy arises because of the difficulty in reaching an agreement on the age bracket that should constitute the acceptable youth age. Many countries see youth as ending at the age when a person is given equal treatment under the law – often referred to as the “voting age”. In many countries this happens when the young person is 18 years old. After this age, the young person is considered adult. In spite of the disparity in these views, it is generally agreed that youth is the period that marks the physical,

psychological and social transformation into adulthood. The pan-African Youth Chatter (2006) defines youth or young people as “every human being between the ages of 15 and 30 years”. This corresponds with the English convention which classifies the period of youth as falling within the ages of 15 to 30 years (Wokocha, 2002). The peculiarity of the Nigeria situation has led to the invention of social and economic definitions, which treat youth as a thing of the mind and so admits people up to the age of 40 years and beyond (Isa, et al, 2013). It should be noted that differences exist in perception of the term “youth” by governments, international organizations, and the public.

It is noteworthy that chronological age alone does not determine an adult status and that with increasing modernization, there is a tendency for most African countries, at least in their official transactions, to follow the United Nations or the British Commonwealth definitions of youths as people within the age of 15 - 24 and 15 - 29 years respectively (Egbue, 2006).

Empowerment: This is commonly used to refer to a widely participatory process of directed social change in a society, intended to bring about social and material advancement including greater equality, freedom, and other valued qualities-for the majority of the people through their gaining greater control over their environment (Arvind and Everett, 1989)cited (Isa, et al, 2013).

The World Bank defines *Empowerment* as the process of increasing the capacity of individuals or groups to make choices and to transform those choices into desired actions and outcomes. Positive youth *development* refers to intentional efforts of other youth, adults, communities, government agencies, and schools to provide opportunities for youth to enhance their interests, skills, and abilities into their adulthoods (Wikipedia).(Somefun, 2016)

Empowerment is a process of opening up something that has absolute unlimited potentials. It means reducing vulnerability and dependency. This implies action not passivity and being at the Centre not shape their lives and determine their own destinies (Fan et al, 2016).

Theoretical Framework

The study is anchored on Human Capital Theory propounded by Robert (1991). He advocates that education is a tool for improving human capital, stimulating labour productivity and boosting the levels of technology across the globe. He encourages spending on nation’s workforce because expenditure on education, training and development is a productive investment. The theoretical foundation of this work is based on Schumpeter’s Refugee Effect. This theory explains that the ability to make good judgement about the future makes an entrepreneur out of an individual. The process of unemployment fast-tracking entrepreneur activity is known as the refugee effect. Oxenfeldt (1943) as cited in Anyadike, Eme and Ukah (2012), points out that individuals confronted with unemployment and low prospects for wage employment often turn to self-employment as a viable tool alternative. The simple theory of income choice lends credence to refugee effect by suggesting that increased unemployment will lead to an increase in start-up business activity on the grounds that the opportunity cost of not starting a firm has decreased (Evans & Leighton, 1990; Blanchflower & Meyer, 1994)

Empirical Framework

Studies from previous researchers and entrepreneurship development and youth empowerment have reviewed numerous findings:

Somefun (2013) in his study; youth empowerment and development drive – An invaluable step to secure Nigeria's future prosperity, found out that investment in youth in terms of empowerment and development initiatives would immensely be an invaluable approach to ensuring the future success and greatness of the Nigerian Society.

Okoli and Okoli (2013) in their study youth empowerment through entrepreneurial development in Nigeria and established that entrepreneurial development would produce an individual who can explore and exploit available resources and initiate economically rewarding business projects that could be a catalyst for reducing unemployment problem in the nation.

Isa et al. (2013), in their study, youth empowerment and national development in Nigeria, affirmed that widespread unemployment and poverty in Nigeria has not only induced youth disempowerment, but also created conditions that predisposes the youth to deviant behavior development.

Imafidon (2014) empirically examined the relationship between entrepreneurship and economic growth in a study titled entrepreneurship development for sustaining economic growth in third world nations. The findings of the study indicates that entrepreneurship contribute significantly to employment generation and stimulate growth in the economy.

Mathalib et al (2014) examined the impact of entrepreneurship on business performance improvement and poverty reduction and found out that entrepreneurship has a positive impact on business performance.

Afolabi (2015) studied the effect of entrepreneurship on economy growth and development in Nigeria and posited that entrepreneurship can enhance economic growth and development primarily by generating employment and foster the growth of micro, small and medium enterprises in Nigeria.

Fan et al (2016) examined youth empowerment as a necessary condition for nation building in Nigeria and the study revealed that provision of employment to youths was a prudent way of making them better and therefore fight crimes associated with idle hands.

Anekwe et al (2018) carried out a study on effect of entrepreneurship development on poverty alleviation in Nigeria. The study reveals among others that entrepreneurship development stimulates employment and economic growth in developing countries.

Methodology

The study was conducted in Abeokuta South Local Government. The entire 250,278 residence of Abeokuta South Local Government Area was targeted in this study as it population of study based on this population the sample of 120 respondents was selected by means of non-parametric purposive sampling technique. The data of the study was collected by means of questionnaire and structure interviews and validity and reliability of the instrument were done by means of factor analysis and Cronbach analysis with the aid of SPSS. Test of hypothesis of this study was conducted with the aid of simple linear regression analysis.

Model Specification

$$YE = f(ED)$$

$$YE = \beta_0 + \beta_1 ED + \dots \dots \dots U_i$$

Where:

YE= Youth Empowerment

ED= Entrepreneurship Development

 β_0 = Constant β_1 = Correlation Coefficient of ED U_i = Error Term**Results and Discussion****Table 1: Correlations**

		YOUTH EMPOWERMENT	ENTREPRENEURSHIP DEVELOPMENT
Pearson Correlation	YOUTH EMPOWERMENT	1.000	.869
	ENTREPRENEURSHIP DEVELOPMENT	.869	1.000
Sig. (1-tailed)	YOUTH EMPOWERMENT	.	.000
	ENTREPRENEURSHIP DEVELOPMENT	.000	.
N	YOUTH EMPOWERMENT	120	120
	ENTREPRENEURSHIP DEVELOPMENT	120	120

Table 1 above indicates that YOUTH EMPOWERMENT (YE) and ENTREPRENEURSHIP DEVELOPMENT (ED) correlates at .869 ($r=.866$). This implies that there is a strong positive correlate between YE and ED.

Table 2: Model Summary^b (

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.869 ^a	.755	.753	1.29813	2.149

a. Predictors: (Constant), ENTREPRENEURSHIP DEVELOPMENT

b. Dependent Variable: YOUTH EMPOWERMENT

Table 2 above reveals on R-square value of $R^2 = .755$. This implies that ED is a potent factor in promoting youth empowerment about 76 percent of total variation in YE is accounted to by ED.

Table 3: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	611.745	1	611.745	363.022	.000 ^b
	Residual	198.847	118	1.685		

	Total	810.592	119			
--	-------	---------	-----	--	--	--

a. Dependent Variable: YOUTH EMPOWERMENT

b. Predictors: (Constant), ENTREPRENEURSHIP DEVELOPMENT

Table 3 above reveals a significant relationship between ED and YE at 95 percent confidence interval. Evidence by the value ($f(1/118) = t=363.022$; $P<.05$. the significant level of $p<.01$ also implies that the model is of good fit.

Table 4: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	11.948	1.731		6.901	.000	8.519	15.376
	Entrepreneurship Development	.917	.048	.869	19.053	.000	.822	1.012

a. Dependent Variable: YOUTH EMPOWERMENT

Tables 4 above confirm further that ED is a strong factor in prediction of YE. This is confirmed at 1% significant level; it implies that every 1 unit increase in Entrepreneurship Development will result in .0.917 unit increase in Youth Empowerment.

Conclusion and Recommendations

Entrepreneurship plays a crucial role in the economic growth and development of any nation. In order words, there is a veritable link between entrepreneurship development and economic development.

Economic growth is a necessary factor to foster economic development of any nation; just as Nigeria's economy has continued to grow over the last decade- with the real GDP growth rate hovering around 7%. However, economic development, which has to been in improved living standards of the populace, has remained a great challenge in the country.

Youth entrepreneurship has become a priority for the development agenda of many countries that are faced with the challenge of a youth bulge and unemployment.

Nigeria business environment and prevailing government policies and programmes are quite unstable and turbulent to allow for any significant impact on entrepreneurship development.

Wealth creation and poverty reduction are key benefits when entrepreneurship is taken seriously by the Nigerian government since unemployment will gradually be curbed.

Based on the above conclusion the following recommendations were made:

It is recommended that policy makers should recognize the essence of entrepreneurship to economic development.

A pragmatic and strategic plan on gainfully engaging Nigerian youths is another indispensable solution. Encouraging youths particularly those with identified entrepreneurial skills to go into private business.

It was also recommended that basic infrastructure in Nigeria should be fixed; this can do the magic in reviving entrepreneurship development in Nigeria and promoting the micro, small and medium enterprises sector to facilitate economic growth and development.

More so, the federal government should have a well streamlined and action oriented reform process aimed towards entrepreneurship development.

Finally, Stringent conditions for borrowing (loan) should be relaxed to encourage avail entrepreneurs opportunities of business start-ups and remove a large chunk of the nations unemployed population out of the streets. Favourable economic policies and laws should be developed or strengthened, inflation reduced and favourable monetary/ fiscal policies encouraged.

Reference

- Abd Aziz Muthalib, L.M. Harafah, Muh. Yani Balaka and Rostin. (2014). Entrepreneurship and its Impact on Business Performance Improvement and Poverty Reduction (An empirical Study Micro Business Industrial Sector in Kendari). *International Journal of Humanities and Social Science* , PP.55-65 .
- Abd Aziz Muttalib, Sri Wiyati M, Ibnu Hajar, Zainuddin S, S. (2016). The Effect of Entrepreneurship on Poverty Reduction Bandar Seri Begawan . *The IIER International Conference*.
- Adeoye, A. (2015). The Effect of Entrepreneurship on Economy Growth and Development In Nigeria. *International Journal of Development and Economic Sustainability*, 49-65.
- Anekwe R I, Ndubuisi- O. P & Attah E. Y . (2018). Effect of Entrepreneurship Development on Poverty Alleviation in Nigeria. *IOSR Journal of Business and Management (IOSR-JBM)*, PP 80-87.
- Chinonye Moses, Oludayo O, Akinbode Mo, A M, Oluyomi Ola-David, O, Steven U. A. (2015). Entrepreneurship Education and Poverty Alleviation: Impact Analysis of Covenant University Graduate between 2006- 2013. *International Conference on African Development Issues (CU-ICADI)*.
- Diyoke, C. I. (2014). Entrepreneurship Development in Nigeria: Issues, Problems and Prospects. *International Journal of Technical Research and Applications*, PP. 19-23.
- Fan A.F, Agu A. P & Tsav S. A. (2016). Youth Empowerment as a Necessary Condition for Nation Building: Nigerian Experience. *International Journal of Education, Learning and Development*, pp.9-18.
- Imafidon, K. (2014). Entrepreneurship Development for Sustaining Economic Growth in Third World Nations. *Journal of Emerging Trends in Economics and Management Sciences (JETEMS)*, PP. 101-108.
- Isa, A. M & Vambe, J. T. (2013). Nigeria Youth Empowerment and national Development in Nigeria. *International Journal of Business and Management Invention*, PP.82-88.
- Metu, A. G. & Nwokoye, E. S. (2014). Entrepreneurship Development in Nigeria: Prospects and Challenges International Conference on Entrepreneurship: Strategy for Socio-Economic advancement in Emerging Economies. *organized by the Department of Business Administration, Faculty of Social and Management Sciences, Bowen University . Iwo*.
- Okoli, D.I & Okoli, E.I. (2013). Youth Empowerment through Entrepreneurial Development in Nigeria. *Journal of Educational and Social Research*.
- Somefun, O. A. (2016). Youth Empowerment and Development Drive – An Invaluable Step to Secure Nigeria’s Future Prosperity. *Federal University of Technology, Akure (FUTA)*.
- Udefuna P. N. & Uzodima E. E. . (2017). Entrepreneurship Development in Nigeria: Issues for Policy and Legislative Attention. *Journal of Politics and Law*.
- UNCTAD. (2015). *Promoting Entrepreneurship for Development*. United Nation's Conference on Trade and Development