



Entrepreneurship Development: A Panacea for Employment Generation in Eti-Osa Local Government, Lagos State

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ABSTRACT

This paper examined entrepreneurship development as a panacea for employment generation in Eti-Osa Local Government, Lagos State, Nigeria. As the nation is presently experiencing problem of unemployment and insecurity, the study presumed that one of the most efficient ways to solve unemployment problem is through entrepreneurship development. The objectives of the study include a critical appraisal of the roles of entrepreneurship development, such as provision of individual with adequate training that will enable creative and innovative relevance to skill acquisition which encourages self employment and self-reliance. The study surveyed 133 Small and Medium Enterprises in Eti-Osa Local Government, resulting in a sample size of 100 respondents. Descriptive statistics, (frequency and percentage) correlation and regression were employed for data analysis via SPSS. It reviewed some methods of acquiring entrepreneurship skills which include practical training exercise, workshop/seminar and skill acquisition centre in the institutions which will aid empowerment of graduates and consequently eradication of crime and other social vices. The study's findings demonstrated that two independent factors, business concepts and business risk taking, have significant effects on the creation of jobs across the study

period. As a result, the study recommends that all levels of education's curriculum be entrepreneurship-based, and that all stakeholders including the government should provide an enabling environment for the development of entrepreneurship and self-reliance, which are critical for Lagos State's economic growth and development.

Keywords: *Entrepreneurial Development, Risk taking, Employment Generation, Business ideas*

Introduction

1. Background to the Study

The process of promoting entrepreneurial skills, knowledge base, formal training, and institution-building programs is known as entrepreneurship development (ED). It basically aims to encourage who would be entrepreneurs through creating viable new business ventures in order to improve economic transformation and development. Entrepreneurship is targeted at reducing poverty level, eradication of unemployment problem and enhancing wealth creation through effective contribution to the Gross Domestic Product (GDP) in terms of giving specific skills to improve the competence of the entrepreneurs and the enterprise so as to enhance the entrepreneurial goals and objectives.

In developed world like United State of America, Japan, Germany and Asia, entrepreneurship played important and significant roles towards creating and promoting business enterprises, employment generation and industrialization of the economy which developing countries, like South Africa, Ghana, Tanzania, Nigeria and Ethiopia are not an exemption. Business organizations are noted to be prominent in terms of employment generation, reduction in poverty level and added values to Gross Domestic Product. (Schlogl, 2004)

Entrepreneurship Development (ED) is regarded as bedrock of economic growth and development. As a result of this recognition, a central issue dominating policy debates around the world and Africa in particular has been on how to improve entrepreneurial activities toward economic growth, development and employment generation which may further reduced poverty level and improve standard of living of the citizenry.

In Nigeria, year after years, the rate at which various tertiary institutions i.e. Universities, Polytechnics, Colleges of Education and Research Institutes in the country, produced fresh graduates, is on alarming rate where there are few jobs to go round for the vast population of the youths in the country. This situation becomes pathetic and pitiable as job seekers and applicants are left with nothing but to roam about the streets looking for jobs that are not existing and also to engage in crime like kidnapping, prostitution, insurgency, banditry, online fraud and other social vices. Through entrepreneurship development some of these social vices may be reduced drastically, if there

is adequate entrepreneurship training, skills acquisition, entrepreneurial mindset and business ideas generation.

Nwabuama (2014). Mentioned that entrepreneurship development refers to the ability to equip aspiring entrepreneurs with the necessary skills in terms of creativity and innovation approaches for identifying and exploiting possibilities in a given society.

Olawolu and Kaegon (2012) opined that entrepreneurship development prepares youths to be responsible individuals who can become entrepreneurial thinkers by exposing them to real life learning experiences where they will be required to think, take risks, manage circumstances and incidentally learn from the outcomes

According to Okoli (2013) stated that most of the youths cannot be gainfully employed or maintained their business simply because of they lack entrepreneurship development.

Ogundele and Abiola (2016) opined that entrepreneur is often referred to as the agent of economic growth and development toward sound economic systems.

Riti and Kamah, (2015) opined that Entrepreneurship Development is been referred to as systems that lay emphasize on growth, development and employment generation for the vast population.

Statement of the Problem

Many graduates turned out of tertiary institutions are jobless and are sources of worries to policy makers and government. The social vices that engulfed the nation today can be traced to this phenomenon. Nigeria is developing a country with numerous opportunities, yet to be exploited in terms of business generation. Redirecting graduates orientations from white collar jobs to self employment through entrepreneurial development will help in many ways to reduce the social vices the nation is currently experiencing. The empirical finding shows that entrepreneurship development in developed world like America, Asia and Euro, have been successful in terms of employment generation and poverty reduction, In Nigeria to be gainfully employed is a big problem.

Therefore, this study is to examine entrepreneurship development as a way for employment generation in Lagos state using Eti-Osa Local Government Area, Nigeria.

Objectives of the Study

- I. To examine the effects of new business ideas on Employment generation?
- II. To examine the effect of business risk taking on Employment generation?

Research Hypotheses

Ho₁: New business ideas have no significant effect on employment generation.

Ho₂: Business risk taking have no significant effect on employment generation

2. Literature Review

Conceptual Review

Entrepreneurial development is the means of enhancing the knowledge and skill of entrepreneurs through several class room coaching, programs and training. The main point of the development process is to strengthen and increasing the number of entrepreneurs. Entrepreneurship development is a process that helps new firms or business organization to get better in achieving their goals, improve business opportunities and economic transformation. It is an avenue to improve the capacity to manage, develop and build a business enterprise keeping in mind the risk related to it.

Roth (2014). Stated that entrepreneurship is the capacity and willingness to develop, organize, and manage a business venture along with any of its risks in order to make a profit

Monday and Osemeke (2012) mentioned that Entrepreneurship Development is the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programme.

Akpoveta and Agbonah (2013). mentioned the goal of entrepreneurship development, is to equip individuals with entrepreneurial skills that are directly applicable to work, and the best technique is an industrial training exercise that would provide adequate skills and training that would allow students to participate directly in the entrepreneurial process. Given the preceding assumption, brainstorming is another method or approach that entrepreneurship development can effectively employ, involving a group of intellectuals coming together to address a specific problem.

According to Asogwa and Dim (2016) Entrepreneurship is a skill that entails seeing a business opportunity, organizing resources, and persevering in pursuing it. Entrepreneurship development is the process of developing an individual's capacity through formal training and an institutional foundation program. In general, entrepreneurial development is becoming more widely acknowledged as a key engine of economic growth, job creation, creativity and innovation, and poverty reduction through the empowerment of both male and female adolescents.

Adediran and Samson (2018) opined that In China, most of their youths must pass through the technical and vocational school in other to acquire relevant skills for their country. There is a question young Chinese asked themselves. And what type of vocational skills do I need to possess? But in Nigeria, it is not so and the fact is that most of the technical and vocational schools across the country are dead. . Entrepreneurship development aims to enlarge the base of entrepreneurs in order to hasten the pace at which new ventures are created. This accelerates employment generations and economic growth and 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

According to Himani (2017) some major objectives of entrepreneurship development programmes in Nigerian institutions include

- Identification of prospective entrepreneurs and giving them necessary training required
- Develop knowledge and qualities of those participating in these programmes.
- Provide technical assistance and adequate training facilities.
- Find out sources of assistance, incentives and available government agencies like incubation centers in setting up business ventures.
- Promote and develop small and medium enterprises which would encourage self employment
- Grooming potential entrepreneurs.
- Developing and exploitation of new entrepreneurial opportunities.
- Develop industries in rural and backward areas

Business Risk- Taking Concept

Verheul et al.,(2015) cited in Ulabor, Adeyemi,Adeyokun &Amode.(2018), The concept of risk-taking refers to the degree to which an individual is willing to take chances which involve a possibility of loss It is the willingness to commit significant resources to opportunities having a reasonable chance to costly failure, Such propensity is critical in shaping an individual's decision to engage in an entrepreneurial career rather than pursue corporate employment.

Zhang,Cai and Li (2014).Stated that corporate and individual levels, a risk-taking proclivity exemplifies an entrepreneurial mindset. Because the act of starting a company venture is seen as a risk-taking conduct, it is reasonable to expect potential and prospective entrepreneurs to have a clear risk-taking proclivity.

A business idea is a concept that can be used to make money and is usually centered on a product or service that can be sold. The first step in the process of creating a successful business is to come up with an idea. This could entail coming up with new ideas, developing new products through R&D, or upgrading existing services. A business idea is a thought that can be turned into a business. It usually focuses on a product or service that may be sold for money using a certain model. A business idea can be developed and tested in a variety of ways. The capacity to generate a viable business idea can be turned into a profitable business, with ideas supported by feasibility and a business plan sold to interested investors, corporations, and parties for a lump amount or a management contract, or as agreed. When a business idea is implemented at the correct time, when demand for the service or product offered by the idea is predicted to increase, it can result in a very profitable firm. Business concepts can be found in a variety of places.

Employment Generation Concept

Employment generation is the notion that jobs are created in response to some sort of event or situation. It is mostly a term used for political rhetoric. Job creation programs come in a number of shapes and sizes. For example, a government could reduce taxes and regulations to make employment more affordable. A government, on the other hand, may hiring laborers to build a road, for example. In a practical sense, companies may hire more workers when necessary to satisfy demand for its products or services.. Employment generation presumably would occur if the industries expand its operation in line with demand of its products and services this will lead to hiring more people to the firm operation or if demand for goods and services grew substantially. For demand to grow, there would need to be a significant base of buyers for those goods and services. Job creation fails if the principal consumers refuse to buy due to insufficient funds. Entrepreneurs start a business to create jobs so that people can be employed and earn a living. (source : <https://epi.org/publication.com>)

Theoretical Review

Achievement Theory:

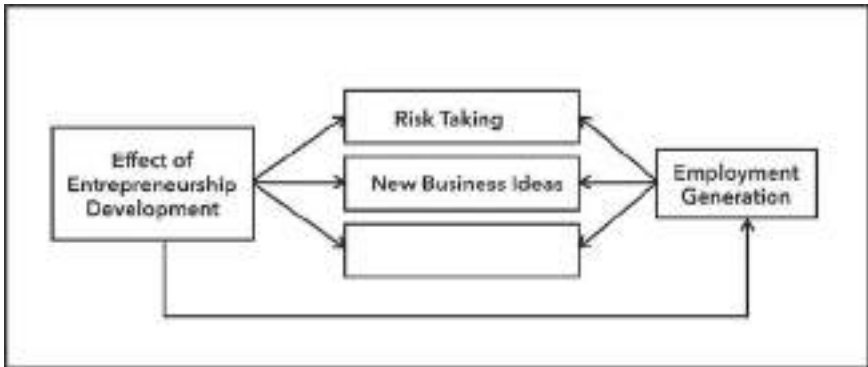
David. C. McClelland (1967) established this theory. McClelland was interested in economic growth and the elements that drive it. In this context, he looks for internal elements, such as “human values and motives” that drive people to take advantage of chances and favorable trade conditions. As a result, he emphasizes the entrepreneurial role’s innovative traits. The entrepreneur is preoccupied with the urge to succeed (n-achievement). A drive to do well, not so much for the sake of societal recognition or status, but for the sake of an inner sensation of personal accomplishment,” says the n-achievement.

The entrepreneur’s actions are guided by this n-achievement motive. People who have a high n-achievement act entrepreneurially. As a result, it is preferable to foster n-achievement among individuals in order to secure a large scale of economic development. In practice, the n-achievement incentive is instilled through upbringing that emphasizes high academic standards, material warmth, self-reliance, training, and low paternal dominance. McClelland (1967) identified two characteristics of entrepreneurship.

Individuals with a high demand for achievement, according to McClelland (1967), will not be motivated by monetary incentives, but monetary rewards will serve as a symbol of achievement for them. They too, are unconcerned about social recognition or reputation, but their ultimate goal is personal achievement. An entrepreneur is a risk taker who operates in an unpredictable environment. Various entrepreneurship theoretical assumptions, on the other hand, focus on three major characteristics of entrepreneurship. The nature of opportunities, the character of entrepreneurs, and the nature of

decision-making are the three aspects that an entrepreneur must consider. Entrepreneurship is a global truth that contributes to economic growth and development. An entrepreneur, on the other hand, is seen as a risk taker, a creator of new business ideas, and a seizer of business possibilities.

Conceptual Framework



Source: Authors' Concept, 2021

Methodology

The research design adopted for this study is survey and documentary analysis. The survey research design involves collection of data from existing records and finding of the opinion of respondents through structured questionnaire. Documentary analysis involves critical examination of existing records related to entrepreneurship development and employment generation. The area covered consists of Small and Medium Enterprises in Eti- Osa Local Government Area of Lagos State. The population used for this study consists of 133 registered Small and a Medium Enterprises operator within the area of study while the sample size of 100 respondents were arrived at using Taro-Yemen’s sampling determination technique. Data collected were analyzed using frequency table through the use of statistical package for social science (SPSS).

Model Specification

For this study multiple linear regression analysis was employed, and the model for this analysis is:

$$Y = a_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \dots + \beta_n x_n$$

$$Y = a_0 + \beta_1 x_1 (RT) + \beta_2 x_2 (NBI) + \beta_3 x_3 (ED) + \dots + \beta_n x_n$$

Entrepreneurship Development

(i) $Y = f(X_1)$
 $Y = a_0 + \beta_1 X_1$

(ii) $Y = f(X_2)$
 $Y = a_0 + \beta_2 X_2$

Y = Employment Generation

X₁ = Risk Taking

X₂ = New Business Ideas

Data Presentation

Testing of Hypothesis 1

TABLE 1: Does New Business Ideas lead to employment generation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SA	48	48.0	48.0	48.0
	A	48	48.0	48.0	96.0
	N	4	4.0	4.0	100.0
	Total	100	100.0	100.0	

Researcher Survey, 2021

Table 1.1: Model summary for hypothesis 1

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.337 ^a	.113	.104	.54477
a. Predictors: (Constant), Employment Generation				

Source: Researcher's Field Survey, 2021

Table 1.2: Anova Table for Hypothesis 1

ANOVA ^a							
Model		Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	3.642	1	3.642	12.273	.001 ^b	
	Residual	28.490	96	.297			
	Total	32.133	97				
a. Dependent Variable: Employment Generation							
b. Predictors: (Constant), New Business Ideas							

Source: Researcher's Field Survey, 2021.

1.3.3. Discussion 1

A linear regression analysis was carried out to hypothesis 1 and the results of the regression analysis revealed that 96% of the respondent strongly agreed that new business ideas has positive significant effect on employment generation. This indicated that new business ideas can lead to enterprise creation and provide employment opportunity.

Table:1.3: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.144	.131		8.720	.000
	New Business Ideas	.251	.072	.337	3.503	.001

X= New business Ideas (NBI)

It was revealed that the variable from table has a positive value which revealed a positive significance on employment generation.

The model is significance and therefore good for prediction

Decision: since p value is less than the level of significance i.e $0.001 < 0.05$ we therefore reject H_0 and concluded that there is significant positive effect of new business ideas on employment generation.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SA	25	25.0	25.3	25.3
	A	37	37.0	37.4	62.6
	N	18	18.0	18.2	80.8
	D	16	16.0	16.2	97.0
	SD	3	3.0	3.0	100.0
	Total	99	99.0	100.0	
Missing	System	1	1.0		
Total		100	100.0		

Researcher Survey, 2021

Testing of Hypothesis 2

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.261 ^a	.068	.058	.99902
a. Predictors: (Constant), Business Risk Taking				

Source: Researcher's Field survey, 2021

Table 2.2 : Anova Table for Hypothesis II

ANOVA ^a								
Model		Sum of Squares	df	Mean Square	F	Sig.		
1	Regression	6.802	1	6.802	6.816	.011 ^b		
	Residual	92.819	93	.998				
	Total	99.621	94					
a. Dependent Variable : Employment Generation								
b. Predictors: (Constant), Business Risk Taking. Source: Researcher's Field survey,2021								
Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.		
		B	Std. Error	Beta				
1	(Constant)	1.512	.235		6.437	.000		
	Entrepreneurship education	.230	.088	.261	2.611	.011		
a. Dependent Business Risk Taking								

Ho: There is no significance effect between business risk taking and employment generation

H1: There is significance effect between business risk taking and employment generation

Level of significance = 0.05

Decision rule: reject the null hypothesis if p- value is less than the level of significance otherwise do not reject.

Decision: since p value is less than the level of significance i.e $0.11 < 0.05$, we therefore reject the null hypothesis and concluded that there is positive significance effect of business risk taking on employment generation.

Discussion

The table: 2.1 Above shows that 82% of the respondents strongly agreed that business risk taking have significance effect on employment generation. This indicated that business risk taking can service as a tool for employment generation through creation of small scale businesses. The above analysis was in line with Zhang,Cai and Li (2014) that business risk-taking is the act of initiating a business venture which is regarded as a risk-taking deed.

Conclusion and Recommendations

Using multiple regression analysis, this research investigates whether entrepreneurial development is a panacea for job creation in Eti-Osa Local Government in Lagos State. A structured questionnaire-based study with 100 registered Small and Medium Enterprises was conducted (SMEs). The findings revealed that business concepts and the concept of risk taking were statistically significant. The effect of business concepts on job creation was the most statistically significant. Based on the foregoing discussion, it can be stated that business concepts had a good effect on job creation in the studied area. The majority of respondents agreed that entrepreneurship growth is the only way to create jobs. This study proposes that all levels of education's curricula be entrepreneurship-based, stakeholders and the government create an enabling environment for entrepreneurship growth, which is necessary for Nigeria's economic development and increase in graduate employment. Entrepreneurship skill development centers, which could be practical in nature, should be established to encourage potential graduates of post secondary schools to start small firms.

The ability of youths to be productive, imaginative, and creative is the driving force behind any country's economic success. The government, parents, and guardians all have a responsibility to ensure that youths are adequately educated and empowered. This may allow individuals to fulfill their societal commitments. The following suggestions are given in light of the difficulties raised above. Young graduates should be given appropriate training to enable them to be creative and imaginative in recognizing and exploiting new business opportunities.

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