

**ENTERPRENURSHIP DEVELOPMENT AS A TOOL FOR GLOBAL
COMPETITIVENESS: OGUN STATE EXPERIENCE**

Being a Paper

Jointly Presented

By

**James Ige Orija, Ph.D & Isaac Akindele Jolaade
Dept. of Office Technology and Management
The Federal Polytechnic, Ilaro
Ogun State
Tel. 08057679536; e-mail:orijaji@gmail.com
Tel. 08072121791; e-mail: isaacjolaade@gmail.com**

**At the First International Conference on Knowledge and Technological Innovation for
Global Competitiveness, organized by the Federal Polytechnic, Ilaro, Ogun State, held
between 5th and 8th November, 2018**

Abstract

The key to any nation's economic growth is the nurturing and developing of its entrepreneurial talents. Entrepreneurship is therefore a critical driver of economic growth, innovation and prosperity of a nation. Global Competitiveness on the other hand, provides a comparative overview of the economic and business potential of countries all over the world. It can also be regarded as the ability of a country to achieve sustained high rate of growth in gross domestic product (GDP). The study investigated the role of entrepreneurship towards economic development of a nation for global competitiveness. The study was carried out in Ogun State of Nigeria. In carrying out the study, two null hypotheses were generated. Three hundred respondents were purposively selected for the study. Questionnaire was the main instrument used to gather data from the respondents on the study. Chi-square method was used to analyse the data collected. It was concluded that entrepreneurship is positively correlated to economic growth of a nation for global competitiveness. It was recommended among others that government at all levels should provide enabling environment and make policies that could enhance entrepreneurship. This would enable a country to compete favourably with other countries of the world.

Keywords: Entrepreneurship development, global competitiveness, tool, driver

Introduction

The key to any nation's economic growth is the nurturing and developing of its entrepreneurial talents. Entrepreneurship is therefore a critical driver of economic growth, innovation and prosperity of a nation. Global Competitiveness on the other hand, provides a comparative overview of the economic and business potential of countries all over the world. It can also be regarded as the ability of a country to achieve sustained high rate of growth in gross domestic product (GDP).

Entrepreneurship serves as symbiotic link to liberty and tool for global competitiveness. Bryan (2013) reiterated that the key to a nation's economic growth is the nurturing and unleashing of its entrepreneurial talents. Whether in developed nations such as the United States or in emerging democracies, the development and stimulation of a culture of entrepreneurship can create jobs, opportunity and a burgeoning middle class. The challenge cannot be solely met from top-down strategic planning from a central government, but through the development of a more entrepreneurship-friendly environment in such areas as policy visibility, financial stability, global trade and associated intellectual property issues as well as household income. According to him, the fostering of entrepreneurship is important to every nation, emerging or enduring, because of its symbiotic link to liberty.

Oyeyomi (2003) opined that poverty is a global phenomenon which affects continents, nations and people differently. It afflicts people in various depths and levels, at different times and phases of existence. Also, Osuala (2009) referred to poverty as a lack of command over basic consumption needs, that is, a situation of inadequate level of consumption; giving rise to insufficient food, clothing and shelter. He posited further that the poor are poor because they are poor, their poverty conditions inter-lock like a web to trap people in their deprivation.

Oteje (2011) remarked that if we look deep into the present economy of the world at large, we will discover that only the few countries that involve themselves in entrepreneurship business are the one surviving. Furthermore, he posited that most economists today agreed that entrepreneurship is a necessary ingredient for stimulating change and development in all societies; and in the developing world, successful small businesses are the primary poverty reduction. Therefore, government support for entrepreneurship is a crucial strategy for economic development.

According to UNIDO (1999), entrepreneurship is the process of using initiative to transform business concept to new venture and diversify existing venture or enterprise to high growing venture potentials. Suberu, Aremu and Popoola (2011) asserted that entrepreneurship remains one of the most reviewed topics in literature especially as its impact on all kinds of economics cannot be overlooked worldwide. It is accepted as the engine of economic growth and for promoting equitable development. Evoma (2017) posited that entrepreneurship plays an influential role in the economic growth and standard of living of a country.

Akhuemonkhan, Raimi and Sofoluwe (2013) remarked that Nigeria adopted entrepreneurship education to accelerate economic growth and development. Iro-Idoro, Ayodele and Jimoh (2013) cited The World Economic Forum (2009) to buttress that entrepreneurship education is critical for developing entrepreneurial skills and behaviours that are basis for economic growth. Buttressing further, Orija (2010) cited Shyllon (2006) posited that entrepreneurship education is designed to develop particular knowledge and skills that are essential with various economic activities in making a living. In their contribution, Aninkan and Oni (2013) cited Pioty and Rekowski (2008) said that the rapid expansion of small scale enterprises in economics of developed countries in the 1980s and 1990s has created a widespread conviction that small and new ventures are the most important source of entrepreneurship and as dynamic and innovative factor, they contribute directly to economic growth. According to them, Small and Medium Enterprises (SMEs) occupy a place of pride in virtually every country or state. They posited further that SMEs represent a veritable vehicle for the achievement of national economic objectives of employment generation and poverty reduction at low investment cost as well as the development of entrepreneurial capabilities including indigenous technology.

Notwithstanding the intentions of policy makers according to Bryan (2013), entrepreneurs and small businesses realize that a nation that has incurred more debt in just four years than in its entire 200-year history, as is the case for the U.S., is on an unsustainable trajectory. As a result, its job creation and GDP enhancing efforts are tempered. Many of these same issues are impediment to business formation elsewhere, such as the European Union. Until investment is visible to the entrepreneurial cadre, we can expect sub-par growth in this important sector. Therefore according to him, the fostering of entrepreneurship is important to every nation, emerging or enduring, because of its symbiotic link to liberty.

Elumelu (2015) posited that Global Competitiveness is expected to contribute to the job creation, wealth, and improving the well-being and quality of life of our people – through the production of products and services and the promotion of the human qualities required for such production. He said further that entrepreneurship has been described as the driving force of decentralising and restructuring an economy while moving it towards a market economic process. According to him entrepreneurship has been identified by many economists as a vital force in the process of industrialisation in particular and economic development in general. He posited further that Economic Development is not to be considered as an end in itself, but is a means to an end.

Economic development is concerned, ultimately, with the achievement of better nourishment, better education, better health, better living conditions and an expanded range of work and leisure for the people. It is a rise in real per capita income which is a relevant criterion to judge the extent of development in a region as it is a means for the attainment of desired standards in nourishment, education, health, and living conditions. In other words, entrepreneurship is the key to the creation of new enterprises that energizes the economy and rejuvenates the established enterprises that make up the economic structure that sustains global competitiveness.

Statement of the Problem

Competitiveness can be described as the ability of a nation to create and maintain an environment that sustains more value creation for her enterprises and more prosperity for her citizens. Global Competitiveness on the other hand is the ability of a nation to achieve sustained high rates of growth in Gross Domestic Product (GDP) per capital. Global Competitiveness therefore plays significant role in the standard of living of citizens all over the world. As laudable as it is, the activities of entrepreneurs are being regulated through various policies, rules and laws of governments all over the world. This has been affecting the growth and development of entrepreneurship. Also, is lack of enabling environment and poor infrastructural facilities. This study therefore investigated how entrepreneurship could serve as a platform for sustainable global competitiveness in order to enhance the standard of living of citizens all over the world.

Objective of the Study

The main objective of this study was to investigate how entrepreneurship could be used as a platform for sustainable global competitiveness in order to enhance the standard of living of citizens all over the world. The specific objectives are:

- (1) To determine the relationship between entrepreneurship and global competitiveness.
- (2) To determine the effect of entrepreneurship on global competitiveness

Hypotheses

In carrying out the study, the researchers raised the following hypotheses:

1. There is no significant relationship between Entrepreneurship Development and Global Competitiveness.
2. There is no significant effect of Entrepreneurship Development on Global Competitiveness.

Methodology

The study was a survey and carried out in Ogun West Senatorial District. The population used for the study consisted of entrepreneurs and innovators who carry out their business activities in this part of the country. Using purposive sampling technique, a sample size of Three hundred (300) entrepreneurs were selected for this study. Two null hypotheses were raised from which the questionnaire used to gather data from the respondents was developed. The questionnaire was validated by experts in entrepreneurship development. The items in the questionnaire were structured in such a way that the respondents were expected to choose one out of the four options provided. The options provided were: Strongly Agree, Agree, Disagree and Strongly disagree. Values were attached to the options as follows: Strongly Agree attracts four marks, Agree three marks, Disagree two marks and Strongly Disagree one mark.

Three hundred questionnaires were administered on the selected respondents. The researchers employed the services of some research assistants during the exercise. All the questionnaires administered were duly completed and returned. This was made possible through the help of Research Assistants who reside in the geographical area where the study was carried out. Chi-square method of analysis was used to analyse the data collected. According to the

rule, if the calculated chi-square value is greater than the critical (table) value, the hypothesis would be rejected. However, if it is the other way round, the hypothesis would be accepted.

Results

Hypothesis One: There is no significant relationship between Entrepreneurship Development and Global Competitiveness.

Table 1: Chi-square analysis on the relationship between Entrepreneurship Development and Global Competitiveness.

Expected counts are printed below observed counts while Chi-Square contributions are printed below expected counts.

	SA	A	D	SD	Total
1	111	174	9	6	300
83.01	176.27	31.46	12.26		
	9.437	0.029	16.031	0.867	
2	57	201	21	21	300
85.48	181.51	32.39	12.62		
	0.145	2.093	14.126	0.209	
3	86	132	54	28	300
82.19	174.53	31.14	12.14		
0.177	10.363	16.773	20.723		
4	81	168	51	0	300
82.19	174.53	31.14	12.14		
	0.017	0.244	12.659	12.139	
5	12	186	48	54	300
82.19	174.53	31.14	12.14		
	59.941	0.754	9.123	144.351	
6	75	204	15	6	300
82.19	174.53	31.14	12.14		
	0.629	4.977	8.369	3.105	
7	111	168	21	0	300
82.19	174.53	31.14	12.14		
	10.100	0.244	3.304	12.139	
8	48	180	66	6	300
82.19	174.53	31.14	12.14		
	14.222	0.172	39.009	3.105	
9	74	212	9	5	300
82.19	174.53	31.14	12.14		
	0.816	8.046	15.745	4.199	
10	139	129	29	3	300
82.19	174.53	31.14	12.14		
39.269	11.876	0.148	6.881		

Total 826 1754 313 119 3000

Chi-Sq = 516.555, DF = 27, P-Value = 0.000

The result shows the chi-square value of 516.555 with 27 degrees of freedom. The p-value 0.000 which is less than the significance value of 0.05, hence the alternative hypothesis is accepted.

Hypothesis Two: There is no significant effect of Entrepreneurship Development on Global Competitiveness.

Table 2: Chi-square analysis on the effect of Entrepreneurship Development on Global Competitiveness.

Expected counts are printed below observed counts while Chi-Square contributions are printed below expected counts.

	SA	A	D	SD	Total
1	111	174	9	6	300
83.01	176.27	31.46	12.26		
	9.437	0.029	16.031	0.867	
2	57	201	21	21	300
85.48	181.51	32.39	12.62		
	0.145	2.093	14.126	0.209	
3	86	132	54	28	300
82.19	174.53	31.14	12.14		
0.177	10.363	16.773	20.723		
4	81	168	51	0	300
82.19	174.53	31.14	12.14		
	0.017	0.244	12.659	12.139	
5	12	186	48	54	300
82.19	174.53	31.14	12.14		
	59.941	0.754	9.123	144.351	
6	75	204	15	6	300
82.19	174.53	31.14	12.14		
	0.629	4.977	8.369	3.105	
7	111	168	21	0	300
82.19	174.53	31.14	12.14		
	10.100	0.244	3.304	12.139	
8	48	180	66	6	300
82.19	174.53	31.14	12.14		
	14.222	0.172	39.009	3.105	

9	74	212	9	5	300
82.19	174.53	31.14	12.14		
	0.816	8.046	15.745	4.199	
10	139	129	29	3	300
82.19	174.53	31.14	12.14		
39.269	11.876	0.148	6.881		
Total	826	1754	313	119	3000

Chi-Sq = 516.555, DF = 27, P-Value = 0.000

The result shows the chi-square value of 516.555 with 27 degrees of freedom. The p-value 0.000 which is less than the significance value of 0.05, hence the alternative hypothesis is accepted.

Discussion

The results revealed that the null hypothesis was rejected since the calculated chi-squares value of 516.55 is greater than the p-value of 0.000 required for significance at 0.05 level. The result indicates that there is significant relationship between Entrepreneurship and Global Competitiveness. The outcome of this study corroborates the opinion of Oteje (2011) on the importance of entrepreneurship to the economic and social development of any nation. There is no doubt that only the countries that involve themselves in entrepreneurship business are the one surviving.

The result of the data in table two revealed that Entrepreneurship plays significant role on Global Competitiveness. Therefore, the hypothesis was rejected. According to Elumelu (2015), Global Competitiveness is expected to contribute to the job creation, wealth, and improving the well-being and quality of life of people. This can only be achieved through entrepreneurship. He stated further that entrepreneurship has been described as the driving force of decentralising and restructuring an economy while moving it towards a market economic process. He submitted that entrepreneurship is a vital force in the process of industrialisation in particular and economic development in general.

Conclusion

Global competitiveness provides a comparative overview of the economic and business potentials all over the world. It can also be described as the ability of a country to achieve sustained high rate of growth in Gross Domestic Product (GDP). The key to any nation's social and economic development is therefore the nurturing and developing of its entrepreneurial talents. This is because Entrepreneurship is a critical driver of a nation's economy for global competitiveness.

Recommendations

Based on the findings of this study, the following recommendations were made:

- ❖ Government at all levels (Federal and State) should provide enabling environment for entrepreneurship to thrive.
- ❖ As a way of encouraging entrepreneurs, government should grant them tax holiday. This would enable them to sustain and maintain their businesses.
- ❖ Financial Institutions should grant entrepreneurs loans with lower interest. This would enable them to finance their businesses with ease.
- ❖ Entrepreneurs should be proactive in their day-to-day activities through creativity and innovation.
- ❖ There would be financial discipline among entrepreneurs. Accountability should be watchword.

References

- Akhuemokhan, I. A., Raimi, L. and Sofoluwe, A .O. (2013). Entrepreneurship Education and Employment Stimulation in Nigeria. Afro Asian Journal of Social Sciences, Volume 4, No. 1, Quarter 1.
- Aninkan, O. O. and Oni, O. O. (2013). Entrepreneurship: Index of Poverty Reduction in Ogun State, Nigeria. A Book of Reading, 2nd National Conference of School of Applied Science, The Federal Polytechnic, Ilaro, Ogun State.
- Bryan, Jon L. (2013). Entrepreneurship: The Key to Global Competitiveness, http://vc.brigew.edu/management_fac/13.
- Elumelu, Tony (2015). Achieving Global Competitiveness: The Place of Science and Technology, <https://guardian.ng>
- Evoma (2017), Roles of Entrepreneurship in Economic Development of a Country. <https://evoma.com/business-centre-category/starting-a-business/>
- Iro-Idoro, C. B., Ayodele, K .O. and Jimoh, T. A. (2013). National Transformation Agenda as a Veritable Tool for Addressing the Challenges Facing Entrepreneurship Education in Federal Polytechnics in Nigeria: Students' Perspectives. A Book of Reading, 2nd National Conference of School of Applied Science, The Federal Polytechnic, Ilaro, Ogun State.
- Orija, J.I. (2013), Achieving the National Transformation Agenda Through Entrepreneurship Education. A Book of Reading, 2nd National Conference of School of Applied Science, The Federal Polytechnic, Ilaro, Ogun State.
- Osuala, A.E. and Hamilton, O.I. (2009), Microfinance and Rural Poverty Alleviation in Nigeria
- Oteje, K.M.J. (2011), Entrepreneurship, Job Creation, Income Empowerment and Poverty Reduction in Nigeria. Pg 3 – 5.
- Oyeyomi, O.E. (2003), An Assessment of Poverty Reduction Strategies in Nigeria (1983-2002), A Dissertation submitted in partial fulfillment of the requirement for the award of Doctor of Philosophy at the St. Clement University.
- Suberu, O.J., Aremu, O.S. and Popoola, E.G. (2011), The Impact of Microfinance Institutions on the Development of Small Scale Enterprises in Nigeria, Journal of Research in International Business Management Volume I, No. 8, pp 251-257.
- UNIDO (1999), Clusters and Poverty (Assessed from www.unido.org.fileadmin/industrial. 10th June, 2011).