

ENTREPRENEURSHIP DEVELOPMENT FOR SUSTAINING ECONOMIC GROWTH IN THIRD WORLD NATIONS

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Abstract

The main objective of this paper is to examine how entrepreneurship development leads to economic growth of third world Nations using Nigeria as a case study. In realization of this objective, questionnaires were designed and administered among eighty entrepreneurs randomly selected in Edo North, Edo Central and Edo South senatorial district of Edo state in Nigeria. The questionnaires were used to elicit information on entrepreneurship and employment generation and stimulation of growth using chi-square for the analysis. The result indicates that entrepreneurship contributes significantly to employment generation and stimulates growth in the economy. The implication of the study shows that entrepreneurship development invariably leads to job creation which consequently leads to economic development. Therefore, Nigerian should exploit the various economic opportunities in the economy to their advantage and the government and other institutions should also channel their effort towards the meaningful development of entrepreneurship practices.

Keywords: entrepreneurship, entrepreneur, development, economy, entrepreneurship development

INTRODUCTION

Entrepreneurship development is an operation directed towards economy sustenance of the individual and economy stability of the country. Many scholars have written widely on entrepreneurship and its potency to the development of any given economy. The experiences of developed economies in relation to the roles played by entrepreneurship buttresses the fact that the importance of entrepreneurship cannot be overemphasized especially among the developing countries. In order to highlight its significance in relation to the growth and development of a given economy, entrepreneurship has been variously referred to as “source of economic growth”. This is because entrepreneurial activities have been found to be capable of making positive impacts on the economy of a nation and the quality of life of the people (Adejumo, 2000). Studies have established its positive relationship with stimulation of economic growth; employment generation and empowerment of the disadvantaged segment of the population, which include women and the poor (Oluremi and Gbenga, 2011; Thomas and Mueller, 2000; Reynolds, 1987).

Third world countries such as Nigeria is a richly endowed with abundant human and natural resources. The country is blessed with a variety of mineral deposits including petroleum, natural gas, uranium, tin, columbines, coal, precious metal, gemstone and a vast Agricultural farmlands. Therefore, Nigeria is not economically developed because the country has so many features of underdevelopment which among others include; high unemployment rates, heavy dependence on oil, low agricultural production, low utilization of industrial capacity, high inflation rate, low literary level, poor state of infrastructure, low income per head, subsistence agricultural practices, low industrial capacity, absence of stable polity, high infant mortality and lack of industrial infrastructural base. These constrains has enormously

limited the growth of entrepreneurial activities in Nigeria, hence, the Nigeria economy is still undeveloped. Nigeria as a country has numerous business and investment potentials due to the abundant, vibrant and dynamic human and natural resources it possesses. Tapping these resources require the ability to identify potentially useful and economically viable fields of endeavors’.

Thus, entrepreneurship activities and innovative ingenuity in Nigeria have developed enterprises in the following areas: foodstuffs, restaurants, fast food vending, quarrying, germ stone cutting/polishing, power generations, haulage business (cargo and passengers), manufacturing and repairs of GSM accessories and the printing and selling of recharge cards, construction and maintenance of pipelines, drilling, refining bye products, refuse collection/disposal, recyclement, and drainage/sewage construction job, banking, insurance and stock trading, machines and tools fabrications. There is also the building and construction, where there are plan and design services and material sourcing (Agbeze, 2012). Entrepreneurial development is conceived as a programme of activities to enhance the knowledge (body of knowledge), skill, behaviors and attitudes of individuals and groups to assume the role of entrepreneurs as well as efforts to remove all forms of barriers in the part of entrepreneurs to create society’s wealth for human capacity building. Entrepreneurial development is therefore the bedrock for human capacity building.

The main objective of this paper is therefore to examine entrepreneurship development and the sustainability of the economy growth of third world countries using Nigeria as case study. The paper is structured into five sections including this introductory section, section two review the related literature, section three deals with the

methodology, section four deals with the analysis of results while section five concludes the work.

LITERATURE REVIEW

DEFINITION OF ENTREPRENEUR

The word entrepreneur originated from the French word, 'entreprendre' which means "to undertake" (Akanni, 2010). In business context, it means to start a business, identify a business opportunity, organize resources, manage and assume the risk of a business or an enterprise. It is also used to describe those who (took charge) lead a project, which would deliver valuable benefits and bring to completion. In other words, those who can manage uncertainty and bring success in the face of daunting challenges that would destroy a less well-managed venture. Hornby (2006) defined an entrepreneur as a person who makes money by starting or running businesses, especially when this involves taking financial risks. Drucker (1995, quoted in Jimngang, 2004) defined an entrepreneur as someone who shifts economic resources out of an area of lower and into an area of higher productivity and greater yield. Entrepreneurs identify an innovation to seize an opportunity, mobilize money and management skills and take calculated risks to open markets for new products, processes and services.

American human psychologist, Abraham Maslow, sees the entrepreneur as someone who can "discern change, enjoy it and improvise without being forewarned". According to him, the entrepreneur is a here-now" creator, an improviser, who is not afraid of being viewed as operating in dissonance with general practice and belief (Stephens, 2000). To say it in another way, the entrepreneur is someone who perceives of senses opportunity where others fear rejection; he will not talk of obstacles but challenges. His mindset is tuned to success, and failure though he is aware of the possibility, does not preoccupy him. Drucker (1985) defined an entrepreneur as one who fills the role of an entrepreneur (a dreamer who does accept hands on responsibility for creative innovation in an organization) outside the organization.

The entrepreneur dreams, invents, creates and figures out how to convert an idea into a profitable reality. This person is usually primarily motivated to satisfy a personal need for achievement by bringing into the world new products / services that are meaningful to self and the market. The entrepreneur is an agent of change and societal hope for tomorrow. This is a person who demonstrates the capability to see and evaluate business opportunities, to gather the necessary resources to take advantage of them and initiates appropriate action to ensure success. The entrepreneur is an action oriented, highly motivated and takes calculated or moderate risk to achieve goals.

An entrepreneur is an individual who is willing and able to take business risks for gainful purposes. Entrepreneur has been defined as the willingness and ability of an individual to seek out investment opportunities, establish and run an enterprise successfully (Amacchina & Nwaddozie, 1995). The idea of entrepreneurship is not

new to Nigeria because it used to be a no paid employment prior to the coming of the colonial masters. Thus, entrepreneurship is associated with different kinds of activities that have to do with the establishment and operation of business enterprises. Such activities may include identification of investment opportunities to exploit for profit, promotion and establishment of the business enterprise, pooling of the various scarce resources needed for production and distribution of goods and services, organization and management of the human and material resources for the attainment of the objectives of the enterprises, risk bearing and innovation.

THE CONCEPT OF ENTREPRENEURSHIP

Entrepreneurship is more than simply "starting a business". It is a process through which individuals identify opportunities, allocate resources, and create value. This creation of value is often through the identification of unmet needs or through the identification of opportunities for change. It is the act of being an entrepreneur which is seen as "one who undertakes innovations with finance and business acumen in an effort to transform innovations into economic goods hence entrepreneurs see "problems" as "opportunities" and then take action to identify the solutions to those problems and the customers who will pay to have those problems solved. 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. It demands that the individual should be prepared to assume a reasonable degree of risks, be a good leader in addition to being highly innovative. In business management, Entrepreneurship is regarded as the "prime mover" of a successful enterprise just as a leader in any organization must be the environmental change agents.

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. To Shane (2010), entrepreneurship is the act of being an entrepreneur, which can be defined as "one who undertakes innovations, finances and displays business acumen in an effort to transform innovations into economic goods". This may result in new organizations or may be part of revitalizing mature organizations in response to a perceived opportunity. The most obvious form of entrepreneurship is that of starting new businesses (referred to as Startup Company); however, in recent years, the term has been extended to include social and political forms of entrepreneurial activity. When entrepreneurship is describing activities within a firm or large organizations, it is referred to as intra-preneurship and may include corporate venturing, when large entities spin-off organizations. Garba (2010) asserted that the term entrepreneurship means different things to different people and with varying conceptual perspectives. He stated that in spite of these differences, there are some

common aspects such as risk taking, creativity, independence and rewards. The concept of entrepreneurship has a wide range of meanings. It was first used in the early 18th century by an Irish man by name Richard Cantillon who was then living in France.

On the extreme, it is a term used broadly in connection within the innovation of modern industrial business leader, which describe an originator of a profitable business idea (Akanni, 2010). According to Joseph Schumpeter, an Australian economist, the single function which constitute entrepreneurship concept is innovation, such innovation results in new demand. Entrepreneurship is therefore a process which involves the creation of an innovative economic organization for the purpose of gain or growth under condition of risk and uncertainty (Dollinger, 2011 quoted in Akanni, 2010). Vanderwerf and Brush, 1989 quoted in Akanni, 2010 after reviewing twenty-five definitions, concluded that entrepreneurship is a business activity consisting of some intersections of the following behaviours: creativity, innovation, general management, risk bearing and intention to realize high levels of growth. Hisrich and Peters (1992) state that entrepreneurship is a continuous process of creating something different that has value to the users. Entrepreneurship has also been defined as the act of being an entrepreneur, which can be defined as one who undertakes innovation, finance and business acumen in an effort to transform innovation into economic goods. This may result in new organization or may be part of revitalizing mature organization in response to a perceived opportunity. (Wikipedia, 2010)

Adidu & Olannye (2006) defined entrepreneurship as creating and building something of value from practically nothing, creation and distribution of something of value and benefit to individuals, groups, organizations and society. He also sees entrepreneurship as the process of planning and organizing of small business venture, marshalling of people and resources to create, develop and implement solutions to problems to meet people's needs. Omesì & Okoh (2009) defined entrepreneurship as a vital factor in the process of economic development. He also view entrepreneur as the process of performing the roles of an entrepreneur. It is defined as the process of planning operating and assuming the risk of a business venture. It may also be defined as the process of creating a unique value of pulling together a unique package of resources to exploit an opportunity. Entrepreneurship encompasses various activities which are carried out to ensure the survival and growth of the business.

Kurarko & Hodgetts (2005) as quoted by Ibegbulem (2009) view Entrepreneurship as the dynamic process of creating incremental wealth. This wealth is created by individual who assume the major risks in terms of equity, time and or career commitment of providing value in form of some products or services. The product or service itself may not be new or unique but value must somehow be infused by the entrepreneur by securing and allocating the necessary skill and resources.

Binks and Vale (1990) defined entrepreneurship as an unrehearsed combination of economic resources instigated by the uncertain prospect of temporary monopoly profit". Hence Kanothi, (2009) defined entrepreneur as the "instigator of entrepreneurial events for so long as they occur". Tijani-Alawiye (2004) defines entrepreneurship as the process of increasing the supply of entrepreneurs or adding to the stock of existing small, medium and big enterprises available to a country by creating and promoting many capable entrepreneurs, who can successfully run innovative enterprises, nurture them to growth and sustain them, with a view to achieving broad socio economic developmental goals. Entrepreneurship has also been defined as the act of being an entrepreneur, which can be defined as "one who undertakes innovations, finance and business acumen in one effort to transform innovations into economic goods". This may result in new organization or may be part of revitalizing mature organization in respond to a perceive opportunity (Wikipedia, 2009).

KEY CONCEPTS IN ENTREPRENEURSHIP

The key concepts related to entrepreneurship are;

Goods and services: Goods and services are consumable items by the prospective or potential buyer. Examples of goods are: handset, cloth, computer, radio, houses etc. The examples of services include education, offering consultancy in a clinic or hospital, serving as travel agency, or providing accommodation and a hotel or guest house, and by so doing, crating wealth, generating employment opportunity etc.

Money and real income: Money income is the sum total of income earned from the banking system e.g. the central bank of Nigeria, Commercial Banks, Merchant Banks, Development Banks, and Microfinance Banks etc. However, real income is income earned from the agricultural sector, mortgage banks, manufacturing, technical and technology, entrepreneurship within a given period usually year.

Gross domestic product: This is defined as the market value of all goods and services produced in an economy within a given period usually one year plus income earned locally.

Gross national product: This is defined as the value of all final goods and services produced in specific period within a year, including incomes earned from abroad.

HISTORY OF ENTREPRENEURSHIP

Entrepreneurial activities are substantially different depending on the type of organization and creativity involved. Entrepreneurship ranges in scale from solo projects (even involving the entrepreneur only part-time) to major undertakings creating many job opportunities. Many "high value" entrepreneurial ventures seek venture capital or angel funding (seed money) in order to raise capital to build the business. Many kinds of organizations now exist to support would be entrepreneurs including specialized government agencies, business incubators, science parks, and some NGOs. In more recent times, the

term entrepreneurship has been extended to include elements not related necessarily to business formulation activity such as conceptualizations of entrepreneurship as a specific mindset resulting in entrepreneurial initiatives e.g. in the form of social entrepreneurship, political entrepreneurship, or knowledge entrepreneurship have emerged. The entrepreneur is a factor in microeconomics, and the study of entrepreneurship dates back to the work of Richard Cantillon and Adams Smith in the late 17th and early 18th centuries, but was largely ignored theoretically until the late 19th and early 20th centuries and empirically until a profound resurgence in business and economics in the last 40 years.

In the 20th century, the understanding of entrepreneurship owes much to the work of economist Joseph Schumpeter in the 1930s and other Austrian economist such as Carl Menger, Ludwig Von Mises and Friedrich Von Hayek. In 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. The supposition that entrepreneurship leads to economic growth is an interpretation of the residual in endogenous growth theory and as such is hotly debated in academic economics. An alternate description posited by Israel Kirzner suggests that the majority of innovations may be much more incremental improvements such as the replacement of paper with plastic in the construction of a drinking straw.

For Schumpeter, entrepreneurship resulted in new industries but also in new combinations of currently existing inputs. Schumpeter’s initial example of this was the combination of a steam engine and then current wagon making technologies to produce the horseless carriage. In this case the innovation, the car was transformational but did not require the development of a new technology, merely the application of existing technologies in a novel manner. It did not immediately replace the horse drawn carriage, but in time, incremental improvement which reduced the cost and improved the technology led to the complete practical replacement of beast drawn vehicles in modern transformation. Despite Schumpeter’s early 20 century contributions, traditional microeconomic theory did not formally consider the entrepreneur in its theoretical frameworks. In this treatment the entrepreneur was an implied but unspecified actor, but it is consistent with the concept of the entrepreneur being the agent of x-efficiency. Different scholars have described entrepreneurs as, among other things, bearing risk for Schumpeter, the entrepreneur did not bear risk: the capitalist did.

According to Schumpeter “without innovations, no entrepreneurs, without entrepreneurial achievement, no capitalist returns and no capitalist propulsion” (McGraw,

1991). Echoing McGraw (1991), Santarelli and Pesciarelli (1990) comment that interest in the theory of entrepreneurship in general and Schumpeter in particular is burgeoning. While Santarelli and Pesciarelli take Schumpeter’s work on economic development as their primary concern, their work sheds additional light on Schumpeter’s influence on the concept of entrepreneurship. In particular, they point to Schumpeter’s assertion of the importance of the individual and individual effort in entrepreneurship. While Schumpeter does not provide a great deal of detail on the characteristics of successful entrepreneurs (Long, 1983), he did state that entrepreneurs must expend great energy and possess a strong will to be successful. Taking an historical perspective, Long (1983) concludes that three traits have, to varying degrees, been included in the definition of entrepreneurship: “uncertainty and risk”, “complementary managerial competence”, and “creative opportunism”. He argues that to ignore any of these areas is to risk repeating, rather than learning from, the history of the concept of entrepreneurship.

THE MEANING OF DEVELOPMENT

Abianga (2010) defined development as the act or process of growth, progress and improvement within a physical setting. Hornby (2006) similarly defined development as the gradual growth of something so that it becomes more advanced and stronger. Development refers to technological improvement, effective cost reduction, general welfare improved relations movement in a positive direction. According to Soba (2005) economic development is related to economic growth which is a rise in the level of output or an increase in the per capital income of a country in a given period of time. Nonetheless, economic development encompasses growth as it is an umbrella term which includes sustained economic growth as well as a noticeable improvement in the socio-political life and living standard while the World Bank Development report (1992) identifies the essential components of economic development as raising standards of living, improving education, health and equality of opportunity.

DEFINITION OF ENTREPRENEURSHIP DEVELOPMENT

UNDP (2010) defined entrepreneurship development as referring to the process of enhancing entrepreneurial skills and knowledge through structured training and institution building programmes. According to UNDP, entrepreneurship development aims to enlarge the base of entrepreneurs in order hasten the pace at which new ventures are created. This accelerates employment generation and economic development. Entrepreneurship development focuses on the individual who wishes to start or expand a business. Furthermore, entrepreneurship development concentrates more on growth potential and innovation. The federal government of Nigeria recognized the role entrepreneurship could play in jumpstarting the growth and development of the economic decided on two things in 2009, one that entrepreneurship education should be made a general studies course for all undergraduates of the tertiary

institutions. The second was that a centre for entrepreneurial development be established in each of the tertiary institutions where different skills would be taught. At the end of their programme of study, graduates of the tertiary institutions would be able to set up their own business with a view to contributing to the economy.

Entrepreneurship development as defined by Ibegbulem (2009) anchors on a firm belief that entrepreneurship involves a body of knowledge, skill and attitude which could be learned and applied by most people who are sufficiently motivated. He asserted that entrepreneurship development recognizes that many individuals have latent potentials or invisible talents to fit into the role of entrepreneur. Such potentials such could be actualized through training programmes. Entrepreneurship is a way of life, a pattern of behaviour which enable people cope with the vicissitude of business life that is a part of business skills, some personal characteristics are required for successful entrepreneurship.

Entrepreneurship development is very abstract and can be linked with some of the following keyword – technological improvement cost reduction, general welfare, improved relations, movement in a positive direction etc (Wikipedia, 2010). Entrepreneurship development is about change and innovation thinking and as such small scale enterprise is an integral part of the development process, for any small and medium scale enterprise can be a viable seedbed for exploring the commercial viability of new ideas, new products and new market opportunities. Entrepreneurs are agent for change providing drive, energy and foresight. They are integral to the small business and also seen as an essential part of the development process. Entrepreneurship development is about change and innovative thinking. It constantly seeks the improvements of entrepreneurship practice. It can be related to effective cost reduction in business operations technological improvement, general welfare, improved relations among stakeholders (consumers, employees, competitors, society, government) positive movement in the direction of organization.

Entrepreneurial development may also be conceived as a programme of activities to enhance the knowledge, skill, behaviours and attitudes of individuals and groups to assume the role of entrepreneurs as well as efforts to remove all forms of barriers in the part of entrepreneurs. Entrepreneurship development is anchored on the firm belief that entrepreneurship involves a body of knowledge, skills and attitudes which can be learned and applied by most people who are sufficiently motivated. This is in contrast to the idea that entrepreneurs are born and not made. Entrepreneurship development recognizes that many individuals have latent potentials to fit into the role of entrepreneurs. Such potentials can be actualized through training programmes. Potential entrepreneurs can be trained to sharpen their skills to:

- Identify a need that he/she can satisfy with a product or service which may or may not be innovative.

- Analyze trends in the economy which enable him/her to project the prospects of the business and anticipate possible threats to it.
- Develop a viable business plan, focusing on the details of activities required to market the product, source the resources (money, personnel, technology, materials) needed and the programme of action for implementation of the plan.
- Assemble resources
- Launch the business including registration of the business and obtaining various permits and licenses.
- Recognize that adversity and crises are a fact of business life and to develop capacity to deal with such events as they occur (Garba, 2010).

THE ROLE OF ENTREPRENEURSHIP IN AN ECONOMY

Entrepreneurship has been recognized as an important aspect and functioning of organization and economies (Dickson, 2008). It contributes in an immeasurable ways toward creating new job, wealth creation, poverty reduction and income generating for both government and individuals. Schumpeter in 1934 argued that entrepreneurship is very significant to the growth and development of economies (Keister, 2005, quoted in Garba, 2010). Entrepreneurship leads to poverty reduction, for instance, the Federal Government had since 1999 been injecting funds into different skills acquisition programmes, small businesses, support for the informal sector through provision of credit facilities for boisterous economic activities at the rural community level. This is a decision in the direct direction as majority of the population live in the rural areas and an improvement in the quality of life would prevent migration of the residents of the rural communities to the urban centre's.

The implication of this is that it will create employment opportunities thus leading to greater reduction in social maladies or vices. The wide spread and acceptance of entrepreneurship education is a clear indication of its usefulness and importance in the present realities. The development of entrepreneurship will go a long way in providing the necessary impetus for economic growth and development. It will be crucial in boosting productivity, increasing competition and innovation, creating employment and prosperity and revitalizing economies (SBS, 2002, in Ritche and Lam, 2006).

The entrepreneurship contributes to the economy through the goods or services produced for which they are paid for by consumers, through generation of economic activities such as buying, selling, marketing, payment of taxes to the government, undertaking corporate social responsibility to the various stakeholders within the community in which the enterprise is operated.

Entrepreneurs are the heroes and heroines in the economic sphere. In any market oriented economy, entrepreneurs are the agents of social and economic transformation and change. Entrepreneurship has been recognized all over the world as a critical element in the

development process of nations. In developing countries in particular, entrepreneurship is being vigorously advocated because of its potential to:

- Create jobs through the formation of new enterprises especially small and medium scale enterprise.
- Raise productivity through various forms of innovation
- Facilitate transfer of technology or the adaptation of existing ones.
- Harness resources that might otherwise remain idle and put them into productive use.
- Stimulate growth in those sectors which supply it with inputs.
- Reinvigorate large scale enterprises and also public enterprises.
- Encourage and sustain economic dynamism that enables an economy to adjust successfully in a rapidly changing global economy and enable individuals to use their potential and energies to create wealth, independence and status for themselves in society.

ENTREPRENEURSHIP AND ECONOMIC DEVELOPMENT

A worldwide consensus on the critical role of competitive markets and entrepreneurs in economic development has emerged in the last decade. In developing countries, the primary barrier to economic growth is often not so much with a scarcity of capital, labour or land, but it is the scarcity of both the dynamic entrepreneurs that can bring these together and the markets and mechanisms that can facilitate them in this task. According to Schumpeter capital and output growth in an economy depends significantly on the entrepreneur. The quality of performance of the entrepreneur determines whether capital would grow rapidly or slowly and whether the growth involves innovation where new products and production techniques are developed. The difference in economic growth rates of countries of the world is largely due to the quality of entrepreneurs in those countries. Production factors of land, labour and capital are said to be dormant or indolent without the entrepreneur who organizes them for productive ventures.

The entrepreneur is therefore an important agent of innovation growth and technical progress. The development and utilization of their technical and commercial skills creates growth potential in micro, small and medium-scale enterprises. The present day global economy is knowledge-driven operating on the pragmatic and innovative thoughts of the entrepreneur. Business set ups have become informal and oriented towards survival and self employment. Technical progress essentially results in increases in production, employment of labour, stimulation of export and overall growth of gross domestic products. The contribution of entrepreneurship to the growth and development of Asian countries (China, Malaysia and Singapore) and African countries (South Africa and Nigeria) cannot be over emphasized. In Nigeria entrepreneurship development innovations have been manifested in all aspects of the economy via; micro

business, micro finance, small and medium industries, information/telecom services, personal services in food vending/restaurant, garments making, embroidering, agricultural produce, music and film production.

Entrepreneurship and economic development are interdependent economic development takes place when a country's real income increases over a period of time where in the role of entrepreneurs is an integral part. Mark Carson as quoted by Desai (2009) emphasized that the demand for entrepreneurship stems from the need to adjust to change, and the supply of entrepreneurship is limited firstly, by the scarcity of the exquisite personal qualities, and secondly, by the difficulty of identifying them when they are available.

ENTREPRENEURSHIP DEVELOPMENT AND GROWTH OF ENTERPRISES

Entrepreneurship development in Nigeria became significant only after the Nigerian civil war. At the end of the war the 2nd National Development Plan focused on the development of the 3Rs objectives of Reconstruction, Re-development and Reconciliation. The activities in the plan challenged/tasked the ingenuity and inventive skill of the individuals.

This early period witnessed an economic development ideology of industrialization as the ultimate source of economic growth, and industrialization itself as the product of technical progress and investment. Technical progress or capital growth on the other hand is seen to be a function of and the result of entrepreneurial effort. In particular, evidence from the developed world indicates that economic growth is entirely due to the quality and efficiency of the entrepreneur. Thus after independence in 1960 there was the need by the government of Nigeria to promote indigenous entrepreneurs. The government never loses sight of the tripartite relationship between entrepreneurship, industrialization and economic growth. Entrepreneurship is often carried out by micro and small scale businesses and therefore Small and Medium Enterprise Development Association of Nigeria's (SMEDAN) focus is on the development of micro, small and medium-scale enterprises (MSEMEs) where it co-ordinates and integrates MSME activities in order to develop their full potential and competitiveness.

SMEDAN has organized seminars, workshops at both local and international levels and encouraged the formation, registration and cooperation of micro, small and medium business associations. These associations (Nigerian Associations of Small and Medium Scale Enterprises (NASME), International Council of Small Business (ICSB), Abuja Enterprises Agency (AED), Acadia Centre for Small Business and Entrepreneurship (ACSBE)) stimulate growth of businesses and industrial organization through cooperation, linkages and franchising of entrepreneurship activities.

Nigeria has developed enterprises in the following areas.

- Agriculture/agro-allied activities: foodstuff, restaurant, fast food vending etc.

- Solid mineral: Quarrying, germ stone cutting/polishing and crushing engineering.
- Power and transport: Power generation, Haulage business (Cargo and passengers)
- Information and telecom business: Manufacturing and repairs of GSM accessories.
- Hospitality and tourism business: Hotels, accommodation, resort centers, film and home video production.
- Oil and gas business: Construction and maintenance of pipelines, drilling, refining/by-products
- Environmental and waste management business: Refuse collection/disposal, recycling, and drainage/sewage construction job.
- Financial and banking services: Banking, insurance and stock trading.
- Engineering and fabrication work: Machines and tools fabrication.
- Building and construction: plan and design services, material sourcing.

ENTREPRENEUR DEVELOPMENT AND JOB CREATION

The relevance of entrepreneurship development in creation of jobs for Nigeria youth and indeed economic growth and development in Nigeria cannot be overemphasized that is why Bamiduro (2001) as cited by Aremu (2004) opined that 'A driving force in the modern economy for the past few years and the foreseeable future is entrepreneurship. Entrepreneurs are meeting the yearnings of Nigerians through the creation of thousands of new business each year. It is no gainsaying that new business (mostly small scale) provides the majority of employment opportunity for the youth in the country. All over the world as evidence in Asia (The Asia Tigers), Entrepreneurs are regarded as a vehicle for rapid industrialization, sustainable economic development, poverty alleviation and employment generation Aremu (2004).

Akpa (2008) in buttressing the relevance of entrepreneurship, development in job creation asserted that in important aspect of economic growth in development activities. These persons may be called entrepreneurs because they have the ability to identify needs within the environment gather appropriate resources and implement action to satisfy these needs. However, it is the thousands of anonymous smaller firms which employ fewer than 20 employees that are the primary job providers in urban areas, and they also provide a major share of new jobs in rural areas as well.

METHODOLOGY

The population of the study comprises of all entrepreneurs operating in Edo State. Eighty (80) were randomly selected in Edo North, Edo Central and Edo South senatorial district of Edo. Questionnaire was designed and administered on the eighty selected entrepreneurs. Questionnaires were designed to elicit information on entrepreneurship and employment generation and entrepreneurship and stimulation of

growth. The chi-square technique was used to analysis the data.

ANALYSIS OF THE RESULTS

Entrepreneurship and Employment Generation

Seventy-seven respondents are of the view that entrepreneurship contributes significantly towards employment generation. The respondent stood for "yes" at 96.25% while three respondents stood against it at 3.75%. The calculated $\chi^2 = 68.44$ and is greater than χ^2 table value of 3.841, the null hypothesis was therefore rejected. It indicates therefore that entrepreneurship contributes significantly to employment generation. This confirm the study by Bamiduro (2001) and Aremu (2004) Entrepreneurship creates job through the formation of new enterprises especially small and medium scale enterprises. Unemployment and under-employment are the most fundamental economic issue confronting developing countries and entrepreneurship remains the most important tool for tackling them. Entrepreneurs provide job for themselves and others. In Nigeria entrepreneurship has encouraged self employment for many youths both in the rural and urban areas. The spirit of successful entrepreneurship has taken over the minds of Nigeria, who believe in themselves and in the goal of self-employment instead of relying on almost non-existent government jobs.

ENTREPRENEURSHIP AND STIMULATION OF GROWTH

Seventy-eight respondents are of the view that entrepreneurship contribute significantly towards stimulating growth. The respondents stop for "yes" at 97.5% against "no" at 2.5%. It was calculated as $\chi^2 = 72.2$ and it is greater than the χ^2 table value of 3.841. The null research proposition was therefore rejected. Thus, entrepreneurship stimulates growth. Entrepreneurship stimulates growth in the downstream of a particular sector, the greater the market, the greater the potential for increased capacity utilization for expansion.

CONCLUSION

The conclusion is that entrepreneurship development leads to job creation for Nigeria youth and stimulation of growth. It is no gain emphasizing the fact that entrepreneurship contribute significantly in areas of employment creation, promoting growth, industrial development, poverty alleviation and reduction of rural-urban migration. From the presentation and analysis of data, entrepreneurship development has proved to be a viable tool for economic development; hence the effort of government and other institution should be channeled towards the meaningful development of entrepreneurship practices.

The study has show that entrepreneurship development leads to economic development, job creativity, economic sustainability, individual self reliance, improved standard of living better awareness and practice. The implication of the study shows that entrepreneurship development invariably leads to job creation which consequently leads to economic development. Therefore, Nigeria youth

should exploit the various economic opportunities in the economy to their advantage.

The unemployment youth can be assisted with credit facilities that will enable them set up small business rather than roaming around the street looking for white collar job. For a proper and sustainable entrepreneurship development the federal government and indeed other tiers of government in Nigeria should provides the enabling environment for the activities of entrepreneurs like provision of infrastructures, enacting and formulating of laws and policies that will aid entrepreneurship development in the country.

BRIEF BIOGRAPHY OF THE AUTHOR

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Dr. Kennedy Imafidon attended Ambrose Alli University, Ekpoma where he obtained his B.Sc (Banking and Finance) degree with Second Class Upper Division in 2000. Dr. Kennedy Imafidon had his M.Sc (Finance) and Ph.D (Business Administration) degrees from the University of Benin, Benin City in 2006 and 2012 respectively.

Dr. Kennedy Imafidon was a pioneer Lecturer in the Department of Banking and Finance at the Edo State Institute of Technology and Management, Usen Near Benin City, between 2003 and 2007. He joined his Alma mater (Ambrose Alli University, Ekpoma) as a Lecturer in the Department of Business Administration, Faculty of Management Sciences in September, 2007. He has published in many scholarly Journal including National and International Journals. He is happily married with children.

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