

**ENTREPRENEURSHIP DEVELOPMENT AND YOUTH EMPOWERMENT IN YEWA
SOUTH LOCAL GOVERNMENT, OGUN STATE.
BY**

**Chukwudumebi Cynthia Ajao , and Ismail Alani Busari
Department of Accountancy, The Federal Polytechnic, Ilaro
dumebi_okeleke@yahoo.com and busariiaacct@gmail.com
[08067382412](tel:08067382412) & [08060708423](tel:08060708423)**

Abstract

This paper examined youth empowerment through entrepreneurship development. The extent at which Nigeria Government has supported entrepreneurship development and the effect on unemployment, poverty and the standard of living. Questionnaires were administered to randomly selected youths of Yewa South Local Government of Ogun State. Descriptive statistics was employed using SPSS analysis which showed that entrepreneurship development explains much more of the variability in unemployment than youth empowerment. Entrepreneurship development and youth empowerment has significant effect on the level of unemployment. It was concluded that entrepreneurship has contributed significantly to the standard of living of Yewa South Local Government indigenes and has reduced the rate of unemployment and poverty. Recommendations made were Fixing Nigeria's basic infrastructure can do the magic in reviving entrepreneurship development in Nigeria, providing enabling environment for entrepreneurs to strive and survive.

Keywords: Entrepreneurship, Standard of living, Unemployment, Youth, Youth Empowerment.

INTRODUCTION

Youth in any society are known as the leaders of tomorrow. They play a crucial role in the prospect for development and should be included in all national development plans and programmes

Youth globally have no exact age range. The United Nations often use the age range 15-24 for statistical purposes (SNYPD, 2009). The National Youth Policy (2009) defines youth as all young males and females aged 18-35 years, who are citizens of the Federal Republic of Nigeria, this age range represents more than one-third of the Nigerian population.

Low economic growth, low economic activity and low investment have been adduced as factors contributing to low job creation and due to increase in population growth, the small labour market is unable to absorb the resulting army of job seekers in Nigeria (Emeh, 2012).

Youth empowerment is a process where children and young people are encouraged to take charge of their lives. They do this by addressing their situation and then take action in order to improve their access to resources and transform their consciousness through their beliefs, values, and attitudes.

Youth empowerment programs are aimed at creating healthier and higher qualities of life for underprivileged or at-risk youth. The five competencies of a healthy youth are: (1) positive sense of self, (2) self- control, (3) decision-making skills, (4) a moral system of belief, and (5) pro-social connectedness.

Adam Smith, founding father of modern economics ‘detested business men’ (Lewis, 1988: 35). Development scholars and development economists in particular have, if not detesting business

men or entrepreneurs, (benignly) neglected them. Following Leff (1979: 51) many development scholars took the position that “entrepreneurship is no longer a problem or a relevant constraint on the pace of development” in developing countries. Entrepreneurship scholars on other hand have been more concerned with the who, why and how of entrepreneurship rather than with the impact of entrepreneurship on development or developing countries (Bruton, Ahlstrom, and Obloj, 2008; Shane,1997); a state of affairs described as a ‘scholarly disconnect’ (Audretsch, Grilo and Thurik, 2007).

Why does this matter? First, it is widely believed that entrepreneurship is beneficial for economic growth and development. Second, entrepreneurship has been remarkably resurgent over the past three decades in countries that achieved substantial poverty reduction, such as in China. Third, donors and international development agencies have turned to entrepreneurship to improve the effectiveness and sustainability of aid.

Entrepreneurship could be defined as the creation of new enterprising activities such as innovation, new venture and strategic renewal leading to social and economic performance within companies (Habbershon, Nordqvist & Zellweger, 2010; Rocha, 2004).

Innovations that influence the growth of free market economy and its general performance Iyigun and Keskin (2015).

The Objectives of this paper are to determine the extent at which youth empowerment through entrepreneurship has affected the standard of living of Yewa South local government indigenes and to examine how Entrepreneurship development has reduced the level of unemployment. The research questions are how has youth empowerment affected the standard of living of Yewa

South Local Government indigenes and what are the effects of entrepreneurship development on the level of unemployment of Yewa Local Government indigenes?

Hypotheses

H₀₁: There is no significant effect of Youth empowerment on the standard of living of Yewa South Local Government Indigenes.

H₀₂: There is no significant effect of Entrepreneurship Development on the level of unemployment of Yewa South Local Government Indigenes.

Literature review

Theoretical Review

Psychological Entrepreneurship Theory

The level of analysis in psychological theories is the individual (Landstrom, 1998). These theories emphasize personal characteristics that define entrepreneurship. Personality traits need for achievement and locus of control are reviewed and empirical evidence presented for three other new characteristics that have been found to be associated with entrepreneurial inclination. These are risk taking, innovativeness, and tolerance for ambiguity.

Coon (2004) defines personality traits as “stable qualities that a person shows in most situations”.

Some of the characteristics or behaviors associated with entrepreneurs are that they tend to be more opportunity driven (they nose around), demonstrate high level of creativity and innovation, and show high level of management skills and business know-how. They have also been found to

be optimistic, (they see the cup as half full than as half empty), emotionally resilient and have mental energy, they are hard workers, show intense commitment and perseverance, thrive on competitive desire to excel and win, tend to be dissatisfied with the status quo and desire improvement, entrepreneurs are also transformational in nature, who are lifelong learners and use failure as a tool and springboard. They also believe that they can personally make a difference, are individuals of integrity and above all visionary.

Sociological Entrepreneurship Theory

Sociological enterprise focuses on the social context. In other words, in the sociological theories the level of analysis is traditionally the society (Landstrom, 1998). Reynolds (1991) has identified four social contexts that relates to entrepreneurial opportunity.

The first one is social networks. Here, the focus is on building social relationships and bonds that promote trust and not opportunism. In other words, the entrepreneur should not take undue advantage of people to be successful; rather success comes as a result of keeping faith with the people.

The second he called the life course stage context which involves analyzing the life situations and characteristic of individuals who have decided to become entrepreneurs. The experiences of people could influence their thought and action so they want to do something meaningful with their lives.

The third context is ethnic identification. One's sociological background is one of the decisive "push" factors to become an entrepreneur. For example, the social background of a person determines how far he/she can go. Marginalized groups may violate all obstacles and strive for success, spurred on by their disadvantaged background to make life better.

The fourth social context is called population ecology. The idea is that environmental factors play an important role in the survival of businesses. The political system, government legislation, customers, employees and competition are some of the environmental factors that may have an impact on survival of new venture or the success of the entrepreneur.

Opportunity-Based Entrepreneurship Theory

The opportunity-based theory is anchored by names such as Peter Drucker and Howard Stevenson. An opportunity-based approach provides a wide-ranging conceptual framework for entrepreneurship research (Fiet, 2002; Shane, 2000). Entrepreneurs do not cause change (as claimed by the Schumpeterian or Austrian school) but exploit the opportunities that change (in technology, consumer preferences etc.) creates (Drucker, 1985). He further says, “This defines entrepreneur and entrepreneurship, the entrepreneur always searches for change, responds to it, and exploits it as an opportunity”. What is apparent in Drucker’s opportunity construct is that entrepreneurs have an eye more for possibilities created by change than the problems. Stevenson (1990) extends Drucker’s opportunity-based construct to include resourcefulness. This is based on research to determine the differences between entrepreneurial management and administrative management. He concludes that the hub of entrepreneurial management is the “pursuit of opportunity without regard to resources currently controlled”

Empirical Review

Nigeria’s Efforts in Youth Empowerment

This is geared towards assessing the extent to which the Nigerian government (past and present) is ensuring human capital development with the youth in focus. In consonance with the role of human capital and the realization of youth empowerment as a tool to achieve economic

development, the government over the years has initiated many youth empowerment schemes among which are:

□ National Directorate of Employment (NDE) NDE was established to provide employment for Nigerian youths or retired persons. Those who require the services of the NDE are assured of being trained in their chosen vocations but little have been seen in this direction.

□ Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) SMEDAN was established by SMEDAN ACT of 2003 to promote the development of the MSME sector of the economy. Small and Medium Enterprise Development Agency of Nigeria was to establish an efficient micro, small and medium enterprises sector that will enhance sustainable development. A well-developed MSMEs sector has proven to be one of the most veritable channels to combat poverty.

□ Youth Empowerment Scheme. The National Information Technology (IT) policy objective was to empower the youth with IT skills and prepare them for global competitiveness.

□ Youth Empowerment Network This came into existence under the Millennium Declaration by the Federal and States government to give youth a real chance to find decent productive jobs anywhere they find themselves.

□ National Poverty Eradication Programme (NAPEP), created with the sole aim of empowerment through poverty reduction.

In recent times, the FGN through the Public Works, Youth and Women Employment (PW/WYE) component of the Subsidy Reinvestment and Empowerment Programme (SURE-P) established the GIS. The Graduate Internship Scheme (GIS) employed 50,000 youth across the country to

ensure that their skills have been developed towards empowering them to be employable in the short/medium/long term. The project is expected to generate 50,000 skilled jobs and 320,000 unskilled job opportunities. It is to be implemented in partnership with the States, local government and private sector (FGN, 2012).

The Youth Enterprise with Innovation in Nigeria (You WIN) programme is a collaboration of the Federal Ministries of Finance, Communication Technology and Youth Development to organize an annual Business Plan Competition (BPC) for aspiring young entrepreneurs in Nigeria. The programme will provide a one-time Equity Grant of 1 million—N10 million to 1,200 selected aspiring entrepreneurs to start/expand their business concepts and mitigate start up risks; and to further generate some 80,000--110,000 new jobs for unemployed Nigerian youths over a three-year period.

The Relationship between Entrepreneurship and Standard of Living

With all the effort of Nigeria Government listed above unemployment has reduced with a significant figure thereby increasing the standard of living of individual and the local government entirely.

A standard of living is the level of wealth, comfort, material goods and necessities available to a certain socioeconomic class or a certain geographic area

The Entrepreneurship Development Centres (EDCs) were set up in the six geo-political zones (South-West, South-South, South-East, North-West, North-Central and North-East) to bridge gaps in various elements of youth entrepreneurship development. To date, over 102,000 youths have benefited from the initiative. Since government cannot solely create for all youths and others, there are imperatives for private sector-driven entrepreneurial development. These

include reduction in crime and social vices, improving economic conditions for business viability, guaranteed future for the country and improved self-worth of Nigerian Youths.

Methodology

The study employed descriptive survey design which involves gathering data through primary data with the use of questionnaire on youth empowerment through entrepreneurship development, job creation and improved standard of living. The population of the study is all the entrepreneurship skills in Yewa south local Government out of which five (5) skills were randomly selected as sample size these are hairdressing, barbing, fashion designing, soup making and trading. 100 questionnaires were distributed to the sample size and 86 were returned from the sample size. Hypotheses were tested using SPSS version 23 to accomplish the research objectives.

Results and Discussion

Table 1 DESCRIPTIVE STATISTICS OF THE RESPONDENTS BIO-DATA

		Frequency	Percent
GENDER	MALE	52	60.5
	FEMALE	34	39.5
AGE	18-20 YEARS	7	8.1
	21-30 YEARS	20	23.3
	31-40 YEARS	40	46.5
	41 YEARS AND ABOVE	19	22.1
QUALIFICATION	FORMAL EDUCATION	32	37.2
	NO FORMAL EDUCATION	25	29.1
	TRAINING	21	24.4
	APPRENTICESHIP	8	9.3
TYPE OF BUSINESS	BARBING/HAIRDRESSING	24	27.9
	FASHION DESIGNING	46	53.5
	SOAP MAKING	7	8.1
	TRADING	9	10.5
NUMBER OF YEARS IN THE BUSINESS	0-5 YEARS	12	14.0
	6-10 YEARS	33	38.4
	11-15 YEARS	37	43.0
	16 YEARS AND ABOVE	4	4.7
SOURCES OF FINANCE	FRIENDS/FAMILY	12	14.0
	BANK LOAN	14	16.3
	GOVERNMENT SUPPORT	12	14.0
	SAVINGS	48	55.8
AVERAGE MONTHLY RETURNS	#20, 000-#30, 000	28	32.6
	#31, 000 - #50, 000	33	38.4
	#51, 000 and Above	25	29.1

Source: Field Survey, 2019

The table 1 above shows the descriptive properties of the respondents. The gender show that of 86

respondents, 52 were males while 34 were females. Age distribution of the respondents shows that 7 respondents representing 8.1% are between 18-20 years, 20 respondents representing 23.3% are between 21-30 years, 40 respondents representing 46.5% are between 31-40 years, 19 respondents representing 22.1% are 41 years and above. qualification shows that of 86 respondents, 32 respondents representing 37.2% has formal education, 25 respondents representing 29.1% has no formal education, 21 respondents representing 24.4% undergo training and 8 respondents representing 9.3 acquired their experience through apprenticeship.

Business type indicates that 24 respondents representing 27.9% engaged in barbing/hairdressing, 46 respondents representing 53.5% engaged in fashion designing, 7 respondents representing 8.1% engaged in soap making and 9 of the respondents representing 10.5% engaged in trading business. This follows that 70% of the respondents are engaged in both barbing/hairdressing and fashion designing. It is shown from the table that 12 respondents representing 14% have been in the business for 0-5 years, 33 respondents representing 38.4% have been in the business for 6-10 years, 37 respondents representing 43% have been in the business for 6-10 years, and 4 of the respondents representing 4.7 have been in the business for 16 years and above. This implies that 86% of the respondents have nothing less than 5 years' experience in the business and the respondents are experienced enough to give a realistic information about the business. 12 of the respondents representing 14% source for their start-up capital through friends/family, 14 respondents representing 16.3% source for their start-up capital from bank loan, 12 respondents representing 14% sourced for their start-up capital through government support and 48 of the respondents representing 55.8% got their start-up capital through savings. This implies that majority of the job created in yewa south local government were created majorly through savings, bank loan with less government intervention. 28 of the respondents representing 32.6% averagely earn income of #20, 000 to #30, 000 monthly, 33 respondents representing 38.4% earn average income of #31, 000 to #50, 00, while 25 of the respondents representing 29.1% earn average income of #51, 000 and above monthly. This indicates that youths that are fully engaged in yewa south local government averagely earn #45, 000 monthly from their businesses.

Table 2 **Correlations for Unemployment**

	Entrepreneurship Development (ED)	Youth Empowerment (YE)
Unemployment/Job Creation	-.564**	-.372**

Entrepreneurship Development (ED)		.237
Youth Empowerment (YE)		

** Correlation is significant at the 0.01 level (2-tailed).

Source: Field Survey, 2019

The table 2 above shows the Pearson product moment correlation which was conducted to determine the extent at which entrepreneurship development and youth empowerment has affected the rate of unemployment in yewa south local government. Unemployment was strongly negatively related to entrepreneurship development $r(615) = -.564, p < .01$ than to youth empowerment, $r(615) = -.372, P < .01$. These findings indicated that entrepreneurship development explains much more of the variability in unemployment than youth empowerment. The effect size for Entrepreneurship Development (ED) ($r^2 = .378$) indicated that the level of Entrepreneurship Development (ED) that the youth experienced accounted for large portion of the variability in level of unemployment.

Table 3 Model Summary (b)

Mode	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.615(a)	.378	.364	.78957	2.314

a Predictors: (Constant), YOUTH EMPOWERMENT, ENTREPRENEURSHIP DEVELOPMENT

b Dependent Variable: UNEMPLOYMENT/JOB CREATION

Source: Field Survey, 2019

Table 3 shows the regression result used to test the second hypothesis to ascertain the significant relationship of entrepreneurship development and youth empowerment. The correlation coefficient R is positive (0.615). The R-square is 0.378. Thus, the model comprises of entrepreneurship development and youth empowerment can explain 37.8% of the total variation in unemployment and also the result is statistically significant at the level of 0.05

Table 4 ANOVA(b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	31.512	2	15.756	25.273	.000(a)
	Residual	51.744	83	.623		
	Total	83.256	85			

a Predictors: (Constant), YOUTH EMPOWERMENT, ENTREPRENEURSHIP DEVELOPMENT

b Dependent Variable: UNEMPLOYMENT/JOB CREATION

Source: Field Survey, 2019

The table 4 shows the result of analysis of variance performed on the regression model yielded an F-value of 25.273, meaning that the overall equation is significant ($p < 0.05$). The Durbin-Watson (DW) of 2.314 which is greater than 2 shows the presence of autocorrelation among variables. Since $F_{cal} (25.273) > F_{tab} (2.26)$ at 0.05 level of significance, the hypothesis that entrepreneurship development and youth empowerment has significant effect on the level of unemployment is retained.

Table 5 **Coefficients(a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
		1	(Constant)	24.137	1.621		14.891	.000
	ENTREPRENEURSHIP DEVELOPMENT	-.458	.081	-.504	-5.663	.000	-.619	-.297
	YOUTH EMPOWERMENT	-.315	.111	-.252	-2.832	.006	-.536	-.094

a Dependent Variable: UNEMPLOYMENT/JOB CREATION

Source: Field Survey, 2019

In order to determine the variables that significantly contributed most on unemployment, multiple regression analysis was performed. Table 5 shows which of the variables included in the model contributed to the prediction of the dependent variable. The study is interested in

comparing the contribution of each independent variable; therefore, beta values are used to for the comparison. As it can be observed from the table of regression coefficient, the standardized beta coefficient is -0.458 or 45.8% which is the use of entrepreneurship development, followed by the beta coefficient of -0.315 or 31.5%. This means that the above two (2) independent variables make negative and significant contributions to explain the dependent variable-unemployment.

The multiple linear regression equation used in the model is:

$$\hat{Y} = 24.137 - 0.458X_1 - 0.315X_2 \text{ where:}$$

Y = Unemployment/Job Creation

In the model, $\beta_0 = 24.137$, is the constant. The coefficients were calculated by SPSS and found to be: $\beta_1 = -0.458$, $\beta_2 = -0.315$ and were used to measure the variability of the dependent variable (Y) to unit change in the predictor variables X1 and X2. μ was the error term and was found to be 1.621. The error term captured the unexplained variations in the model.

Discussions

The study sought to establish the extent at which youth empowerment and entrepreneurship has affected the living standard of yewa south local government indigenes and specifically to examine the relationship between entrepreneurship development and youth empowerment and unemployment in Yewa south local government. The analysis of the data was carried out using SPSS. Descriptive statistics generally revealed bio-data of the respondents. Findings revealed that entrepreneurship development explains much more of the variability in unemployment than youth empowerment. The effect size for Entrepreneurship Development (ED) ($r^2 = .378$) indicated that the level of Entrepreneurship Development (ED) that the youth experienced accounted for large portion of the variability in level of unemployment. The regression analysis

indicated that entrepreneurship development and youth empowerment can explain 37.8% of the total variation in unemployment and also the result is statistically significant at the level of 0.05.

The findings further show that entrepreneurship development and youth empowerment has significant effect on the level of unemployment. Finally, as it can be observed from the table of regression coefficient, the standardized beta coefficient is -0.458 or 45.8% which is the use of entrepreneurship development, followed by the beta coefficient of -0.315 or 31.5%. This means that the above two (2) independent variables make negative and significant contributions to explain the dependent variable-unemployment.

Conclusion

Entrepreneurship has fostered wealth creation and created employment in Yewa South Local Government

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

The framework and policy for entrepreneurship with consistency is fundamental and enabling infrastructural developments are prerequisites for any impactful entrepreneurship development.

Recommendations

Enabling environment to encourage more entrepreneurs to strive and survive. Quality and good policy put in place for sustainability of entrepreneurs. It is important to first of all provide way for proper policy coordination and policy stability. There have been several government interventions and programmes aimed at promoting entrepreneurship.

A more sustainable approach to poverty reduction if not elimination is through encouraging youths, particularly those with identified entrepreneurial skills to go into private business

particularly in science and technology because these have natural potentials for business development. As a result, there is need for reforms in the educational curriculum to prepare students for self-reliance.

Fixing Nigeria's basic infrastructure 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. If the government of the day will face square the daunting problem of epileptic power supply, entrepreneurs would survive and their businesses sustained. The resultant effect on the economy would be immense because jobs will abound and wealth created in abundance.

References

- Audretsch, D.B., Grilo, I. and Thurik, R. (2007). *Handbook of Research on Entrepreneurship Policy*. Cheltenham: Edward Elgar.
- Bruton, G.D., Ahlstrom, D. and Obloj, K. (2008). Entrepreneurship in Emerging Economies: Where Are We Today and Where Should the Research Go in the Future. *Entrepreneurship Theory and Practice*, January: 1-14.
- Coon, D. (2004). *Introduction to Psychology* (9th Ed) Minneapolis: West Publishing Company.
- Drucker, P.F. (1985). *Innovation and Entrepreneurship*. New York: Harper & Row Publishers
- Emeh Ikechukwu (2012). Tackling Youth Unemployment in Nigeria; the Lagos state development and empowerment Programmes Initiatives. *Afro Asian Journal of Social Sciences* Vol. 3, No. 3.4 Quarter IV 2012, ISSN: 2229 – 5313.
- Federal Government of Nigeria (1999) *Nigerian Economic Policy 1999-2003*. Abuja:
- Federal Government of Nigeria (2004) *National Economic Empowerment and Development Strategy*. Abuja: National Planning Commission
- FGN *National Youth Policy*, Abuja, 2001.
- Fiet, J.O. (2002). *The Systematic Search for Entrepreneurial Discoveries*. Westport, CT: Quorum Books

- Habbershon, T. G., Nordqvist, M. & Zellweger, T. M. (2010). *Transgenerational Entrepreneurship, Transgenerational Entrepreneurship*. Exploring Growth and Performance in Family Firms Across Generations. M. Nordqvist & T. M. Zellweger (Ed.), MA: Edward Elgar Publishing.
- Iyigun, N.O. & Keskin, M. (2015). *Is Franchising an Efficient Tool for Entrepreneurship in the knowledge Economy*. 15th EBES Conference Proceeding Book 892-899.
- Landstrom, H. (1998). *The Roots of Entrepreneurship Research*. Conference proceedings, Lyon, France, November 26-27.
- Leff, N. (1979). Entrepreneurship and Economic Development: The Problem Revisited. *Journal of Economic Literature*. 17: 46-64.
- Lewis, W.A. (1988). The Roots of Development Theory. From Chenery, H.B. and Srinivasan, T.N. eds. *Handbook of Development Economics*, volume 1. Elsevier.
- Reynolds, P.D. (1991), Sociology and entrepreneurship: concepts and contributions. *Entrepreneurship: Theory & Practice*, 16(2), 47-70
- Rocha, H. (2004). *Entrepreneurship and Development*. The Role of Clusters. *Small Business Economics*. 23(5), 363-400.
- Shane, S. (1997). Who is Publishing the Entrepreneurship Research. *Journal of Management*, 23(1): 83-95.
- Shane, S (2000), Prior Knowledge and the discovery of entrepreneurial opportunities. *Organisation Science*, 11, 448-469.
- Stevenson, H., & Harmeling, S. (1990), Entrepreneurial Management's Need for a More Chaotic Theory. *Journal of Business Venturing*, 5, 1-14.
- Stevenson, H.H & Jarillo J.C. (1990), A Paradigm of Entrepreneurship: Entrepreneurial Management. *Strategic Management Journal*, 11, 17-27.
- United Nations, General Assembly word Youth Report (A/60/61-E/2005/7), cited in Second National Youth Policy Document (SNYPD) of the Federal Republic of Nigeria (2009). Retrieved from http://www.youthpolicy.org/national/Nigeria_2009_National_Youth_Policy.pdf accessed on 25th June, 2013.

