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Factors Influencing Entrepreneurial Intention of University Students in Nigeria

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Abstract: The rate unemployment and poverty in Nigeria is very alarming, thus policy makers resort to the development of entrepreneurship activities as the only way to address it. As a result, the importance of inspiring students on the prospects of being entrepreneurs was understood by both developed and developing countries. This study built on the assumptions of Theory of Planned Behaviour (TPB) model to address the issues of entrepreneurship intention, with three independent variables i.e. attitude, subjective norms, and perceived behavioural control, and entrepreneurial intention as the dependent variable. The study consists of 794 students who were taught an entrepreneurship education course in their third year. This study used samples of 293 that were drawn from the population for the purpose undertaking a survey. After data screening, 32 cases of univariate outliers with Z-score >3.29 have been deleted, multivariate outlier was gauged using the Mahalanobis distance method and no case was recorded with > 41.34. There was no incidence of Multicollinearity and the Cronbach's alpha for each of the variables is > 0.70. The result of regression analysis indicates that only attitude had significant positive relationship with entrepreneurial intention of the

Students, While Subjective Norms And Perceived Behavioural Control Are Not significantly related to entrepreneurial intention. Policy makers are to focus more on enhancing the entrepreneurial attitude of students in the undergraduate's entrepreneurship syllabus. Future researchers can use longitudinal studies to determine the exact relationship between entrepreneurship intention and entrepreneurship behaviour over time.

Keywords: Theory of planned behaviour, attitude, subjective norms, perceived behavioural control, entrepreneurship intention.

1. Introduction

Unemployment and poverty among youth are the major socio-economic problems facing the developing countries especially the African sub-region (Emmanuel, Oluwakemi, Ewomazino & Mercy, 2017; Okikiola, 2017; Mahmoud & Muharam, 2014). Over the years, Nigeria is experiencing a decline in the general standard of living, largely due to poverty and unemployment among its citizens. The number of unemployed people stand at 20.9 million as at the third quarter of 2018 (Olawoyin, 2018). Moreover, graduate employability stands at 36% per graduate (Stutern, 2016). This is therefore indicating a serious problem to graduate employability in the Nigeria. Entrepreneurship is an act creating business and growing business (Obi, 2018). It is seen as an important tool for transforming the economy, stimulating development, creation of jobs and wealth and promotes the general economy (Obembe, Tesile & Ukpong, 2014). Empirical investigation supports the positive relations between entrepreneurship with economic growth (Van Praag & Versloot, 2007).

The relevance of youth in entrepreneurship cannot be underrated in any economy (Abubakar, Ibrahim

&Yazeed, 2018), since they are the future entrepreneurs who would determine the economic viability of every nation. When youth appreciate the importance of entrepreneurship, the economy can experience an increase growth, while the rate of unemployment is expected to decline (Glinskiene & Petuskiene, 2011). Many developing countries are now investing heavily to support the prospective entrepreneurs at different levels to create new businesses.

Several entrepreneurship programmes have been developed by governments and universities (Mohamed, Reza, Shamsudin and Mahmud, 2012) to curtail unemployment. It is pertinent to find out if changing the orientation of students from employment to self-employment could help in addressing the problem of unemployment in Nigeria. Therefore, eliciting their entrepreneurship intention in the first place is of paramount important. The aim of this study is to examine the factors influencing entrepreneurship intention of University undergraduate students.

2. Literature Review

The Theory of Planned Behaviour (TPB) was suggested as a common framework to gauge entrepreneurship

intention universally (Ajzen, 1991). This is due to differences in the use of frameworks across context, content, regions and institutions (Fayolle et al., 2006). This study is therefore based on the TPB, which holds that the relationship between intention and behaviour is a function of attitude, subjective norms and perceived behavioural control (Ajzen 1991). The TPB can be used to predict various kinds of human intentions and behaviour. Thus, a swap of interest was witnessed from studying the attributes of existing entrepreneurs in ex-post conditions to studying the elements that leads to new business development (Autio et al., 2001).

In the psychological literature, intention to start a new business is assumed to be the proxy that best described entrepreneurial behaviour (Souitaris et al., 2007). TPB is therefore, used to describe an individual's intent to execute a particular behaviour and this has been widely used to measure entrepreneurial intention by many researchers.

Intention is believed to prognosticate a deliberate behaviour for the reason that behaviour can be planned (Abdul Kadir et al., 2012). Hence, entrepreneurial behaviour may not occur without entrepreneurial intention (Owoseni & Akambi, 2010; Garba, Kabir & Nalado, 2014). Therefore, intentions can accurately predict behaviour particularly when the behaviour incorporates some capricious lags (Otuya, Kibas, Gichira & Martin, 2013). As soon as the intention is formed, the actual action is projected (Bae et al., 2014). Intention in

TPB is influenced by three components which are attitude, subjective norms and perceived behavioural control. It is expected that entrepreneurship intention will explain or influence the intensity of these three components.

2.1 Hypotheses Development

Intention is regarded the best predictor of behaviour (Oluwafunmilayo, Moses, Olokundun & Grace (2018) and therefore, it can predict the new business creation process (Krueger, Reilly, & Carsrud, 2000). Intention represents the individual motivation to choose among alternative courses of action (Astuti & Martdianty, 2012). According to Gerba (2012) entrepreneurship intention is a state of mind that leads a person to favourably select a self-business rather than a paid job. In previous studies, entrepreneurship intention appeared as a reference to possess a business venture or become self-employed by establishing a new business or buying an existing one (Thompson, 2009). Moreover, actions are unlikely in the absence of intention (Owoseni & Akambi, 2010). According to TPB, there are three conceptual determinants of intention, these are attitude, subjective norms and perceived behavioural control.

Attitude refers to the positive or negative valuation of an individual towards a specific behaviour which is influenced by the total behavioural beliefs (Astuti & Martdianty, 2012). It is also the magnitude to which an individual is enticed to a particular behaviour (Bakotic & Kruzic, 2010). Attitude is form by the evaluative

implications of the relevant information or beliefs that are kept in the memory (Owoseni & Akambi, 2010). Entrepreneurial attitudes hence, refer to the degree of one's positive valuation to develop a new business (Linan et al., 2013). Entrepreneurship attitude was found to have a significant positive relationship with entrepreneurship intention in many studies (see for instance; Mahmoud, 2015; Mahmoud and Muharam, 2014; Kuttim et al., 2014; Otuya et al., 2013; Malebana, 2014; Linan et al., 2013; Isah & Garba, 2015). Thus, on this relationship a hypothesis is formulated as stated below;

H1: There is positive relationship between entrepreneurship intention and attitude of undergraduate students.

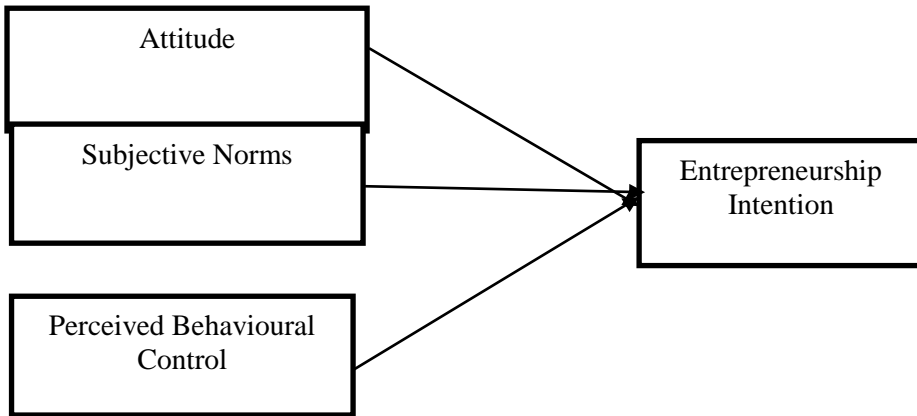
Subjective norm is the intense social pressure to perform a particular behaviour (Ajzen, 1991). It is the perspicacity of friends, family and colleagues on the particular behaviour in question. Subjective norm is otherwise called perceived social desirability (Owoseni & Akambi, 2010). The greater the number of people that favour entrepreneurship decision in a person's social network, the greater the expectation will be for such person to engage in entrepreneurship activity (Angriawan et al., 2012). Some previous studies found a positive significant relationship between subjective norms and entrepreneurial intention

(Angriawan et al., 2012; Engle et al., 2010; Kautonen Marco, & Erno, 2012; Mahmoud, 2015; Mahmoud and Muharam, 2014; Malebana 2014; Mueller, 2011). Hence, the second hypothesis formulated for this study is stated below;

H2: There is positive relationship between subjective norms and entrepreneurial intention of undergraduate students.

Perceived Behavioural Control (PBC) is the seeming ease or obstruction for the execution of a particular behaviour (Ajzen, 1991). In this study, PBC is therefore, the perceived ease or difficulty to establish a new business (Linan et al., 2013). Those that judge themselves as competent are more likely to classify founding new business as attainable (Krueger et al., 2000). A number of entrepreneurship studies revealed that perceived behavioural control is a strong significant factor that influence entrepreneurship intention (Ekpe & Mat, 2012; Iakovleva, Kolvereid, & Stephan, 2011; Linan et al., 2013; Mahmoud, 2015; Mahmoud & Muharam, 2014; Malebana 2014; Otuya et al., 2013; Sesen 2013). Thus, the third hypothesis is formulated as stated below;

H3: There is significant positive relationship between perceived behavioural control and entrepreneurship intention of undergraduate students.



Research Model Adapted from Ajzen (1991)

3. Methodology

This study utilised a quantitative survey method with questionnaire as the main study instrument for data collection. The population of study consists of 794 third year undergraduates of the then Northwest University Kano (now renamed Yusuf Maitama Sule University, Kano). The choice of third year students is due to their exposure with the entrepreneurship education. Sample of 350 of respondents were drawn from various faculties namely; Faculty of Education, Faculty of Social and Management science, Faculty of Science and Faculty of Humanities. The sample size is considered sufficient and representative according to Krejcie and Morgan (1970) sampling technique. However, 293 respondents returned the questionnaires which indicates 84% response rate. Nevertheless, 32 responses have been deleted in the process of data screening for having $\geq \pm 3.29$ z-scores, this is because they pose

a threat of becoming outliers. Thus, 261 responses were left for the final analysis.

This study has 3 independent variables, namely; attitude, subjective norms, and perceived behavioural control, with entrepreneurial intention as the only dependent variable. There are 7 questions for demographic background in the first part and a total of 28 questions in the second part of the questionnaire. Attitude has 5 questions, subjective norms 3 questions, perceived behavioural control 7 questions and 6 questions for entrepreneurial intention. The questions were adapted from Linan and Chen (2009), except the last questions for perceived behavioural control which were adapted from Autio et al., (2001).

The data was screened to satisfy the requirements for multivariate analysis, and the analyses were conducted using Statistical Package for Social Science (SPSS) version 20.

3.1 Reliability and Validity of the Instrument

To test the instrument reliability and validity, a pilot study was conducted prior to the full scale study. The internal consistency of the variables was computed using the Cronbach coefficient Alpha (Sandhu et al., 2011). Cronbach Alpha shows the reliability coefficient that ascertains the degree to

which the items positively correlate to each other, and the internal consistency is better when the Cronbach alpha is nearer to 1 (Sekaran, 2003). The entire variables for this study have a Cronbach Alpha coefficient that is beyond 0.70, which indicates reliability of the instrument. Table 4.2 below shows the coefficients of Cronbach Alpha for each variable.

Table 4.2 Cronbach Alpha Coefficient Result

S/No	Variables	Items	Cronbach Alpha Values
1	Entrepreneurial Intention	6	0.714
2	Attitude	5	0.745
3	Subjective Norms	3	0.743
4	Perceived Behavioral Control	7	0.872

4. Results of the Study

4.1 Demographic Profile of Respondents

Table 4.0 discloses that out of the 261 respondents, 153 are male (58.6%), 108 are female (41.4%), however, 251 (96.2%) of them are between the ages of 15-35 years, 10 (3.8%) are between the ages of 36-55 years. The Faculty of Education has the highest number of respondents 102 (39.1%), Faculty of Sciences 58 (22.2%) followed by the Faculty of Social and Management Science 54 (20.7%) and lastly the

Faculty of humanities with 47 (18.0%). Work experience among respondent's accounts for 150 (57.5%) while respondents with no work experience accounts for 111 (42.5%). Respondents that once owned a self-business are 126 (48.3%) and those that do not are 135 (51.7%). Respondents whose family members run a business are 230 (88.1%) and those that have no any 31 (11.9%). Those with self-business role model are 201 (77%) those with no role model are 60 (23%).

Table 4.1 Profile of the respondents

S/No	Items	Frequency (N=261)	Percentages (%)
1	Gender		
	Male	153	58.6
	Female	108	41.4
2	Age		
	15-35	251	96.2
	36-55	10	3.8
	56 and above	0	0

3	Faculties		
	Social and Management		
	Science	54	20.7
	Education	102	39.1
	Sciences	58	22.2
	Humanities	47	18.0
4	Work Experience		
	Yes	150	57.5
	No	111	42.5
5	Self-business Ownership		
	Yes	126	48.3
	No	135	51.7
6	Family members run a business		
	Yes	230	88.1
	No	31	11.9
7	Self-business role model		
	Yes	201	77.0
	No	60	23.0

Pearson correlation analysis was used to determine whether or not there is a multicollinearity among the variables. Multicollinearity takes place when the Pearson correlation values of the independent variables is 0.9 or beyond (Tabachnick & Fidell, 2007). In the presence of multicollinearity, the results of analysis become weaker because the variables interrelationships would

increase the error terms size due to the needless information that the interrelated variables would encompass (Mahmoud, Ahmad & Poespowidjojo, 2018). Thus, the solution is to delete one of the variables that has multicollinearity problem (Gorondutse & Hilman, 2014; Mahmoud, Mahmoud, Muharam & Mas'ud, 2015).

Table 5.1 Correlation Result

S/No	Variables	1	2	3
1	ATT	1		
2	SN	.480**	1	
3	PBC	.658**	.374**	1

**p<0.001 (1-tailed); ATT= Attitude, SN= Subjective Norms, PBC= Perceived Behavioral Control.

From table 5.1 above, none of the study variables has ≥ 0.9 correlation value, thus, multicollinearity is ruled out (Hair et al., 2010; Tabachnick & Fidell 2007).

Moreover, multicollinearity cases can also be screened by examining the Variance Inflation Factor (VIF) and the tolerance level which can be computed

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through SPSS (Gorodontse & Hilman, 2014; Mahmoud et al., 2015; Mahmoud et al., 2018). To have a multicollinearity free data, the value of tolerance must be >0.10 , while the VIF must not be <10

(Hair et al., 2010). When the VIF is <10 and tolerance >0.10 the result is considered acceptable (Tabachnick & Fidell, 2007).

Table 5.2 VIF and Tolerance Values for Multicollinearity test

S/No	Variables	Tolerance values	VIF
1	Attitude	.488	2.048
2	Subjective Norms	.724	1.381
3	Perceived Behavioral Control	.535	1.868

From table 5.2, it is concluded that the multicollinearity is absent since the tolerance values are >0.10 and the VIF are not up to 10 for all the variables.

Regression analysis reveals the proportion to which the independent variables (i.e. attitude, subjective norms and perceived behavioral control) predict the intention of students to start entrepreneurship activities. The result shows that the $R^2 = 0.396$ which is approximately 0.40 and the significant F value was 41.993. Thus, it can be concluded that attitude, subjective

norms and perceived behavioral control all together predicts 39.6% or about 40% of the variance in entrepreneurial intentions of the students. The R^2 is considered satisfactory when compared to preceding studies such as: Krueger et al., (2000) 35%; Ogundipe et al., (2012) 31.5%; and Souitaris et al., (2007) 35% variance in intention.

Table 5.3 Regression analysis

Model	Beta (Standardized)	t value	Sig.
(Constant)		3.518	.001
Attitude	.580	8.339	.000***
Subjective Norms	-.079	-1.392	.165
Perceived Behavioral Control	-.013	-.192	.848

Note that *** $p < .001$ ** $p < .05$ and $R^2 = .396$, $F = 41.993$ ($p < 0.001$). Entrepreneurial Intention = Dependent Variable.

From table 5.3 below it can be settled that there is a significant positive relationship between attitude and the entrepreneurial intention ($\beta = 0.580$; $p = 0.000$). The result is reassuring to preceding studies that employed the TPB as entrepreneurship intention model for diverse groups (Angriawan et

al., 2012; Engle et al., 2010; Mahmoud & Muharam, 2014; Mahmoud et al., 2015; Mueller, 2011; Otuya et al., 2013).

This study revealed a significant positive link between attitude and entrepreneurial intention ($\beta = 0.580$; $t = 8.339$; $p = 0.000$), which is in line with

many findings in the literature (Angriawan et al. 2012; Kautonen et al., 2012; Kuttim et al., 2014; Linan et al., 2013; Malebana, 2014; Mahmoud & Muharam, 2014; Mueller, 2011; Sahindis et al., 2012). Thus, H1 is accepted (i.e. there is a significant positive relationship between attitude and entrepreneurial intention). On the contrary, the relationship between subjective norms and entrepreneurship intention was insignificant ($\beta = -0.079$; $t = -1.392$; $p = 0.165$) which is consistent to some research findings (Paco et al., 2011; Sommer & Haug, 2011). Likewise, the relationship between perceived behavioral control and entrepreneurship intention was also insignificant ($\beta = -0.013$; $t = -0.192$; $p = 0.848$). Therefore, hypothesis two and three were rejected.

5. Discussion

The result of this study is supportive to the TPB in entrepreneurship, and partly supportive to previous literature on entrepreneurship intention. The present study revealed that TPB is valuable theory in measuring entrepreneurship intention, but only the attitude can significantly influence entrepreneurship intention of students in the study context. Perceived behavioural control and subjective norms are therefore, insignificant to entrepreneurship intention among students in the context of this study. While previous studies indicate a strong significant relationship between perceived behavioural control and entrepreneurship intention (Mahmoud, 2015; Mahmoud & Muharam, 2014; Malebana 2014), this study revealed a contrary result, which

may likely be attributed to the study context setting, culture and quality of entrepreneurship education they received. Hence, the university need to reorganize the entrepreneurship education program to kindle the perceived behavioural control and subjective norms of students by the introduction of other moderating factors.

As a valuable theory and model in determining entrepreneurial intentions of different groups (Angriawan et al., 2012; Engle et al., 2010; Otuya et al., 2013), the TPB model instrument used in this study was proposed to serve as a global uniform instrument in measuring entrepreneurship intention in order to limit the discrepancies witnessed in the measurement of TPB in entrepreneurship across countries and cultures (Linan & Chen, 2009). This study therefore, contributes to the theory by confirming the applicability of TPB in the context of Nigeria and further revalidating the proposed standard instrument of measurement as developed by Linan and Chen (2009).

The revelation of attitude as the only factor that contributes to entrepreneurial intention among Northwest University students is an important contribution that may facilitate the development of entrepreneurship curricular to reflect and directly stimulate entrepreneurial attitude which will subsequently influence entrepreneurial intention of among the students. Student entrepreneurial attitude should therefore be given proper consideration in the existing entrepreneurship incentive programmes in the study context.

6. Conclusion, Policy Implications & Suggestions for Future Studies

Since the result showed attitude has a significant positive relationship with the entrepreneurial intention, this study suggests that the entrepreneurship syllabus for university undergraduates should focus more on enhancing the entrepreneurial attitude of students. However, the syllabus need to focus on how to enhance the proficiency of students in setting entrepreneurial ventures and improve their subjective norms through students' club and group business idea development.

This study enriches the entrepreneurship intention literature by indicating the role of TPB on entrepreneurial intention in

the context of Nigerian undergraduates. Policy makers should focus more on developing entrepreneurship attitude in education programs to spur entrepreneurship intention.

For the study limitations, the responses of this study might be prejudiced by subjectivity due to the self-assessment method of data collection used in this study. Hence, future studies need to consider other data collection methods that may reduce subjectivity of responses. Future studies may also use longitudinal method of data collection to verify the link between entrepreneurship intention and entrepreneurship behaviour.

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Entrepreneurship Skills Acquired by Undergraduate Chemistry Students during the Course of their Studies in the University

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Abstract: Chemistry is a utility course filled with a lot of business opportunities. It enlightens students on various kinds of business opportunities during their course of study. This paper therefore assessed the business ideas generated by undergraduate chemistry students during the course of their study. The investigation was carried out using descriptive research of the survey type. Percentage, mean and standard deviation were used to answer the research questions. Two hundred (200) Chemistry undergraduates from University of Ilorin were sample for this study. The results of the study revealed that; Chemistry undergraduates had moderately positive attitude towards adoption of entrepreneurial activities; Chemistry undergraduates displayed moderately positive attitude towards adoption of entrepreneurial skills which can be started with little capital and require low technical know-how; The product most chemistry undergraduate proposed to produce after graduation is soap. More so, Chemistry undergraduates are business oriented and high percentage of them will probably pursue business upon completion of their study.

1. Introduction

The educational system of any country aiming to develop must have set goals relevant to the citizen's need and national aspirations. Its major task lies in the process of how to ignite the latent

talents in its citizens, prepare and thoroughly equip its citizens with relevant knowledge and skills for viable functionality and ability to cope with any intellectual or cultural challenges (Eya, 2011).

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For any nation to be a developed one, it has to be fervent in producing a scientifically oriented citizen through an efficient and quality science education. Abimbola (2013) defined science as a branch of knowledge that deals with a body of facts or truth systematically arranged and showing the operation of general laws. The major branches of science are Chemistry, Physics and Biology (Abimbola, 2013).

Chemistry as one of the main branch of science deals with the composition, properties and uses of matter which lobes into the principles governing the changes that matter undergoes (Ababio, 2015). Chemistry also has to do with the utilization of natural substances and creation of artificial ones hence, Chemistry is ubiquitous. It is therefore imperative to say that everything we see, hear, taste, smell or touch involves intricate series of chemistry and chemical reaction in our body (Bagley, 2014). With such an enormous range of topics, it is essential to have basic knowledge of chemistry to understand the world around us and to take pretty advantage of such knowledge to convert them into entrepreneurial activities.

Business and Entrepreneurship today has become an unavoidable issue especially by policy makers who see entrepreneurship as a means to alleviate unemployment in Nigeria; and so, the concept is gaining so much ground as a powerful agent for job creation especially through the small and medium enterprises (SMEs). The concept of business and entrepreneurship is fast becoming a great phenomenon in the world and it is being embraced by

developed and developing nations alike. Aminu (2008) defined entrepreneurship as a process of creating something new with value, by devoting quality time and effort, assuming the accompanying financial, psychic and social risks, and receiving the resulting reward of monetary and personal satisfaction and independence.

The hall mark of entrepreneurship is the setting up of a new business. Starting up a new business requires an entrepreneurial spirit which is characterized by innovation and risk taking. As defined by Aminu (2008), an entrepreneur is a person who have the ability to see and evaluate business opportunities, gather the necessary resources to take the advantage of them and initiate appropriate action to ensure success.

Academic entrepreneurship has the sole objective of commercialisation of innovations developed by academic scientists in universities and research institutes via patenting, licencing start-up creation and academic/university-industry partnerships (Phan & Siengel, 2006; Siengel, Veugelers & Wright, 2007). It is highly important to note that increment in the rate of innovation and business organizations in Nigeria could be achieved by establishing a relationship between chemistry and entrepreneurship. However, the extent to which undergraduate are aware of this seems to be undetermined.

As a remedy, chemistry serve as one of the best way to utilize the classroom knowledge to practical aspect of business and entrepreneurship life, the question that raises from the mind is

“why chemistry”? This is because acquisition of professional qualification in chemistry will allow individuals to apply or transfer the acquired knowledge into the immediate environment (Jack, 2012). This is the one of the purposes of National Policy on Education (FRN, 2004) that, the acquisition of appropriate skills and development of mental, physical and social abilities and competency to contribute to the development of the society should be embraced.

According to Ugwu and Etiubon (2009) and Jack (2012), some of the entrepreneurial skills in chemistry content include: production of dyes from knowledge of colour chemistry; production of aluminium pots from knowledge of metallic chemistry; production of local drugs from knowledge of medicinal chemistry; treatment of water from knowledge of Environmental Hydro Chemistry amongst others. Olokun (2017) conducted a study on the perceptions of students on entrepreneurship education and entrepreneurial intentions selected in Nigeria Universities. The findings of the study revealed that practical activities are mainly based on vocational skill acquisition and university support systems do not involve students across all levels.

It was emphasized that the links between science, innovation, creativity and entrepreneurship are important (European Commission, 2015). Researchers such as Agommuoh and Akanwa (2014), Ejilibe (2012), Ezeudu, Ofoegbu and Anyaegbunnam (2013) and Hilario (2015) opined that

entrepreneurship has an important implementation area in terms of education in physics, chemistry and biology. This implies that scientific entrepreneurship means the process of producing innovative, science-based products based on the ability to forecast new products that is not on the market (Peter & Anne, 2000).

Chemistry as a science course will therefore provide opportunities for students due to its numerous topics and practical which are easily convertible into useful and finished products consumable for the final consumer and profitable for the entrepreneur himself. Upon graduation, graduates can thus apply the concepts of chemical concepts to become self-employed.

Despite the effectiveness of chemistry in entrepreneurship, little attention is given to the aspect of innovation and entrepreneurship opportunity in it. According to the National Bureau of Statistics (2014), unemployment rate in Nigeria in the first quarter of 2013 was 23.9% (Odia & Odia, 2013). The rate of unemployment in Nigeria is indeed alarming (Ogunsola, 2009; Aja, Okorie & Adali, 2013). Ajagu (2005) argued that entrepreneurship in Nigeria is near absent and the dearth of information in this area has resulted in only few venturing into it without the prerequisite information to succeed, while others have to abandon their dreams.

This study will thus add to the existing body of literature in science and entrepreneurship by assessing the entrepreneurial skills that has been acquired by chemistry undergraduates

during the course of their studies in the university.

2. Literature

2.1 Contents of the Undergraduate Chemistry Curriculum

Chemistry is a central subject of science and is closely related to daily life (Oyeku, Oduyoye, Elemo, Akindoju, Karimu & Unuigbe, 2015). The objectives of chemistry contents as stated by Das (2006) in the journal of the National Teachers Institute (NTI, 2006) are:

1. To encourage students take active part in class.
2. To encourage students develop curiosity and spirit of enterprise.
3. To teach good laboratory practice and skills.
4. To enable students become committed to safe practice in daily life.
5. To teach students to analyse data or experiment from other sources.
6. To provide students with some insight into further career prospect in the field related to chemistry.

It can be seen above that the development of entrepreneurial skills is imbedded in the objectives of the chemistry curriculum as mentioned in the second point above, (spirit of enterprise). Speaking on the content of undergraduate chemistry curriculum, Eya (2011) asserted that Thirty three (33) out of the Fifty (50) major topics in chemistry curriculum such as Organic chemistry, Rate of reaction and Equilibrium, Acid, Base and Salt, etc. promotes inculcation of entrepreneurial skills among our students while seventeen of the content namely,

Concept of matter, Particulate nature of matter, Periodic table, Chemical bonding, etc. do not.

Chemistry contents can therefore be seen as useful topics that serve as stepping stones to entrepreneurial achievements.

2.2 Chemistry Topics that Business could be generated from

Varieties of topics are contained in the chemistry curriculum, but some of these topics are very good source of business for prospective entrepreneurs. Dike (2008) asserted that Environmental Chemistry taught in institution serves as a very good topic for entrepreneurship. They can set up waste management services which will involve collection and disposal of wastes from homes, offices etc. Dike (2008) pointed out that public health authority responsible for the collection of wastes from the government owned and personal dustbin to the dumping site is generally low and inadequate with the results that they remain uncollected for months, thus graduates can turn waste to wealth.

Ugwu and Etiubon (2009) and Jack (2012) opined that topics such as Colour chemistry, Metals and their compounds, Medicinal chemistry etc., offered in universities are few examples of important topics that have real practical application in the outside world after the knowledge have been internalized while in school. According to the authors, useful application of some of the topics includes: production of dyes from knowledge of Colour Chemistry; production of aluminium pots from knowledge of Metallic Chemistry; production of local drugs from knowledge of Medicinal Chemistry etc.

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Chemistry therefore provides opportunities for students due to its numerous topics and practical which are easily convertible into useful and finished products consumable for the final consumer and profitable for the entrepreneur himself.

2.3 Economic Benefits of Understanding Business Ideas in Chemistry

There are many factors necessitating the adoption of business ideas by the students. The following are some of the general reasons laid down by Oyeku, et al. (2015)

- a. The need to tackle Unemployment
- b. The need to grow the national economy.
- c. The need to create wealth to reduce poverty.
- d. Incessant civil unrest.
- e. Personal contentment.

Aside from the stated reasons of adopting entrepreneurship, there are also several benefits that the nation and individual stands to gain by engaging in chemistry entrepreneurship. According to the report submitted by the Royal Society of Chemistry (RSC) in September 2010 to the Research Institute of the United Kingdom (UK), some of the important economic benefits of chemistry entrepreneurship over the years include:

- **Water:** application of chemicals in the treatment and delivery of drinking water free from impurities. Ranging from simple disinfection to multistage advanced treatment, ensuring that water is not harmful to the environment.

- **Health:** chemistry entrepreneurs in their research have significantly impacted on the health of the nation in many ways. From the development of diagnostic devices, through the discovery and development of highly effective drugs for treating disease and of substance that enables medical procedures to be accomplished to advanced materials for use in prosthetic and regenerative medicine, this significantly enhance the lives of patients and improve quality of life for the population.
- **Food and drinks:** chemistry entrepreneurs today develop flavours, additives and introduction of nutritional enhancement. They do researches to synthesize and extract natural food components, their research has led to commercially successful reduced fats and reduced salt food, against a backdrop of increasingly demanding consumers.
- **Farming:** chemistry entrepreneurs have contributed to increase in crop productivity with significant impact on crop yield. These achievements includes the development of insecticides, fungicides, and many world class herbicides, the basic understanding of chemical cycles throughout the food chain underpin the development of enhanced feed and food production.

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- **Packaging:** chemistry entrepreneurs have produced numerous types of plastic packages from single use food packaging containers to high strength protective ones. They are also giving packaging a more sustainable future through development of bio renewable plastics such as Polylactic Acid (PLA) and more recently biomaterials from non-food crops using low energy and low water process.
- **Textiles:** chemistry entrepreneur through their continuous innovation produce textiles and clothing which react to climate change, medical textiles, military and industrial textiles with critical performance and patterns of requirement.
- **Electronics:** chemistry entrepreneurs have contributed towards many of the advances in electronic industry, development of semiconductors which serves as the basis of modern electronics such as radio, computers and telephones. They also reduce the dependence of electronics upon finite metal resources and as well increase the ability to recover and recycle metals from electronic wastes.

2.4 Factors Hindering the Success of Entrepreneurship Ideas Developed by Undergraduate

The factors militating against success of business ideas developed by undergraduate chemistry students are numerous. Some of these factors as

enumerated by Elemo (2014) are presented below:

- a. Lack of financial capabilities by chemists to develop the innovation to market place.
- b. General apathy for made in Nigeria goods/technologies and high taste of Nigerians for foreign goods including foreign technologies.
- c. Low level of funding of research and development in Nigeria.
- d. Weak linkage between academia and industry.
- e. Lack of appropriate legal framework on protection and commercialisation of innovation.

2.5 Promotion of entrepreneurial skills among undergraduate by Institutions

According to Okello, Obura and Matovu (2011), the growth of any enterprise among other things depends on the entrepreneurship spirit, the qualification of its owner, quality provision of information, knowledge, skills and advice on the various aspect of business. However programmes to prepare for entrepreneurship training to support small businesses have become subject of further education and training. Students are thus equipped with necessary skills to become a successful entrepreneur. The effort of the Federal Government in conjunction with various institutions towards entrepreneurship can be seen in the establishment of the following skill specific enterprise (FRN, 2014):

- Industrial Attachment or Student Industrial Working Experience Scheme (SIWES).
- Vocational and Technical Training.
- Information and Communication Technology Training (ICT).

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- Workshops and specific trainings on tie and dye, welding and fabrication, preparation of perfumes, etc.
- National Directorate of Employment (NDE).

The above mentioned skills and training were established by various institutions in conjunction with the government to boost the practical and entrepreneurial skill of undergraduate students of chemistry, and science related discipline. For example, the vocational and technical training as entrenched in the Nigeria National Policy on Education (FRN, 2004) refers to those aspect of education processes involving the study of technology and related science as the acquisition of special skills, attitudes, understandings and knowledge relating to occupation in various sector of the economy and social life, all the programmes have entrepreneurship focus undertaking in various institutions of learning.

Realising the benefit of chemistry entrepreneur, higher institutions in Nigeria such as Adeniran Ogunsanya College of Education Lagos, an affiliate of Ekiti State University, Ado-Ekiti, has converted many of its students' laboratory innovations to marketable products. The chemistry graduates of this institution are most likely to be wealth creators rather than white collar jobs seekers (Ogunsola, 2009).

In addition, the Lagos State Government should be commended in this regard for putting in place a Ready Set Work (RSW) programme which seeks to develop entrepreneurial skills in the school graduants. In the process, two

students of College of Health Technology, Lagos have succeeded in developing technology for Biogas production which has earned them a whooping sum of five million naira from the state government for start-up business in that area (Nigeria Tribune, 2016). If chemistry entrepreneurship and by extension, could be offered at all levels of education, the rate of unemployment in Nigeria would be drastically reduced. Not only this, the ailing Nigeria economy would also be improved.

2.6 Entrepreneurial Skills Required by Chemistry Undergraduate.

Becoming an entrepreneur involves learning of new skills and taking risks. Scientists also need a basic understanding of the elementary financial structures including basic understanding of Balance Sheets, Cash Flow statements, financial ratios and their interpretations and general accounting principles to run the business effectively as well as an understanding of legal topics such as business structure, contracts ,liability and intellectual properties; these involves learning a new culture.

Judith J.Albert, co-founder and managing partner of network based in New York noted that Scientist who wants to become entrepreneur must provide answer to the following questions as a way of personal evaluation of their business ideas.

- a. Is there a market need?
- b. Do you have solution to the market needs?
- c. Does anyone else have the solution?

- d. Can we make serious money here?
- e. How close are you going to market?
- f. Do you have a team that can take it to the market?
- g. Do you have credible business plan?
- h. How much will it cost?
- i. Is this something you really want to do?
- j. Is this the right time in your life?

Albert also offered the following suggestions to Scientists who want to become entrepreneurs:

- a. Understand the market and where your technology fits.
- b. Be willing to take risks.
- c. Talk to people who have done this before and build support network.
- d. Surround yourself with excellent people that you trust.
- e. Do not overlook students when you are setting up business teams.

The following are also some of the identified steps to take in starting a new business, the steps are however not listed in particular order of occurrence (Oyeku, 2008).

- a. Make up, your mind as to whether you want to be an employer or an employee.
- b. Read up material on entrepreneurship.
- c. Do a thorough evaluation of yourself to know whether you can be an entrepreneur.
- d. Decide on the type of business ownership.
- e. Conduct a thorough research into various windows of investment opportunity without

- necessarily limiting yourself to a particular area.
- f. Select two or three out of the various option of investment opportunity.
- g. Get investment profiles on the selected options.
- h. Narrow down your choice to one option for a start.
- i. Conduct a personal research of chosen industry to become knowledgeable e.g. competition, raw material, packaging, machinery and equipment, process technology etc.
- j. Prepare a feasible report.
- k. Develop a business plan.
- l. Adopt a name and register your company.
- m. Decide on business location.
- n. Design your company/product/package e.g. logo, letter headed paper, business card etc.
- o. Open a corporate account.
- p. Discuss with financial/ funding institutions.
- q. Develop records keeping/ accounting procedures.
- r. Contact supplies of machinery and equipment, raw materials, packaging materials, electricity, water etc.
- s. Acquire necessary input including building construction/ rent /lease.
- t. Acquire necessary training.
- u. Recruit labour.
- v. Locate your market.
- w. Conduct trial production.
- x. Register your product (if applicable).
- y. Open your door for business.

3 Research Method

Descriptive research of the survey type was used for this study. The population for this study comprised of all undergraduate chemistry students in University of Ilorin, Ilorin, Nigeria. For the purpose of this study, 200 undergraduates were randomly selected from 300 and 400 levels. 100 undergraduates were selected from each level in two departments (Department of Chemistry and Department of Industrial Chemistry). In total, 50 undergraduates (respondents) were selected each from

300 level chemistry, 400 level chemistry, 300 level chemistry education and 400 level chemistry education, which brought the total number of respondent to 200. Simple random sampling technique was used for this study. The instrument used for this study was an adapted questionnaire from the work of Bamidele (2019). The data collected was analysed using descriptive statistic. Percentage, mean and standard deviation were used to answer the research questions.

4. Data Presentation and Analysis

Table 1: *Chemistry topics in which business ideas could be generated from*

Items	Mean	SD
Separation techniques	3.14	0.70
Acid-Base and salt	3.21	0.93
Metal and their compounds	3.13	0.78
Electrolysis	2.91	0.91
Environmental Chemistry	2.96	0.81
Color Chemistry	2.74	0.89
Medicinal Chemistry	2.99	0.92
Organic Chemistry	2.78	0.92
Industrial Chemistry	3.18	0.91
Solubility of Substances	2.99	0.89

From Table 1, the mean obtained for each items is greater than 2.50 which serve as the baseline for affirming positive response. It can therefore be concluded that all chemistry topics in Table 1 can generate business ideas.

Table 2: Business Ideas that come to the mind of Chemistry undergraduates during the course of learning

Items	Mean	SD
Distillation of wine during separation technique class	3.22	0.76
Production of soap in the course of acid and base class	3.13	0.73
Production of wires and aluminum	2.96	0.88

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during metal and its compound class		
Treatment of water as being taught in electrolysis class.	2.97	0.89
Municipal waste treatment during environmental chemistry class	2.64	0.99
Production of dye while in color chemistry class	2.92	0.82
Production of vulcanizer solution during medicinal class	2.99	0.93
Production of starch in organic chemistry class	3.11	0.69
Production of plastic during industrial chemistry class	3.14	0.87
Production of drugs while in solubility class	2.78	0.90

From Table 2, it can be concluded that during the course of learning all the listed topics comes to mind of undergraduate chemistry students.

Table 3: *Business ideas that Chemistry undergraduate determined to pursue within their field on graduation*

Items	Mean	SD
Refined salt and sugar in separation technique	3.12	0.81
Water treatment in Acid, base and salt	2.93	0.79
Aluminum refining in metal and its compound	2.89	0.83
Dry and wet cell production in electrolysis	2.99	0.89
Municipal waste treatment in separation techniques	2.73	0.81
Dye production inorganic chemistry	2.92	0.82
Electroplating in medicinal chemistry	2.85	0.91
Yeast production in organic chemistry	2.76	0.85
Tiles production in industrial chemistry	2.74	0.82
Perfume production in solubility	2.91	0.92

Table 3 depicts that the business ideas undergraduate chemistry students has decided to pursue within chemistry field on graduation includes; Refined salt and sugar in separation technique, Water treatment in Acid, base and salt, Aluminum refining in metal and its compound, Dry and wet cell production in electrolysis, Municipal waste

treatment in separation techniques, Dye production inorganic chemistry, Electroplating in medicinal chemistry, Yeast production in organic chemistry, Tiles production in industrial chemistry and Perfume production in solubility. This is shown by their mean values which are above 2.50.

Table 4: Products which Chemistry undergraduate proposed to produce from the knowledge of Chemistry on Graduation

Items	Yes	%
Sugar and salt purification.	126	63.0%
Soap	128	64.0%
Lightweight aluminum pots	97	48.5%
Toiletries	90	45.0%
Purified and distilled water	102	51.0%
Paint and dye	111	55.5%
Drugs	111	55.5%
Wines and beverages	96	48.0%
Plastic wares	101	50.5%
Dry and wet cells	102	51.0%
Cosmetics	109	54.5%
Electroplating of metal	103	51.5%
Rubber and vulcanizer solution	119	59.5%
Treatment of water	124	62.0%
Fabrics and clothing materials	101	50.5%
Chemicals and reagents	119	59.5%
Distilled laboratory water	116	58.0%
Chalk	102	51.0%
Disinfectants	104	52.0%
Agrochemicals	97	48.5%

It is observed from the responses in Table 4 that the major product students would like to produce include sugar and salt purification, soap, purified and distilled water, paint and dye, drugs, plastic wares, dry and wet cells, cosmetics, electroplating of metal, rubber and vulcanizer solution, treatment of water, fabrics and clothing materials, chemicals and reagents,

distilled laboratory water, chalk and disinfectants. This is because the total number of respondents who attested to each of the products is above 100.

5. Discussion

The finding revealed that the chemistry topics which undergraduates could perceived business idea from are separation techniques, Acid-Base and salt, Metal and their compounds,

Industrial chemistry, Electrolysis and others, Environmental Chemistry, Color Chemistry, Medicinal Chemistry, Organic Chemistry and Solubility of Substances. The finding is in line with the research work of Martinez (2007) whose result revealed that the chemistry student have higher entrepreneurial potentials.

Finding from the study also showed that the business ideas developed by undergraduates during the course of their learning include; distillation of wine during separation technique class, production of soap in the course of acid and base class, production of wires and aluminum during metal and its compound class, treatment of water as being taught in electrolysis class, municipal waste treatment during environmental chemistry class, production of dye while in color chemistry class, production of vulcanizer solution during medicinal class, production of starch in organic chemistry class, production of plastic during industrial chemistry class and production of drugs while in solubility class. This finding gives credibility to the work of Paul (2012) who stated that electrolysis, extraction of metals, etc., could advance chemistry students into business.

The finding also revealed that the business ideas which undergraduates have determined to pursue within chemistry field upon completion of their study include; refined salt and sugar in separation technique, water treatment in acid, base and salt, aluminum refining in metal and its compound, dry and wet cell production in electrolysis,

municipal waste treatment in separation techniques, dye production inorganic chemistry, electroplating in medicinal chemistry, yeast production in organic chemistry, tiles production in industrial chemistry and perfume production in solubility. This finding is in accordance to the findings of Paul (2012) who opined that electrolysis, extraction of metals, etc., could advance chemistry students into business.

The result of this study also indicated that undergraduates would love to produce soap, lightweight aluminum pots, toiletries, paint and dye, drugs, wines and beverages, plastic wares, dry and wet cells, cosmetics, electroplating of metal, rubber and vulcanizer solution, treatment of water, fabrics and clothing materials, chemicals and reagents, distilled laboratory water, chalk, disinfectants, agrochemicals and purify water, sugar and salt. This finding gives credibility to the finding of Uzezi and Jen (2015) who discovered that Nigerian chemist through chemistry entrepreneurship would choose to commercialize chemistry by producing dry and wet cells, cosmetics, electroplating of metal, etc.

6. Implications of the Study

The findings from this study will be of great importance to many stakeholders such as students, lecturers, government, policy makers, society in general and nations at large. The importance of this study is to assess the entrepreneurship idea conceived by undergraduate chemistry students during their studies in the university, and to show them the various ways by which their knowledge of chemistry can be put into various use

for self-reliance and gainful employment.

Students would find benefits in this study in the sense that despite all the stated problems about the issue of unemployment, students will get to know the usefulness of the knowledge of chemistry in becoming the sole proprietorship of their business. The study might provide science stakeholders and government with detailed information about the importance of entrepreneurship and the need for its promotion especially for individual still in school.

The findings may also be of benefit in teacher's education, as it will prepare

teachers towards giving their students not only the theoretical aspect of work, but also preparing their mind for the outside world by providing them with adequate practical knowledge of the subject matter. In the area of Educational research, this study could be of relevance as it encourages further research into the subject matter. .

Conclusion

From the finding of the study, it can be concluded that the areas in Chemistry like Industrial chemistry could help students in the generation of business ideas like soap, lightweight aluminum pots, toiletries, textile production, etc.

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Effects of Import on The Growth of Small And Medium Scale Enterprises in Nigeria

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Abstract: This study evaluates the effects of importation on the growth of small and medium scale enterprises (SMEs) in Nigeria for the period between 1992 and 2017. The study employs the unit root test approach of Augmented Dickey Fuller (ADF) to examine the order of integration of the variables and the co-integration test was carried out using the Autoregressive Distributed Lag (ARDL) Bounds test to check whether a long-run relationship exists among the variables of this study. The co-integration test result shows that a long-run relationship exists among the variables indicating that they all converge in the long-run. The empirical results show a significant direct relationship between SME growth and imports in Nigeria both in the short-run and long-run. Further, the results revealed that lending rate and commercial banks' credits to SMEs are inversely related to SME growth while exchange rate has a positive impact on SME growth in Nigeria. This study therefore recommends that the Nigerian government should diversify the Nigerian economy and local sourcing of raw materials should be encouraged to enhance backward and forward linkage of the various sectors of the Nigerian economy. The lending rate should also be lowered as much as possible so as to encourage SME investors. It also recommends that the Nigerian government make concerted efforts geared towards encouraging local producers and infant industries to produce the raw materials and capital equipment that SMEs would have otherwise imported from other countries.

Keywords: Importation, SME growth, Nigeria, Autoregressive Distributed Lag (ARDL),

1. Introduction

Small and medium enterprises (SME) came into the development scene in the 1940s with the goal of improving exchange and industrialization in what are perceived as created nations today (Organization for Economic Co-Operation and Development, 2004). The significance of SME generally varies and is broadly contextualized by nations, to an extent that nations depend on SME for national income and taxes. SMEs are crucial in developing and emerging nations (OECD, 2002).

These companies usually constitute over 90 percent of every business excluding white-collar jobs, including opportunities for employment, export and national revenue. OECD (2005) accentuated that developing SME is a critical tool for reducing poverty, thereby contributing to social and economic progress. Dedication of World Bank Group to fostering SMEs as a principal component in strategizing towards reduced poverty, job opportunities and economic growth (World Bank, 2012) could be attributed to the drives of SMEs towards industrial growth and achieving key developmental goals. Great opportunities of SMEs to discover economic and social progress provides rationale why their funding and performance is very vital to government of diverse economies worldwide (Okpara 2000).

Nigeria is endowed with diverse resources, such as solid minerals, gas and oil, existing in huge marketable amounts. Moreover, Nigeria holds substantial electric power amenities; very large populace, a large-scale market and misused idle capacity in industries (CBN, 2000). Also, SMEs are everywhere in the nation, with many being set up since mid-1980s during structural adjustment programme (SAP).

All these signify huge capability for upcoming active industries, especially small businesses. Accordingly, proper growth schemes targeted towards small-medium scale industries (SMI) within an amicable investment surrounding can attain long-delayed industrial evolution that was previously unsuccessful by large scale endeavours.

SMEs striving in Nigeria are not protected from common hindering issues plaguing other advanced economies. Nearly all nations support SMEs mostly due to their critical implicit function in aiding national expansion. Nigerian SMEs have diversified after SAP to satisfy supply gap of industrial consumer products arising from complexities of larger organisations which did not smoothly adjust to SAP adaptations (Olorunshola, 2003). Additionally, one key disparity in developmental processes of Nigerian industries over decades was lack of active and strong SMEs due to financial constraints from poor entrepreneurial skill, high loan procedures and lending rates. Again, inadequate credit for SMEs, probably from banks' hesitancy to persons lacking proper proposal, documentation and insufficient collaterals, thus posing serious funding problems for Nigerian SME owners. Little results from the efforts of local manufacturers was nearly totally eliminated by massive displacement and disruptive devaluation of SAP scheme.

Private ventures in developed economies like Japan, Germany and USA, might be an avenue for huge-scaled ventures in a producing country such as Nigeria. It is necessary to also take note of that the concept of SME changes over time from one organization to another, subject to their approach and interests. In any case, SMEs can be categorised based on specific criteria such as turnover,

quality, net revenue, capital utilized, accessible capital, running cost and

relative size of a business.

Table 1.1: Categorization of Enterprises

Size	No. Of Employees	Total Cost Including Working Capital but excluding land
Micro	between 1 and 10	Less than 1 Million
Small	between 11 and 35	less than 40Million
Medium	between 36 and 100	above 40 million but less than 200Million
Large	101 and above	200Million and Above

Source: National Council of Industry (2003)

Nevertheless, the source that is generally used in Nigeria is that of advantage. In the 2005 rule on Small and Medium Enterprise Investment Scheme (SMEIS), CBN portrayed SME as any venture with a high resource base of 200million naira (barring area and working capital) having a few number employees. OECD (2017) portrayed SMEs as the organizations that uses a limit of 249 people broken down into: smaller scale (1 to 9), little (10 to 49) and medium (50-249).

An interesting aspect of SME is its significance in the development of nations financially. Combined with giving chances to business openings, SMEs also give employable methods for constraining regional urban relocation and asset utilisation. To a large extent, they act as middle men for large organizations, add to the hardening of modern linkages between industries. A striving, productive and viable SME sub-division creates numerous resultant advantages for partners, representatives, clients, managers to the advantage of the whole economy. Workers need fresh skills and information to enhance their

productivity at work and rival their counterparts in different parts of the world.

Further to the important roles SMEs play in financing Nigeria's growth, Bank of Industry (BOI) created more than (60%) income from the credits it conceded in 2004 to SMEs, having moderate default rate in most cases. BOI's Managing Director, Dr. Lawrence Osa-Afiana also confirmed that twenty-nine (29) out of 594 loan/advance requests they received since 2001 got validation, including N20.8 million (19.1%) of complete confirmed advances was allocated to SMEs.

Also, importation can also mean getting products across national borders and all activities of buying and selling goods and services from different nations or countries other than locally. Imports are significant for the economy since they allow a nation to supply scarce resources, resources that have low cost of production and that would give higher revenue to its market with items from different nations. Imports can be viewed as exchanges in merchandise or

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potentials (human capital) to citizens of other nations from foreigners. An import is a good or service brought into a country over a national fringe from another country. An import to a receiving nation is export from the sending country.

2. Literature Review

There is abundance of academic research on the relationships of Small and Medium Enterprises (SMEs) with other macroeconomic variables including importation. This shows its usefulness and significance in the increased growth of a nation. Experiences of advanced countries in terms of the functions of SMEs augments that its importance cannot be disregarded. Hence, this section appraises relevant studies on existing linkage between SMEs and other macroeconomic variables including imports in the existing literature. This section also contains an introductory theoretical framework for this paper.

Several SMEs exists globally. Environment for performing business across nations differs substantially. SMEs are formed and cultivated through diverse means, largely facilitated by numerous laws and directives. Governmental role in building and fostering enhancement of SMEs is remarkable in contributing to its achievements as they are spread all over the globe. Some nations do not favour SMEs formation and development due to peculiar governmental activities which inhibit their progressiveness. These operations range from improper incentives especially for developing firms,

operational bureaucracy, extreme regulations and high taxes of registering new businesses (Peterside 2003.)

Globally, countries depend largely on a form of exchange in terms of trade, money, ideas and technology for their survival. Based on this fact, every nation is affected either positively or negatively or both. Importation of goods remains an area of policy concerns to governments across the world. The major concern is the ability, means and capability to secure goods which can (or cannot) be manufactured in a nation at a higher production cost in the home country.

In addition, it enables a country to sell its domestically manufactured commodities to other global economies because of the opportunity cost that international trade provides. According to Aremu & Adeyemi, (2011) and Terungwa (2012), SMEs are very essential in national growth and development of countries. Therefore, SMEs are getting their earned acknowledgement in advanced countries for their contributions to economic improvement.

SMEs comprise of important components in developing a country, they are vital in the economic growth of OECD countries and creating job opportunities. More than 95% of OECD ventures that make up 60%-70% of employment among numerous nations are SMEs (OECD, 2005). As bigger companies decline and subcontract greater jobs out, the growth of SMEs increases economically. In addition, productivity and economic growth is influenced by the competition of

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creating, dissolving, adjusting and folding of smaller enterprises. These processes incorporate increased job creation and labour market agitations, which are crucial to structural adaptations and competitiveness. Not up to 50 percent of smaller start-ups lasts for over five years, and just a fragment evolves into dominant category of highly performing organisations, which trigger industrialised innovation and achievements.

This encourages governmental schemes and scenarios that affects the establishments and upgrade of business in order to maximise benefits of these enterprises in society. In Nigeria, the contributions of SMEs investment have been recognised as major economic engines since they are able to sustainably contribute to people's well-being and national output. Issues affecting Nigerian SMEs are multi-dimensional. Ekpenyong (1997) and Utomi (1997) pinpointed inaccessible credit amenities and insufficient capital as some of these challenges.

Evbuomwan A, Brian C and Oreofe. S. (2012) illustrated that 75.7% of their respondents depended mainly on personal income to fund their ventures. SMEs lacked access to competitive, cheap and effective financing and these are seen as obstacles impeding their contribution to economic development. Common worry stems from banking system in sub sectors (which are meant to be main SMEs funders) in giving aids and support to new economic plans for the growth of agriculture sector and SMEs. Moreover, commercial and merchant banks that have moderate

liquidity levels have shown hesitation in providing finance for SMEs (Sacerdoti, 2005).

While Microfinance Institutions (MFIs) have grown thoroughly in different nations, their credit exposures are still constrained, such that their security does not depend on medium-scale activities. Also, lending rate on micro-credits is rather high, arising from huge management cost compared to operational costs (Mahmoud, 2005). Research focus has been because small business owners lack adequate funds to perform necessary tasks due to low-income levels. Various authors found financial barriers as key barrier to the growth of SMEs in LDCs like Nigeria. Adelaja (2003) disputed that lacking access to corporate finance has repeatedly posed expansion issues for SMEs in Nigeria which has created research platform for scholars. Four challenges keep recurring: scarce equity capital, unsuitable procedures for accessing bank loans, uncertainties and huge capital cost. Government has regularly implemented schematic policies over time to support SMEs financially. However, it is worrisome to see that SME are still having challenges accessing finance. Asaolu et al (2005) opined that financial difficulties restrict the growth of SMEs but this might not apply specifically for contexts of Nigerian informal enterprises, as SMEs are key ingredients for her economic sustenance.

Serious doubts persist regarding how successful SMEs boost national progress through accessible finances. This has therefore, formed the

objectives of the study. In this regard, it becomes pertinent to assess effects of financing SMEs on Nigeria's economic growth with a view to proffering solutions as well as making policy recommendations based on the study.

2.2.1 Concept of Importation

Importation is best described as the process of bringing commodities and/or services into one nation from another nation. It has overtime become a discuss on its dominant role in propelling productive output and economic development. Arguments have also existed for several decades and has created room for historical validation that importing nations are more productive than countries that solely focus on the domestic market (Gianni De, Honohan & Ize, 2003).

An import can be referred to as a product or service that is conveyed from one or more countries into another country. The term "import" was derived from "port" as items were frequently shipped through boats to foreign nations in the past. Alongside exports, imports comprise the mainstay of foreign trade. If the imports of a nation surpass its exports value, the nation would have negative balance of trade, also called trade deficit. A country would have positive balance of trade if the reverse is applied, called trade surplus. Economies tend to import commodities or services that local industries cannot manufacture as cheaply or effectively as the exporting economy using their naturally endowed resources. Nations might similarly import raw inputs or products that are unavailable within their national borders. For instance,

several countries import oil as it cannot be produced locally or in sufficient quantities to satisfy demands of residents within that country. Tariff schedules and Free Trade Agreements (FTA) between trading countries mostly depicts those products and tangibles which are less costly to import. FTAs and overdependence on imports from economies having less expensive labour forms a major cause of decreased manufacturing jobs in importing economies. Free trade unlocks capability to import items from cheaper production regions and minimises dependency on national products.

2.2.2 Concept of Small and Medium Scale Enterprises (SMEs)

SMEs are majorly owned by private people or bodies and they are commonly profit driven organizations for merchandise and ventures. The criteria for establishing business enterprises under SMEs differ from one nation to another. The obvious and significant criteria over the world may include: capital contributed, staff or worker quality, turnover volumes and estimation of advantages. There is no generally accepted criteria as per number of workers, capital volume contributed, deals amount or estimation of advantages that characterises SME.

Concerning quantity of workers/staff model, a few nations depict all undertakings that have under 100 workers as SMEs, others are supportive of 50 workers and some grow the net to incorporate all organizations who have under 200 workers. Nigerian Government in 1990 gave a defined

small scale enterprises as businesses with capital speculation not in excess of 2 million naira (excluding land cost) or at least N5 million (Aremu & Adeyemi, 2011). No overall agreement exists among scholars as yardstick for evaluating what small or medium SME should be like. These arises from classifying SMEs into various categories which is subjective (Ekpenyong & Nyong 1992.)

In UK, SMEs are businesses that yearly earns about \$2 million or less with not more than 200 workers. In Canada and the United States, SMEs are described by the number of staff employed and company's annual turnover. According to OECD, SMEs characteristics go beyond revealing economic direction to considering socio-cultural angles of society. Such variant approaches to featuring SMEs are implemented by diverse nations. Though some may consider the number of employees benchmark, others observe invested capital whereas, some blend industry type, workers number, turnover and invested capitals as a measure for classifying SMEs (Dababneh & Tukan 2007.)

In 2003, Udechukwu surveyed SMIs alongside their potentialities in Nigeria and concluded that Nigerian SMEs are classifiable under three main headings viz:

- **Micro/cottage industry:** is one having labour size of at most 10 employees, or total cost that does not exceed N1.50 million, exclusive of land costs but inclusive of working capital.

- **Small scale industry:** comprises labour number ranging from 11 to 100 staff or overall cost of at most N50 million, excluding land costs but including working capital.

- **Medium scale industry:** This constitutes workers within quantity of 101 to 300 or aggregate cost of at least N50 million but not exceeding N200 million, inclusive of working capital but exclusive of land expenses.

- **Large scale industry:** consists of over 300 employees or total expenditure surpassing N200 million, incorporating working capital but excluding land costs (Udechukwu, 2003) However, according to the United Nations Industrial Development Organization (UNIDO), defining SMEs is a quite substantial matter for developing and implementing policy. This relies principally on categorical intentions. So, SME definitions differ across nations and within economies over certain duration.

Similarly, varying economies have described SMEs differently. In Japan, manufacturing SMEs are viewed by upper boundary of 300 million Yen paid-up capital or 300 staff. For South Korea, SMEs are seen as autonomously owned with below 300 individuals employed in construction, mining, manufacturing and transportation segments. In European Union, SMEs are described using turnover/balance sheet and employment. For categorisation as SME, a venture must fulfil requirements for staff number and one out of two financial yardsticks (balance sheet or turnover sum).

Additionally, it must be independently sovereign (Subrahmanya, 2005)

2.2.3 Concept of Growth

Various models of growth exist, some of which include:

a. Mercantilism – Wealth of a country is defined by accumulation of gold and increased exchange surplus. Mercantilism isn't generally a hypothesis of monetary development yet it emphasises that a nation could be improved on by looking to gather gold and expanding external trades.

b. Classical hypothesis – Adam Smith set emphasis on the trade of increasing returns to scale (economies of scale/specialization). Smith contended that there are a few components which permit financial development: free market activity and the profitability of work. Smith contended that per capita income was dictated by conditional ability, ingenuity, and discernment with which wealth is connected in any country" (Wealth of Nations I.6). The activity of exchange growth is prominent in specialization, expanding return to scale –specialization that we find in present day industrial facilities and the economies of size of expanded generation. The neoclassical development hypothesis, has practically no importance today. It might be portrayed as pursues:

- i. Due to technological advancement, the measure of capital increments and the minimal result of work rises.
- ii. GDP per capita rises with higher expectations for everyday comforts and increased population.

iii. As populace expands, the work efficiency will fall (more people yet a similar measure of capital).

iv. GDP per capita will drop again. At the point when GDP per capita has declined to a level enough to shield the populace from starvation, the increase in population would stop, peripheral result of work reduces, GDP per capita and populace diminishes. This would further prompt growth minimally as a result of returns on GDP per capita to 'survival level'. The main essence of this model is that population growth would consistently wipe out positive outcomes of advanced development and GDP per capita would return to survival degree.

c. Neo-Classical hypothesis – refers to growth that is dependent on the supply-side such as work efficiency, size of workforce and factor inputs. Neo-classical growth model clarifies how it is possible to have continuous growth in GDP per capita. Neo-classical model of financial development proposes that expanding capital leads to steady decline. Along these lines, increasing capital has a constrained effect on growing financial development. Comparison between classical and neo-classical style growth model is that people are endogenous in the former and exogenous in the later. In the classical model, population growth or decline is dependent whether GDP per capita is greater or lesser than survival rates.

2.2.4 Small and Medium Scale Enterprises versus Entrepreneurship

Entrepreneurship is different compared to Small and Medium Enterprises

(SME). It is utilized to portray innovative, ingenuous and risk taking qualities of people who start, run and sustain a business adventure. It also manages diverse openings, enhancing new or potentially existing innovations with the goal of making profits. It is worthy of note that all SMEs are normally expected to be business ventures and ought to make rather minute attempt in buying and selling.

Drucker, (1985) in his work, 'Enterprise and Innovation', clarified the contrasts between business enterprise and SME. Business enterprise as indicated by Drucker depends on making innovation with growth and a lot of development. This implies that few out of all fresh or new ventures could be seen as enterprise. To be innovative, a firm must incorporate exceptional service ideas and strategies, create established objectives with procedures and plans dependent on the type of activities to be done.

This procedure also includes fixing necessary guidelines, regulations and demands, ideal market and clients. In this regard, entrepreneurs might begin as SME but not stay in that classification for long. That established, all small and medium venture owners are not really business entrepreneurs. The growth of SMEs in Nigeria has been tested through decades using few financial conditions in the Nigerian business condition. A portion of these difficulties has been laid out by Institute of Development Administrator of Nigeria (IDAN, 2007).

To start with, origins of financial records remain the reason for

subsidizing SMEs in Nigeria. These financial records incorporate individual savings and borrowing from friends, families and micro credit houses. Banks, for example, commercial banks are still hesitant to give credits to SMEs. Microfinance establishments are on the other hand, in their development stages thus can do little or nothing about it.

Furthermore, the development of SMEs depend to a great extent on the enterprising skills. SME owners must have the ability to oversee and obtain essential expertise of arranging, sorting out, organizing, initiatives and correspondence. Creative and innovative skills are important in different doings or through specialized strategic plans. In any case, for SMEs in Nigeria, the degree of disappointments is very high due to poor administrative and revolutionary skills essential for the achievement of results.

Thirdly, lack of infrastructures in Nigeria is appalling. Infrastructural amenities such as power, steady water supply, streets lights, etc remain the most despicable aspect of SME development in Nigeria. Organizations like Police, Judiciary and others are as also insufficient in giving inside security and quick equity. Moreover, business registration charges for large organizations in some administrative offices are such that it is equivalent to small and medium firms, independent of accessibility of asset. Both small and big firms pay a similar opening balance for opening accounts in many banks.

2.2.5 International Trade and Developing Countries

It is generally accepted by economists that trade is a critical accelerator for Least Developed Countries (LDCs) such as Nigeria. For developing countries, adding trade to aggregate economic growth is intense, mostly arising from many basic developmental tools including technical know-how, raw material inputs and capital products are almost entirely imported due to insufficient domestic supply (Analogbei, 2000). It is also believed that the basis and rationale for trade is because in modern times, no country produces all commodities required by its people. They import commodities which they cannot produce or those that can only be produced at higher cost and export those that can be produced at cheaper cost. This is the principle of comparative cost which is an extension of David Ricardo's comparative cost advantage theory.

However, despite advantages derived from international trade, there are some advantages. International trade can lead to overdependence of one country on another for the supply of some products (Dakare, 1998). This gives rise to over reliance of most developing countries on the developed country. Dakare (1998), explained further that trade breeds rivalry, jealousy and unhealthy competition among advanced and emerging global economies. These has often accounted for the unrest among nations of the world. Thus, trading is of high importance in developing nations as often formulated policies eases trading activities.

Notwithstanding, negative statements exists that free trade will further complicate unemployment by competing with local factories, particularly those lacking adequate competitive power (Sikkam,1995). In support of trade intervention, Sikkam (1995) believed that this would lead to economic growth. He stressed that restriction would facilitate rectifying defeats of free trade and so, supply chances for LDCs to totally acquire trading advantages.

Excitingly, such contentions do not oppose that both domestic and international, restrictive or free trade play important functions in developing any economy. Analysing these two options for a developing country, trade restriction policy is preferred, but when maximum capacity has been gotten economically, thoughts of selecting free trade option could be regarded. Nevertheless, it is key to observe that in recent times, free trade idea is ultimate. Trade interference/restriction is experimented in all nations except the degrees which differ from one economy to another

2.2.6 An Overview of Small And Medium Enterprises (SMEs)

An unmistakable meaning of small and medium enterprises (SMEs) is a basic component in government policies in any nation, since it recognizes the particular assembly of businesses. Subsequently, articles on small and medium enterprises capitulate the absence of consistency in satisfactory criteria or measure in size and descriptions of SMEs, on the basis of

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those ideas of small and medium scale industry is a relative idea, as it varies from nation to nation. Inside a self-contained created nation, it may be seen as a private venture however as a medium or large scale firm in a creating nation.

Earlier to 1992, various foundations in Nigeria received diverging meanings of small and medium ventures. The organizations included National Economic Reconstruction Fund (NERFUND), Nigerian Bank for Commerce and Industry (NBCI), Central Bank of Nigeria and Centre for Industrial Research and Development. Definitions were re-examined in 1996 as Anyanwu (2001) properly put it that;

- a. **Cottage Industry** - venture with all out cost (counting working capital yet barring expense of land) not exceeding N1million, with work size of not in excess of 10 specialists.
- b. **Small scale industry** with all capital cost (incorporating working capital with exception to land expenses) above N1million but not more than N40million, with labour size between 11 and 35 labourers.
- c. **Medium scale industry** - enterprise with total costs (including working capital but excluding land) above N40million yet not surpassing N150million with a work size of somewhere in the range of 36 and 100 labourers.

2.3 Theoretical Review

2.3.1 Comparative Advantage Theory

Comparative advantage is an economic term that refers to an economy's ability to produce goods

and services at a lower opportunity cost than that of trade partners. It is the ability to produce goods by using fewer resources, at a lower opportunity cost, that gives countries a comparative advantage. The gradient of a Production Possibility Frontier (PPF) reflects the opportunity cost of production. Increasing the production of one good means that less of another can be produced.

Sanjo & Ibrahim (2017) analyzed the impact of global business on SMEs development in an aggressive domain, especially Nigeria. The auxiliary information were assembled from Nigerian Bureau of Statistics (NBS) and CBN yearly report. Receiving OLS strategy to assess predetermined model, findings uncovered showed that exchange transparency as a proportion of aggressiveness and FDI has no critical impact on SMEs development in Nigeria. It was likewise uncovered that swapping scale significantly affects SMEs development in Nigeria, and dimensions at which conversion standard influences SMEs development is moderately high. It was additionally demonstrated that conversion standard has negative coefficient showing that, as the swapping scale lessens SMEs development increments.

2.3.2 Hecksher-Ohlin Trade Theory

The theory explains two issues in the theory of comparative advantage. First, what the factors that determine comparative advantage of countries are, and second, what the effects of trade on the factor of income in the trading countries are. On the assumption of equal or similar technology and tastes,

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Heckscher – Ohlin theory focuses on differences in relative factors of endowments and the factors of prices between nations as the major determinants of trade. The model identified difference in pre-trade product prices between nations as the basis for trade. The theory assumed two countries, two commodities and two factors. There is a perfect competition in both factors and the product market. It assumed that the factor inputs; labour and capital in these two countries, are homogeneous.

Production function also exhibits a constant return to scale. The production possibility curve is concave to the origin. The model suggests that the less developed countries that are labor-abundant should specialize in the production of a primary product, especially an agricultural product because the labor requirement of agricultural is high except in the mechanized form of farming. On the other hand, the less developed countries should import capital-intensive products, mostly the manufactured goods from developed countries that are capital intensive (Weisbrot Baker, 2002).

2.3.3 Stolper-Samuelson Theorem

The Stolper–Samuelson theorem is a basic theorem in Heckscher–Ohlin trade theory. It describes the relationship between relative prices of output and relative factor rewards—specifically, real wages and real returns to capital. According to the Stolper-Samuelson theorem, the export of a product which is relatively cheap in a country, abundant of such resources

makes it scarcer in the domestic market. Thus, the increased demand for the abundant resource leads to an increase in its price and an increase in its income. Simultaneously, the income of the resource used intensively in the production of import-competing product decreases as its demand falls. Simply put, this theorem indicates that an increase in the price of a product raises the income earned by resources that are used intensively in its production. Conversely, a decrease in the price of a product reduces the income of the resources that it uses intensively. The abundant resource that has comparative advantage enjoys increased income, and the scarce resource realizes a decrease in its income regardless of the industry. This trade theory concludes that some people will suffer losses from free trade even in the longrun.

2.3.4 New Trade Theory

New trade theory by Paul Krugman (1980) tries to explain empirical elements of trade that comparative advantage-based models above have difficulty with. These include the fact that most trade is between countries with similar factor endowment and productivity levels, and the large amount of multinational production that is foreign direct investments that exists. New trade theories are often based on assumptions such as monopolistic competition and increasing returns to scale. One result of these theories is the home-market effects, which asserts that, if an industry tends to cluster in one location because of returns to scale and if that industry faces high transportation costs, the industry will be located in the

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country with most of its demand, in order to minimize cost (Paul Krugman, 1980)

2.4 Empirical Review

The literature is replete with the relationship between small and medium scale enterprises (SMEs) and other macroeconomic variables including imports. However, studies on the impact of importation on SMEs development has generated little volume of empirical studies overtime, with mixed findings using cross sectional, time- series and panel data on the data gathered.

Applying econometric and non-parametric techniques on a six-year data of 31 provinces in China from 2002 to 2007, Sun and Heshmati (2010) examined the effects of international trade (imports and exports) on the growth of SMEs in China. The finding showed that an increment in international trade participation helps stimulate rapid SMEs growth in China. It was also found that the trade structure on technological exports and international trade volume of China exert positive influence on China's regional productions.

Similarly, Li, Chen and San (2010) carried out a study on the relationship between international trade and the SMEs growth of East China for the period of 1981-2008. Adopting the unit root test, co-integration analysis and error correction model, they found that foreign trade is the long-term and short-term reason of SMEs growth, but no evidence proved that there exists long-term stationary causality between the import trade and SMEs. Sarbapriya (2011) carried out similar study in India

by examining the relationship between the international trade and SMEs growth in India, using annual data over the period between 1972 and 2011. The cointegration and Granger causality tests confirmed that SMEs growth and foreign trade are co integrated, implying the existence of a long-run equilibrium relationship between the two, and the presence of bi-directional causality which runs from SMEs growth to foreign trade and vice versa.

Employing quarterly data for the period between 1987 and 2007, Mustafa (2011) used the Vector Auto Regression model (VAR) and Vector Error Correction Model (VECM) to evaluate the relationship between the international trade and SMEs growth in Turkey. The finding revealed that SMEs growth does significantly depend on both export and import growth in the short run.

In their study, Rahmaddi and Ichihashi (2011) investigated the relationship between exports and SMEs growth in Indonesia using annual time-series data for the period of 1971-2008 and employing a Vector Autoregression model (VAR) model. Based on the analysis conducted in a Vector Error Correction Model (VECM) framework, the results revealed that there is a bidirectional causal relationship between exports and economic growth and that both exports and SMEs growth are significant to the economy of Indonesia that is, exports and SMEs growth are determinants of Indonesian economic growth.

Using annual time-series data over the period of 1973-2010, Javed, Qaiser, Mushtaq, Saifullaha and Iqbal (2012)

URL <http://journals.covenantuniversity.edu.ng/index.php/cjoe>

examined the impact of total exports to SMEs ratio, terms of trade, import to GDP, investment to GDP ratio, trade openness and inflation on the Pakistani economy. They further employed the statistical technique of Chow test and Ordinary Least Square (OLS) method and the empirical finding was that all the explanatory variables have a positive and significant impact on the Pakistani economy. It also indicated that imports and SMEs growth have a positive relationship. Furthermore, the study found that an increase in the import of raw materials boosted production, employment and output of Pakistan.

Using granger causality and cointegration tests, Omoke and Ugwuanyi (2010) investigates the relationship between export, domestic demand and SMEs in Nigeria. The results from Trace and Maximum Eigen Value test conducted showed that the variables do not have a long-run relationship, but the pairwise granger causality test showed that SMEs Granger causes both export and domestic demand, while a bilateral causality exists between export and domestic demand.

Using the Ordinary Least Square (OLS) regression technique and applying a combination of bivariate and multivariate models from the data covering the period 1970–2008, Ezike, Ikpesu and Amah (2012) investigated the macroeconomic impact of business on Nigerian growth. The results revealed that both exports and foreign direct investment exert a positive and

significant impact on SMEs growth in Nigeria for the period under review.

Making use of annual time-series secondary data from 1980 to 2010 and adopting the Ordinary Least Square (OLS) regression method, Omoju and Adesanya (2012) investigated the relationship between trade and growth in developing country using Nigeria as a case study. The findings showed that foreign trade (exports and imports), foreign direct investment, government expenditure and exchange rate have a significant positive impact on growth in developing countries. Since, SMEs is a component of GDP, this result implies that foreign trade has a positive influence on SMEs growth in Nigeria.

Edoumiekumo & Opukri (2013) analyzed the commitments of universal exchange to monetary development in Nigeria. The creators sourced for yearly time-arrangement information for a time of 27-year and utilized Augmented Dickey-Fuller (ADF) unit root test, Johansen co-coordination test, Ordinary Least Square (OLS) factual strategy and Granger Causality test in looking at the relationship.

The outcomes demonstrated that positive linkage exists between fares, imports and financial development and long-run relationship exists among these factors. In any case, granger causality test demonstrated unidirectional relationship from genuine GDP to fare and running from imports to genuine GDP and fare. This suggests SMEs yield, which a part of genuine GDP is, will have a positive association with imports.

Utilizing Ordinary Least Square (OLS) technique, Afolabi (2013) explored

influences of SMEs financing on Nigeria's monetary development somewhere within range of 1980 to 2010. The evaluated model outcomes uncovered that SMEs yield, business banks' credit to SMEs and conversion standard apply positive impact on financial advancement while loaning rate applies negative consequences for monetary development. Spin-off of this outcome, it was prescribed that focal experts make a stronger contextual situation for SME improvement.

Asta & Zaneta (2010) analysed developing significance of SMEs and their impact on financial improvement of Lithuania. They noticed that to improve their natural execution, monetary and social viability, the incorporated basic leadership model, in light of budgetary examination, is required which would be situated to vital maintainability objectives, not requiring critical time, money related and HR. The incorporation of maintainability the board bookkeeping (SMA) and composite economic improvement file (ICSD) procedures makes the premise of reasonable advancement basic leadership model for SMEs.

Akingunola (2011) surveys explicit funding substitute accessible to Nigerian SMEs and dedication to monetary progressions via venture. Spearman's Rho connection test is done to determine connection between SMEs financing and speculation level. The examination revealed a large Rho estimation of 0.643 at 10%. This demonstrated there is substantial positive connection between SMEs

funding and monetary growth via venture level. Elucidating measures were also adopted to examine certain funding pointers. The paper suggested availability to comparatively low loan fee accounts, which should be allotted to SMEs for jointly improved monetary enhancement.

Aremu & Adeyemi (2011) verified that their findings have appeared as many SMEs specifically in Nigeria suffered prevalent issues during her initial five years of existence. It was additionally found that littler rate goes into annihilation between 6th and 10th years while only about 5-10% of emerging companies endure, thrive and advance.

Kruger & Tuncer (1982) researched on Turkey utilising sectoral level data to prove that trade liberalisation enhances efficacy. They deduced that durations of rapid growth in TFP coincided with timeframe of higher liberalisation.

Frankel & Romer (1999) and Irwin & Tervio (2002) in their different investigations similarly proffer that economies with preference for trade likely encounters increased growth rates and per capita incomes relative to closed countries. Klenow & Rodriguez-clare (1997) adopted general equilibrium model to show that larger amount of intermediate input mix leads to productivity gains and more output, irrespective of same labour and capital inputs which display increasing returns to scale.

Rodriguez & Rodrik (2000) insisted that trade policies affect trade volumes, but no strong explanation exists for expected impacts on growth to be qualitatively or quantitatively identical

to aftermath of adaptations in trade volumes, which emerge from less transport costs or increased global demand. Trade constraints constitute policy responses to perceived or real market imperfections or adopted as instruments to extract rent. They opine that trade policies operate uniquely from geographical or natural obstacles to trade and other exogenous influencers. Khan & Zahler (1985) confirm that trade could enhance growth from supply-side, however, if balance of payments worsens because of declined prices of the nation's tradable, growth might be negatively impacted from demand angle as payments deficits arising from liberalisation is unsustainable and is harder to revert/correct with comparative price of non-tradable or real exchange rate fluctuations. Yet again, Weisbrot & Baker (2002) claim that trade liberalisation might not be the sole route to swift economic progressions. They observed that success of some nations experiencing faster growth did not follow simple pathway of liberalised trade as their government led the nation through subsidy implementation, protected domestic industries and restricted capital account flows.

3. Theoretical Framework and Methodology

Theoretical framework plays a pivotal in carrying out a research work in that it serves as the structure upon which the theory linking the variables of a research study stands. It helps in choosing the appropriate theory that explains the relationship existing between or among the variables under

study as the case may be. It also describes the theory that provides answers to the earlier raised research questions.

Accordingly, the most appropriate and suitable theory for a study of this nature is the Keynesian aggregate demand function. Hence, this study adopts the Keynesian aggregate demand function which is a linear summation of all individual demand curves of the different individuals in the different sectors of the economy.

It comprises consumption, investment, government expenditure and net export (the difference between exports and imports). Mathematically, the aggregate demand can be written as follows:

$$AD = Y = C + I + G + (X - M) \quad \text{--} \quad (2.1)$$

Where

AD = Aggregate Demand

Y = Aggregate Output

C = Consumption

I = Investment

X = Exports

M = Imports

(X - M) = Net Export

Since small and medium scale enterprises (SMEs) is a component of aggregate output (GDP) as it is a sub-sector of trade and services sector and import is a determinant of aggregate output, equation 2.1 can be rewritten as:

$$SMEY = C + I + G + (X - M) \quad \text{--} \quad (2.2)$$

Where SMEY is the output of SMEs and other variables remain as earlier defined. Equation 2.2 shows that consumption, investment, government expenditure and exports have positive relationship with SME output while

import is inversely related to SME output. Accordingly, an inverse relationship is expected to exist between imports and output of small and medium scale enterprises in Nigeria.

3.3 Methodology

3.3.1 Model Specification

The most prominent determinant of SME growth in the literature include: exchange rate, lending rate and commercial bank credit to SMEs (Afolabi, 2013 and Ovat, 2016) employed as determinants of SME growth in their studies. First, exchange rate is crucial in international trade and to a large extent, it determines the volume of trade between the trading nations; increased exchange rate will lower volume of imports and vice versa. Second, lending rate is an important factor investors put into consideration when they approach commercial banks for credit for investment in enterprise; the greater the lending rate, the lesser investors borrow and the lower the investment in and output of SMEs.

Third, commercial bank credits to SMEs are crucial as their availability determines, to large extent, the volume of investment in SMEs; an increase in commercial bank credit to SMEs implies that more money is allocated to the sector thus, investment in SMEs will be high and vice versa. Hence, the control variables of this study include: exchange rate, lending rate and commercial bank credits to SMEs.

Based on the foregoing, the theoretical framework employed in this research and the specification of Afolabi (2013) and Ovat (2016), the mathematical

model for this study can be presented as: lending rate and exchange rate

$$SMEY = f(IMP, EXR, LDR, CBC) \quad \text{--- (3.1)}$$

This mathematical model (Equation 3.1) can be transformed to an econometric model to include the scholastic term (error term) as follows:

$$SMEY = \beta_0 + \beta_1IMP + \beta_2EXR + \beta_3LDR + \beta_4CBC + \epsilon_t \quad \text{--- (3.2)}$$

Where:

SMEY = Output of SMEs (Proxied with output of Retail and Wholesale Trade, a component of Gross Domestic Product)

IMP = Imports of goods and services

EXR = Exchange Rate (N : US\$)

LDR = Lending Rate (%) (Proxied with Maximum Lending Rate)

CBC = Commercial Bank Credit to SMEs

β_0 = Intercept

$\beta_1 - \beta_4$ = Coefficients of the each explanatory variable

ϵ_t = Error Term

A Priori Expectation

$\beta_0, \beta_2, \beta_4 > 0; \beta_1 < 0; \beta_3 < 0$

This implies that the intercept, exchange rate and commercial bank credits to SMEs are expected to have a positive sign indicating that they have a positive relationship with SME output growth. Imports can either have a positive or negative sign indicating that imports could either increase or decrease SME growth; lending rate is expected to have negative sign because it is inversely related to SME growth.

3.3.2 Model Estimation Techniques

The estimation technique employed in this work is Autoregressive Distributed Lag (ARDL) framework using Eviews as this method offers some specific

benefits in relation to some other statistical techniques. First, the ARDL model makes allowance for the fixed and dynamic effect(s) of the explanatory variable(s) on the dependent variable as against a static model which makes allowance for only static effects.

Second, the ARDL framework has an inherent technique popularly known as the Bounds test, which checks for the existence of a long-term relationship among variables in specified model.

Bounds test is malleable in that it allows for series that are stationary at level [I(0)] and first difference [I(1)] or both unlike other cointegration tests like the Johansen and Engle-Granger cointegration tests, which accommodates series that are of the same order of integration. Finally, ARDL model helps to derive long run

model from the short-run model given that there is a long-run relationship among modelled variables. In other words, ARDL model derives estimates of both short and long-run of specified model.

3.3.3 Sources of Data and Unit of Measurement

This research data are annual time-series data of different macroeconomic variables (small and medium scale enterprises' output, imports, exchange rate, lending rate and commercial banks' credit to SMEs) sourced from 2017 edition of Central Bank of Nigeria (CBN) statistical bulletin for periods between 1992 and 2017 by Central Bank of Nigeria. Table 3.1 presents the macroeconomic variables, their sources and units of measurement.

Table 3.1: Sources of Data and Unit of Measurement

	Variables	Unit of Measurement	Source
1.	Wholesale and Retail Output (Proxy for SME Growth)	N' Billion	CBN Statistical Bulletin (2017)
2.	Imports of goods and services	N' Billion	CBN Statistical Bulletin (2017)
3.	Exchange Rate	Naira: US Dollar (N:US\$)	CBN Statistical Bulletin (2017)
4.	Maximum Lending Rate	Percentage (%)	CBN Statistical Bulletin (2017)
5.	Commercial Banks' Credit to SMEs	N' Million	CBN Statistical Bulletin (2017)

4. Data Presentation and Analysis

4.1 Descriptive Statistics

Table 4.1: Descriptive Statistics

	SME	IMP	EXR	MLR	CBC
Mean	13.69	31.07	116.29	23.86	35073.49
Median	12.50	31.08	127.24	22.57	29044.10
Maximum	17.18	52.69	305.79	36.09	90176.50
Minimum	9.74	10.99	17.30	18.36	12047.88
Std. Dev.	2.53	13.41	73.34	4.42	23100.88
Skewness	0.13	-0.08	0.43	1.05	0.94
Kurtosis	1.41	1.61	3.26	3.55	2.97
Jarque-Bera	2.80	2.13	0.88	5.11	3.83
Probability	0.2462	0.3440	0.6448	0.0778	0.1475
Sum	355.96	807.78	3023.512	620.2576	911910.7
Sum Sq. Dev.	160.38	4496.27	134467	488	13300000000
Observations	26	26	26	26	26

Where SME is SMEs output (% of GDP); IMP is imports (% of Total Trade); EXR is Exchange rate; MLR is lending rate; and CBC is commercial banks' credit to SMEs
Source: Author's Computation from Eviews9

Table 4.1 portrays descriptive features of macroeconomic variables adopted in this study. Average values of SMEs output, imports, exchange rate, maximum lending rate and commercial banks' credit to SMEs are ₦5865.97 billion, ₦4362.28 billion, ₦116.29:1US\$, 23.86 percent and ₦35073.49 million respectively. This suggests that the value of SMEs output outweighs the cost of imports in Nigeria and value of commercial banks' credit to SMEs put together. Probability values of Jarque-Bera statistic of each variable illustrates that all variables are normally distributed.

The rule states that the null hypothesis (series are normally distributed) will be rejected if Jarque-Bera probability value is less than 5 per cent and accepted if it is greater than 5 per cent. For a series to be normally distributed, the value of skewness should be zero or not be statistically different from zero. All the variables meet this condition except lending rate thus, giving further credence to the assertion of normal distribution. In addition, the optimal threshold for kurtosis is 3; if the variable value is above 3, then the series is leptokurtic but platykurtic if below 3.

Accordingly, SMEs output, imports and commercial banks' credit to SMEs are leptokurtic while exchange rate and maximum lending rate are platykurtic. In addition, the values of the standard

deviation show that all the variables have a very high standard deviation signifying a large dispersion from their respective mean values.

Table 4.2: Unit Root Test Results

	Augmented Dickey Fuller (ADF)		
	Level	First Difference	I(d)
CBC	-1.77a	-3.68c*	I(1)
EXR	-1.65b	-2.87a***	I(1)
IMP	-3.81b**	-	I(0)
LDR	-3.08a**	-	I(0)
SME	-2.18b	-3.02a**	I(1)

Source: Author's Computation from Eviews9

Note: *, ** and *** represent statistical significance at 1%, 5% and 10% level respectively; a, b and c denote model with constant, model with trend and constant and model without trend and constant respectively. I(0) and I(1) indicate stationarity at level and first difference respectively.

4.3.3 ARDL Bounds Test Approach to Cointegration

Consequent upon unit root test outcomes, it is needful to investigate if a long-run relationship exists among these variables using cointegration method of ARDL Bounds test. ARDL Bounds test is chosen because it accommodates variables that are stationary at level (I(0)), stationary at first difference, I(1), and/or both, a feature that makes it superior to other cointegration test methods such as Johansen cointegration test and Engle-granger cointegration test, among others. The ARDL Bounds test, which is superior to other cointegration test methods in three key areas, was built by Pesaran & Shin (1999) and Pesaran, Shin & Smith (2001). First, ARDL framework is the most appropriate technique to employ when the series in the study are

integrated of different orders (I(0) and I(1) or both but not I(2)). Second, ARDL framework offer more efficiency than other statistical techniques when the sample size is small. Third, ARDL framework is capable of obtaining the estimates of both the short-run and the long-run model at the same time.

As it were, cointegration test are needful because it helps one determine if a long-run relationship exist between the dependent and independent variables in a model so as to determine the most appropriate statistical technique to employ in estimating the model. The cointegration approach of ARDL Bounds test tests the null hypothesis of "There is no cointegration among the variables". The rule maintains that the null hypothesis be accepted if computed F-statistic value lies below lower bound critical value, rejected if computed F-

statistic value lies above upper bound critical value and declared uncertain if computed F-statistic value fall between lower and upper bound critical values. Accordingly, Table 4.3 reveals result of cointegration test using ARDL Bounds test which tests if a long-run relationship exists among the variables in the model. Following the decision rule above, this test is adjudged inconclusive because the computed F-statistic value (4.50) lies above the critical values of the upper bound at 10

percent significance level which indicates the existence of a long run relationship among the variables (dependent and independent). Put differently, this result suggests that the variables converge in the long-run. Hence, it is needful to go ahead with estimating the short-run and long-run ARDL model where the error correction coefficient will confirm or refute if cointegration (a long-run relationship) exists among the dependent and independent variables of this study.

Table 4.3: ARDL Bounds Test Result

Significance Level	Critical Value		Computed F-Statistic
	Lower (I0) Bound	Upper (I0) Bound	
1%	3.74	5.06	4.50
5%	2.86	4.01	
10%	2.45	3.52	

Source: Author’s Computation from Eviews9

5. Summary of Findings

Using time series secondary data sourced from CBN statistical bulletin (2017) over the period between 1992 and 2017, this study examined the impact of importation on growth of small and medium scale enterprises (SMEs) in Nigeria. The dependent variable of this study is SMEs output growth and its explanatory variables are imports, exchange rate, lending rate and commercial banks’ credit to SMEs. The unit root test was carried out using the Augmented Dickey Fuller method to verify the stationarity properties of the variables used in the study. The study also employed the ARDL framework to verify the existence of a long-run relationship among the variables in the model and to estimate the specified

short-run and long-run equation. The summary of findings of this study is presented as follows:

- There is a long run relationship between SMEs output, imports, exchange rate, lending rate and commercial banks’ credit to SMEs indicating that these variables converge in the long run.
- There is a significant inverse relationship between imports and SMEs output both in the short-run and long-run in Nigeria indicating that imports have a debilitating impacts on the performance of the SME subsector in Nigeria.
- There is a significant direct relationship between exchange rate and SMEs output growth both in the short and long run in Nigeria

suggesting that a depreciation stimulate the output growth of SMEs subsector in Nigeria and vice versa.

- An inverse relationship exists between lending rate and SMEs output growth both in the short-run and the long-run in Nigeria. However, this relationship is not significant in the short-run both in the short-run and long-run thus, maximum lending rate is not a driver of SME output in Nigeria.
- Commercial banks' credit to SMEs has an inverse relationship with SMEs output growth both in the short-run and the long-run. The high lending rate of commercial banks and the preponderance of Microfinance Banks in recent times are the likely reasons for this negative relationship. Moreover, commercial banks credits have an infinitesimal impact on SMEs output both in the short-run and long-run.
- The long-run impacts of imports, exchange rate, maximum lending rate and commercial banks' credit to SMEs on SMEs output exceed their short-run impacts.

5.1 Conclusion

Given the preponderance of SMEs and the high dependence of most of the sectors of the Nigerian economy on imports, it became imperative to examine the nexus between imports and SMEs in Nigeria so as to put appropriate measures in place to ameliorate the performance of SMEs in Nigeria. Hence, this study was carried out to examine the impact of

importation SMEs growth in Nigeria using the ARDL framework. Sequel to the empirical findings of this study, this study importation plays a pivotal role in enhancing the performance of SMEs in Nigeria. Specifically, imports exert a significant negative influence on the performance of the SME subsector in Nigeria both in the short-run and long-run while exchange rate has a significant positive relationship with SMEs output. However, their impacts are greater in the long-run than in the short-run.

Besides, it was found that maximum lending rate and commercial banks' credits to SMEs are inversely related to SMEs growth in Nigeria. However, whereas commercial banks' credit to SMEs has a significant inverse relationship with SME growth in Nigeria both in the short-run and long-run, maximum lending rate does not have a significant relationship with SME output in the short-run and long-run. Given these findings, this study concludes that imports, exchange rate and commercial banks' credits to SMEs are important determinants of SME output in Nigeria.

Policy Recommendations

Since SME is an integral component of aggregate output (GDP), the link between importation and SME growth should be put in the right perspective if Nigeria desires to actualize her dream as one of the global twenty leading economies by year 2020. Thus, following research results, these policy recommendations are proffered:

- Given the inverse relationship between imports and SMEs output,

Nigerian government should make cooperative endeavours geared towards encouraging local producers and infant industries to produce the raw materials and capital equipment that SMEs would have otherwise imported from abroad.

- Given the negative impact of lending rate on SME growth, it is imperative that monetary authorities appropriately adjust the prevailing lending rate so as to attract investors and make have easy accessibility to credit utilities to for financing their productive activities.
- Since imports respond to exchange rate movement, the Nigerian government and the monetary authorities should formulate appropriate exchange rate policies and develop sound exchange rate management to effectively manage exchange rate variability in Nigeria thereby cushioning the effects of the volatility on the Nigerian economy. In other words, monetary authorities should endeavor to live up to the expectations of ensuring price stability and stability in exchange rate in order to tame exchange rate fluctuations.
- Nigeria should give priority to the enhancement and promotion of a stable exchange rate policy that will encourage domestic investors and attract foreign investors to invest in different sectors of Nigerian economy so as to raise sectoral output as well as aggregate output.
- Having found that commercial banks' credits to SMEs has negative effects on SME growth, monetary authority should put measure in place that would ensure that lending rate at which commercial banks lend credits to SME owners is decreased to the lowest possible level.
- Since imports respond to exchange rate movement, Nigerian government and monetary authorities should formulate appropriate exchange rate policies and develop sound exchange rate management to effectively manage exchange rate variability in Nigeria thereby cushioning the effects of volatility on Nigerian economy. In other words, monetary authorities should endeavour to live up to expectations of ensuring price stability and stability in exchange rate in order to tame exchange rate fluctuations.
- Nigeria should give priority to the enhancement and promotion of a stable exchange rate policy that will encourage domestic investors and attract foreign investors to invest in different sectors of Nigeria's economy so as to raise sectoral output as well as aggregate output.

Recommendations to the Government

Government should improve existent reforms on educational system for higher functionality, relevance, motivated and need-oriented policies. Emphasis on modernized technology, to boost entrepreneurial skillset of individuals. Existent social lifestyle,

mindset, moral and ethical values and general disposition must be channeled for better structured reforms. Adaptations in educational structure must be effected from primary till tertiary phase. Specifically, government, through SMEDAN, should formulate an SME Development Centers and Enterprise Development Agency in every major Nigerian town. SMEs must be more locally patronized to boost its vigour and activeness. SMEDAN could offer free help businesses and entrepreneurs on accessing relevant details as well as contemporary technology, raw inputs, business opportunities, markets, plant and machinery. This context is achievable by creating Business Information Centers (BICs) and Business Support Centers (BSCs) for more advisory services to SMEs

- SME clusters such as Auto Part Clusters, Export Clusters and Leather product Clusters could be constructed for their benefit via commodity advertisements
- Enacting National Credit Guarantee Scheme via Central Bank with at least 80% of loans required by SMEs to spur entrepreneurship.
- It is needful to enhance railway systems, rural-urban road networks, transportation

- Introduction of zero-percent tax rate for workers in their first three working years before raising it to 20% subsequently.
- SMEDAN should begin consulting with SMEs, trade councils and professional bodies including NASME, SMI and Chamber of Commerce.

Recommendations to SMEs

- They should formulate avenue to handle private issues like deficient expertise. Qualified persons must be hired to boost working effectiveness.
- Entrepreneurs should try to come up with fresh unique ideas to foster advantageous competitiveness with foreign amenities. This would incorporate buying domestic commodities with fair standards at cheaper prices. Moreover, SMEs must rally one another to have saving accounts and enable young investors to obtain loans at lesser rates.
- SME administrators should cultivate positive behaviours in tackling external challenges, for progressive performance including competitive edge, potential to reach targeted customers and reduced cost-benefit.

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Effects Of Instagram Marketing on Female Entrepreneurial Performance in Lagos Nigeria: An Exploratory Study

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Abstract: Lagos is called the commercial capital and known as a city highly populated in Nigeria, with not less than 21 million people as at 2016. This makes it the largest city in Africa. The city is full of diverse opportunities for business and service delivery, majority of its population are social media savvy. Lagos hosts millions of female entrepreneurs who contribute to its GDP via product and service delivery. The study seeks to understand the experience of female entrepreneurs in Lagos who chose Instagram to market their small businesses. Ten female entrepreneurs were selected to participate in the study. The exploratory research design was adopted for the study. The study found that Instagram marketing is effectively used by female entrepreneurs, especially those of them who do not have a shop or an office. Some female entrepreneurs identified in this study, opined that Instagram is user friendly, however data consuming. Instagram marketing provides high exposure of products or services which gives room for sharing product pictures and creating an engaging content.

Keywords: Instagram; Instagram marketing; Social media; Female Entrepreneurs.

1. Introduction

Technology has made it possible for social media networks to thrive, and since the world has become a global

village due to the advent of technology; people can now connect with one another easily to carryout transactions and other social engagement.

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Kaplan & Haenlein, (2010) as cited in Noor (2017) stated that the world today is going through some modifications and the introduction of technology has enhanced business transactions in countries like Nigeria. In this 21st century, to remain relevant in the market, entrepreneurs should employ the use of internet technology to reach their target market. Entrepreneurs can infuse technology into their businesses to enhance productivity and competitive advantage, according to Ogbari, et al (2017) “Technology entrepreneurship is a concept that describes technology-driven entrepreneurship whereby technology is leveraged upon to achieve entrepreneurial success”. Following an increase in digital and mobile technology, individuals can now interact on a larger scale and giving rise to an era where interactions is the principal idea of media functions. With the rise in digital and mobile technologies, interactions on a large scale became easier for individuals than ever before; and as such, a new media age was born where interactivity is placed at the centre of new media functions. An individual could now speak to many people and get instant feedback. Where consumers used to have limited and somewhat muted voices, now they could share their opinion with many. The reduction in cost of accessing latest technologies allowed views for the media than before, hence, instead of a few news media outlets. (Manning, 2014).

Wan, Ziti, and Nurul (2016) opine that social media have become a phenomenon since the boom of the

internet and smart gadgets. Social media has come to disrupt the traditional media, thereby creating a new platform that is more accessible and less expensive to use. To buttress this statement, Christensen (2019) as cited in Efughi (2019) opine that “an innovation that is disruptive allows whole new population of consumers at the bottom of a market have access to a product or service that was historically only accessible to consumers with a lot of money or skills”.

According to Jenkins, (2015), Instagram is an application that has enhanced communication technology among buyers and sellers. It is commonly used on smart phones and has wider coverage used basically by young adults. It is a photo sharing application that allows users to share pictures and videos of interest to individuals or groups of friends publicly or privately with internet charges. Jenkins, (2015) went further to say that the use of Instagram as a marketing tool is becoming a common occurrence among start-ups and business organizations today, that this application of social media allow the user to market his or her offering to the other user as long as they are on the application as a user and a follower of the one who is trying to market their offerings.

Francesca, Poland, and Paoloni (2017) are of the opinion that female entrepreneurs have adopted social media to strengthen social network in their various businesses, to market and promote their product and services to their potential customers, and also for

business innovation and branding, and the employment of workforce.

Social media marketing is a vital area that female entrepreneurs in Nigeria must pay close attention to, because it has the capacity to increase their brand awareness, lead generation, direct traffic (customers) to their websites, grow their revenue, increase their sales, foster brand engagement and the building of a community around their businesses etc.

This study has identified two problems.

(1). Poor marketing by female entrepreneurs, especially on local media such as newspapers, radio and television due to high cost in advertisement rates, and (2) The poor utilization of social media technology for business activities by female entrepreneurs.

Previous studies by various authors has mentioned social media marketing as a major tool for small, medium and large enterprise. Hannah (2016), analysed female online businesses and how they use Instagram stories to market their products and services.

The goal of this study therefore, is to present Instagram marketing and its features and how the selected female entrepreneurs identified in this study are leveraging on it to market their product and services.

This paper is orderly arranged as follows, paper titles and authors, abstracts, introduction, and literature review, methodology of the study, sample description, data analysis, discussion, conclusion and implications, and references.

2. Literature Review

2.1 Conceptual Review: Social Media

Julian, (2017) define social media, citing the definition of Kaplan & Heinlein (2010). They define social media as an internet –based channels that allow users to opportunistically interact and selectively self-present, either in real time or asynchronously, with both broad and narrow audiences who derive value from user-generated content and the perception of interaction with others. McCay-Peet and Quan-Haase (2017) define social media in the work of Julian as a web-based services that allows individuals, communities, and organizations to collaborate, connect, interact, and build community by enabling them to create, co-create, modifies, share, and engage with user-generated contents that is easily accessible. According to Maya, (2019) social media is an internet-based technology which enhances the sharing and distribution of ideas, information and thoughts through the generation of virtual networks. Maya also emphasized that social media was birthed as a medium of interacting with friends and family but was later taken up by businesses and entrepreneurs to reach out to their audiences. According to thenextweb.com, “worldwide social media users have grown to almost 3.5 billion at the start of 2019, with 288 million new users in the past 12 months pushing the global penetration figure to 45 percent”.

2.2 Types of Social Media

Seeing the popularity and power of social media channels, businesses and Marketers look for different types of social media networks that they can use to target and convert their audience. Garima, (2018). In her work, identifies the different types of social Media Networks as follows.

I. Social Networks: Facebook, Twitter and LinkedIn. These types of social media are used to associate with individuals and brands on the web. They help businesses via branding, social awareness, relationship building, customer service, lead generation and conversion. Different social media campaigns can be channelized on these networks that can help widen your reach. They encourage individuals and businesses to interact online and share data and thought for ensuring mutually productive relationship.

II. Media Sharing Networks: Instagram, Snapchat, YouTube. They are used to find and share photographs, live videos, Videos and other kinds of media on the web. They help in brand building, lead generation, targeting etc. They give individuals and brand a place to discover and share media so that targeted audience can be targeted and converted into a convincing and result driven way possible.

III. Discussion Forums: Reddit, Quora, Digg. These Channels are used for finding, sharing and discussing different kinds of information, opinions and news. They help businesses by being top-notch resource for doing immaculate market research. These

forums are the oldest ways of running social media marketing campaigns, before the entry of popular social media players like Facebook. These forums are used by professionals, experts and enthusiast to discuss on variety of fields. The above are the different types of social media that are in used, but the popular ones are Facebook, twitter, LinkedIn, Instagram, Snapchat and Whatsapp.

2.3 Instagram Marketing

Elise, (2018) asserted that Instagram is a social networking app made for sharing photos and videos from a Smartphone. The application is like Facebook and twitter, and everyone who creates an Instagram account has a profile with news feeds. When you post a photo or video on Instagram, it displays on your profile, other users who follow you will see your post in their own feed. Likewise, you will see from other users whom you choose to follow. Just like other social networks, one can interact with other users on Instagram by following them, being followed by them, commenting, and liking, tagging and private messaging. Over the past few years, Instagram has seen exponential growth-from one million users in December 2010, to over one billion in 2018. Caroline, (2018). Instagram has some unique features that its users can explore.

According to Kayla, (2018) the following are some of the features of Instagram app that can be used for marketing.

I. Video Features: This feature allows for video up to 1 minute long. Video

posts generate more user engagement than photos.

II. Live Video: This is different from Instagram video, here it is live. Your followers are notified when you want to go live.

III. Stories Features: users add clips of video to a story which is viewable for 24 hours before it disappears.

IV. Activity Status Tracker: It is a green dot that indicates that your contacts are active on the app. Activity status can be seen from the direct message page. It can be turned off, if users don't want to be seen active on the app.

V. IGTV: Instagram TV is a feature on Instagram that allows users the ability to share videos that are up to an hour long. It gives business owners and marketers the opportunity to share longer video content with the benefit of your users being notified when a new Instagram TV is displayed

VI. Muting Ability: This feature lets your mute post from certain users without having to unfollow them.

VII. Hyperlink Username and Hash tags: In your bio-when you type @ or #, the user or hash tag that follows will automatically be hyperlinked. This will enable your followers to engage with other accounts you own or branded hash tags your company use.

VIII. Algorithm Updates: This feature helps users to see family and friend posts 90% of the time.

IX. Emoji Slider Polls: Instagram puts emoji's to use as a way of polling how much users like or dislike a post.

X. Shoppable Tags in Stories: This feature allows businesses to tag their products in their photos.

XI. Bulk Upload Stories: Ability for users to upload photos and videos to stories in bulk. This feature will be a time saver for businesses and social media managers.

Clair, (2018) define Instagram marketing as the way that brands use Instagram to connect with their target audience and market their offerings. She said recently, Instagram has gained popularity as an exciting method for brands to show off their culture, recruit new employers, engage with customers, and show off products in a new light. According to Eddie, (2018) Instagram marketing is competitive, that more than 25million businesses use the platform to capture attention, incite interest, create desire, and compel action.

Icon square, (2019) said Instagram marketing is no longer something to consider, but something to do because it comes with the jobs now. Those who understand this are no longer asking themselves why they should do it, but rather how they should do it correctly in order to get the results they want. Ana, (2019) is of the opinion that Instagram marketing is a staple part of many ecommerce businesses marketing campaigns and for good reasons it has a large and diverse audience that is happy to engage with brands resulting in high engagement overall.

We like to define Instagram marketing as the marketing done by business owners and organizations in order to create products and service awareness to their potential customers and clients using Instagram a social media type that gives room for photo and video sharing.

2.4 Why Female Entrepreneurship in Nigeria?

According to world-bank report as written by guardian woman on the 22nd of July 2017, the rate of female entrepreneurship in Africa is higher than any other region in the world.

As at February 2017, BBC, in a news report stated that “Nigeria has the highest number of female entrepreneurs in the world, as forty percent of Nigerian women are entrepreneurs, which is higher than anywhere else in the world” the report said.

The report went further to say that emphasis on small scale and subsistence entrepreneurship for women is gradually fading away and replace it is a more daring and relentless form of female entrepreneurship.

According to Imhonopi etal (2016) the position of females in Nigeria, just like their counterpart in any other country, is biologically, culturally and socially distinct from that of males. They went further to say that this distinct characteristics contribute to the roles and functions expected of females in the home and the society at large. That Women are generally attached to their family and it is difficult most time to detach this attachment, all the house chore and the housekeeping functions are left for them to carry out. Garba, (2011) as cited in Imhonopi etal (2017) opine that women are mostly referred to as the main keeper of the home and family. And that they are expected to shoulder the responsibility of a mother and the one who does every other home front activities in order to keep their homes and children. Garba in his work,

took cognizance of the fact that the status and economic position of some men is what determine the economic prosperity of their women. That means women have little or no access to the available close family resources. In cases where the woman heads the home, for example a widow, all this implies is that, she will have to struggle for survival and also struggle to get herself involved in economic activities that will bring in money. So female participation in economic activities such as buying and selling of goods and the rendering of services will bring a transformation in their economic status, liberty and the level of resource control. In some instances, the money that comes in to a family determine their economic wellbeing as a family. When a family is in poverty, the effect is felt more on the women and the children, because their basic needs would not be meet. Women play a key role in reducing the level of poverty in their family, for Instance if the husband’s income is too small to meet the family needs (Garba, 2011) as cited in Imhonopi etal (2016). It is said that women play a supporting role in the fight against poverty eradication in developing and low income country such as Nigeria. A recent study has discovered that the rate at which women participate in entrepreneurship can be traced to the economic downturn or looming recession, and also the increase in literacy level. (Tambunan, 2008) as cited in Imhonopi etal (2016). These challenges and other reasons are the motivation for women in Nigeria to participate in entrepreneurial activities

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in order to empower and upgrade themselves socially and economically.

2.5 Female Entrepreneurs and Their Characteristics

A female entrepreneur is any woman who owns and runs a business or provides services. Therefore, female entrepreneurs are women who do business or render services.

Carmen, (2013) is of the opinion that female entrepreneurship represent a vast untapped source of innovation, job creation and economic growth in the developing world. Women

entrepreneurship means an act of business ownership, creation and controlling which empowers women economically, increase their economic strength as well as position in the society. Kavita & Mallikajum (2016). Female entrepreneurs are said to encompass approximately 1/3 of all entrepreneurs worldwide.

Colette, (2017) enumerated some of the characteristics of female entrepreneurs. Such as

I. Courage: Making the jump from corporate to CEO is scary, its courage to do such, because there are no more paid expenses, no more annual bonus and company pension scheme. No more stable monthly salary. Then there is the long learning curve that you must go through as the business takes shapes and starts to grow. It takes courage to quite an 8 to 4 Or 9am to 5pm job, especially if it pays well.

II. Thick Skin: For the business to be successful, you need to be visible, putting yourself out there and sharing your message, your brand, and to a certain extent your soul.

III. Perseverance: The ability to pick yourself up after every knock-back and every failure.

IV. Creativity: Female entrepreneurs can think outside the box. Creativity drives the world and business; therefore, female entrepreneurs are always thinking at a go and out of the box so as to remain relevant as her own brand representative.

V. Empathy: The ability to use a knowledge and skills to solve a specific problem for people.

VI. Curiosity: Most of the female entrepreneurs who are successful have an element of explorer in them. They want to test new theories and push new boundaries to see what happens. This is how innovation takes place, and innovation is an important ingredient in any successful business.

VII. Passion: Female entrepreneurs can feel personate and excited about their business at the starting stage of the business.

VIII. Organized: They are very organized in terms of planning and setting goals.

IX. Confidence: Female entrepreneurs are very confident, they believe in their products and services.

X. Humility: Humility is vital to the success of any enterprise, most female entrepreneurs are very humble, they willing to learn and unlearn at any point in time in their businesses and personal life.

3. Theoretical Base of the Study

Social media is a new area of knowledge, therefore there has not been too many theories that can enhance an understanding of its utilization.

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However, JC Social Media (2019) identified Content as a theory that can be applied to aid the marketing of products and services on social networks. Content is a major pillar of social media that is commercially viable. That possessing a solid content add up to the many goals and objectives of social media marketing. Social media content theory is said to consist of three different elements. They are Self - promotion, value -adding and interaction. Self – promotion has to do with selling goods and promoting the brand directly to the target audience. Value – adding has to do with creating a positive impact on the target audience. Interaction has to do with initiating a conversation with the social media subscribers on the target space. According to Kamy, (2017) the main aim of content in social media is to create a link between the audience and the brand , that this form of connection is not an ordinary one, but the one that gives the audience the capacity to show sympathy and empathy for the brand. Kamy went further to say that “content has the power to make people feel positive or negative about the brand”. In the words of Victoria, (2018) “Customers are increasingly savvier and more discerning about which business they support, that before making a decision, they will do a quick search to browse your website and social media”. Victoria went further to say that putting up a rich profile that you update every now and then with content that are useful has the capacity to build a brands authority, thereby making a brand

trustworthy , knowledgeable and approachable.

How does content theory relate to Instagram marketing? Content is what the brand or the organization put up for their customers or followers to see or read, content is the way a brand communicates their offerings to their potential customers. It can be a photo of products, a video or a write up. Contents must be appealing to the customer and it must be able to promote or sell the intended products, create values that can prompt a buyer. An effective Instagram marketing must have an engaging content that can make a brand generate leads.

4. Methodology

This study used the primary method of data collection, through in-depth interviews of 10 female Lagos based entrepreneurs who were selected and accepted to participate in the study. The interview questions were self-constructed. Questions such as, what product do you sell or manufacture? What prompted you into selling the products you are sell? Does it move the market? What is your Instagram handle? How many followers do you have on your business page? Why is your business on Instagram? Why did you choose Instagram as a marketing tool? Does your brand use hashtags, how many par posts? How often do you post on Instagram? How much is your Instagram marketing budget par year? Do you have any Influencer used by your brand to promote it? Does your brand carry out Instagram adverts? What effects has Instagram marketing

had on your business so far? Where asked.

Respondents were selected for this study based on their business performance in sales and customer patronage, the business's presence on Instagram, and the numbers of followers they have on their Instagram handle. The interview was carried out in two ways, the physical contact (one on one) with respondents and the electronic means (online). Four of the respondents were interviewed physically at their various business places and the other six were electronically interviewed due to busy schedule and their unavailability during schedule dates of interview. The respondents that were electronically interviewed were sent questions via the Whatsapp application voice message, two replied via the same voice message, while the other four sent their reply in a written format. The one on one interview lasted for about 30 minutes, while electronic one took about 10 to 15 minutes. The content of the interview was analysed, and a thematic analysis was performed.

5. Sample Description

Respondent 1 is a 29 years old master's degree holder in Management Information System. She is the founder of Aridunumi_queen, a brand located in the Magodo area of Lagos Nigeria. She sells ladies bags, shoes, male and female clothes, wristwatches and medicated eye glasses. The business has been in existence for 6 years. Instagram handle is @Aridunumi_queen with 346 followers as at the time her interview was conducted.

Respondent 2 is a leather shoe maker with the brand name DyDyshoes located in Ketu Lagos. Her shoe manufacturing business is 1 year and 3 months old with 3 additional shoe makers who work for the brand. Omowunmi is 23 years old and a graduate of biochemistry. Instagram handle is @DyDyshoes with 1,431 followers as at the time of conducting the interview.

Respondent 3 is 23 years old, with the brand name beadsnation. Her business is located in Ajao Estate Lagos. She makes and sells handcrafted jewellery, bracelets and necklace. The business has been in existence for over 5 years and has 3 staffs. Instagram handle is @issy_beadsnation with 2000 as at when she was interviewed.

Respondent 4 owns a business called Aaycakes. She bakes cake and render confessionary services for various events. The 27 years old microbiology graduate has coordinated the business for 5 years from her Ogba Aguda residence. Instagram Handle is @Aaycakes with 200 followers as at interview time.

Respondent 5 is a 31 years old graduate with the brand name (HOT WEARS) Home of Theresa Wears. She makes and sell leather foot wears such as sneakers, sandals, males covered shoes etc. Hot wear is located at Surulere Lagos and has been manufacturing shoes for 5 years alongside 3 other shoe makers working with her. Instagram handle is @hotwears with 9000 followers.

Respondent 6 35 years, runs veeqy's store, an online store that has been in existence for four years with one staff. She sell fashion items and manufacture

liquid soap. Veeqystores is located at Egbeda Lagos. Instagram handle is @veeqystores with 1,435 followers.

Respondent 7 is the CEO of Dae26fabrics. It started officially in January 2018, though she has been selling and making fabrics for some of her friends prior to the official launch. She is a 34 years old graduate of economics, who has passion for fabrics making and designs. She sells Ankara, Aso Oke, Cashmere, Guinea and Lace Material. Dae26fabrics is located at Ogba, Lagos. Instagram handle is @dae26fabrics with 349 followers.

Respondent 8 owns Nature's Tea Venture, she produces Shea butter. The business has been around for 2 years, and within these periods she has been able to produce various flavours of Shea butter (Vanilla, Strawberry, and Cocoa). Her business operates from Opic estate in the beggar area of Lagos. She is 26 years old and a graduate. Instagram is @teanature with 2000 followers as at when she accepted to be interviewed.

Respondent 9 is a 27 years old lawyer. She runs Gift Fairy NG, an outlet that is into gift services for both corporate and social events, personalised gift and novelty gift. The business is 4 years old and it has two staffs to its credit. She runs gift fairy from her Chevron Drive base, Lekki Lagos Nigeria. Instagram handle is @thegiftfairyng with 4,600 followers.

Respondent 10 is a 28years old master's degree holder In International Relations. She runs Astarttoforever, a brand that is into bridal wears and accessories, male and female fabrics and foot wears. The brand is located in

Ilupeju Lagos with one staff. Instagram handle is @Astarttoforever with 111 followers.

6. Data Analysis

I. The New Market Place

Technology has bridged the gap of having to go to a physical market for buying and selling. In this study, the entire participant admitted that Instagram is a social media type that allows for photo and video sharing. Participant 1 said "Instagram is the new market, it is the platform where most youth are these days". Participant 2 said "Instagram is her show room, a new form of market that allows her to display her products for all to see, that it gives her the opportunity to share her products with potential customers in the absence of a physical showroom". Participant 3 said "her target audience spends more time on Instagram the new market place". Instagram as the new market place makes it possible for start-ups and already established entrepreneurs to get their products and service out to their potential customers and clients without having the need to go display or sell them at the physical market. The above theme is peculiar to participant 1, 2 and 3.

II. Reach, Time and Hashtags.

In this study reach is peculiar to all the participants. They mentioned the reach that Instagram has, as one of their major reasons for exploring Instagram marketing for their businesses. Participant 2 said "Instagram marketing helps her business get to a wider audience of potential customers". Participant 3 said "it's a great platform that place your business in people's face

anywhere in the world, you can close a sales deal without meeting physically". Participant 5 said she has chosen Instagram to "reach out to the world and not just Nigeria". Participant 7 said "a lot of presence and wider reach is the major reason why she chooses Instagram marketing". Participant 8 said "Instagram is a great place to find potential customers". Participant 9 said "Instagram marketing gives her business access to a wider market and audience". Peculiar to all participants also is their various time of sharing post and information about their various products. Participant 1 said she "post at least once in a day". Participant 2 said she "post three times in week". Participant 3 "post at least once a day and at most five times in a day". Participant 4 said she "post once in a while". Participant 5 said she "post every day". Participant 6 said she "post 3times in a week". Participant 7 said she always "post three multiples of 10 pictures per day". Participant 8 said her "posting depends on the available products". Participant 9 said "post four times in a week". And participant 10 said she "post weekly".

All the participants explore the use of the right hashtags to increase their reach on Instagram. Hashtags means a lot on Instagram, it helps other users of the Instagram application to discover your content and help you to analyse the performance of your Instagram marketing campaign. In this study all the participant admitted to using hashtags to every post on their Instagram handle. The participants said they use hashtags that are close or

related to their businesses. E.g. #fashion #womenfashion #weddingbells #bags #mensshoe #cakes #gifts #brideandgroom etc.

III. Influencers and Adverts

An Influencer is a person (a celebrity or an active user of Instagram) that businesses or brand can leverage on to promote or market their offerings. In this study all the participants declined as to using influencers to market their brand on Instagram. Participant 9 said "though there are no influencers for her business on Instagram, but when she does gifts packaging and branding for notable persons or celebrities, they share the pictures on their Instagram handle or Instagram adds". Apart from participant 7 every other participant has not explored Instagram adverts before.

IV. Buying Followers

The entire participant in this study, declined to buy followers, they said all their followers as at the time of conducting this interview are organically built. Organically built followers are the followers that were not bought to follow a brand, but follow an account willingly based on the content or activity of the account. Respondents were unable to provide an evidence to support the claim of not buying followers. But authors conducted a research into Instagram account that buy followers and those that does not buy followers and then compare them with those of the respondents. We discovered that Instagram account with many followers e.g. 500K, whose content or picture post does not generate likes or comments that is commensurate to the number of Instagram followers is likely

to be followers that are bought. When we check respondent’s page, we discovered the numbers of followers is commensurate to the number of people that engage their post.

V. Effects of Instagram Marketing on the Participants Products and services

The table below shows effects of Instagram marketing on the participant’s brand. The entire participant agreed that Instagram marketing helps brand awareness, gives access to a larger audience of people all over the world, it is user friendly i.e. easy to operate, it does not really need any special kind of

knowledge or skills. They also agreed that it has led to increase in sales and patronage. Participant 1 and 4 mentioned that “Instagram marketing has helped their business meet nice customers”. Participant 5, 6 and 9 said “Instagram marketing has help them to build a strong clientele base both within and outside Nigeria, that Instagram marketing has made them meet people they would not have had access to on a normal business day”. Participant 6 said “the major effect of Instagram marketing on her business is the basic acceptance of her products by her online customers”.

Table 1. Personal effects of Instagram marketing on participant’s businesses.

Source: This Study

Participants	Brand Awareness	Large Audience	Meeting New Customers	Building A Strong Clientele Base	Sales Increase	User Friendly
1.	yes	yes	yes		Yes	yes
2.	yes	yes			yes	yes
3.	yes	yes			yes	yes
4.	yes	yes	yes		yes	yes
5.	yes	yes		yes	yes	yes
6.	yes	yes		yes	yes	yes
7.	yes	yes			yes	yes
8.	yes	yes			yes	yes

9.	yes	yes		yes	yes	yes
10.	yes	yes			yes	yes

7. Discussion

In this era of modern technology, marketing is shifting gradually from the traditional method to social media. Social media marketing is a major form of Internet and Web based marketing that employs the use of the various social media types, where business owners, entrepreneurs and start-ups use social media to market their offerings to their existing and potential customers. Social media is characterised by pictures and videos, therefore marketing with it will implies that pictures and videos are shared as contents, because people relate more with photos and videos than written marketing contents. The social networking platform that fit perfectly in this category is Instagram. Instagram subscribers are increasing every second, it has a lot of young people that are active users, and it also has businesses that are subscribed to it.

Instagram is a photo sharing application that enables more than 25% engagement of products and services compare to other social media. It has 70% female users and 30% male users. 50% of the high-ranking businesses leverage the Instagram space to market their offerings to their customers who are subscribed to the application.

Instagram is now the new market place, a show room used by entrepreneurs and business owners to display, create awareness and buy items. Business

owners and organizations gain more popularity via viral marketing platform through Instagram.

Instagram is a vital space for business opportunities that empowers entrepreneurs to reduce the cost of creating awareness of their products and services, mobility, buying or renting a physical location or space for running a business.

Marketing on Instagram result to a positive and immediate impact on the choice of customers and their willingness to pay for premium quality products and their loyalty to the brand.

Our respondents adopted Instagram marketing to market their product and services, because it gives them the ability to manage their time effectively, without having to run crash schedules. There is no limit to or time of engaging with people on line, post and messages can be uploaded at any time. Instagram Marketing has created brand awareness to our ten female entrepreneurs, it has helped their brands to gain a wider reach and cause them to build a strong clientele base both within Lagos and outside Nigeria, it has helped to increase their sales volume and also generate revenue, and it is user friendly and easy to navigate. Instagram Marketing is the newest form of customer engagement and marketing that can make a whole lot of difference if embraced by entrepreneurs.

8. Conclusion and Implications

8.1 Conclusion

This study investigated how technology is been used to shape the business world and how this era of social media is penetrating everyday aspect of human endeavours. Just a click on the computer can complete a business transaction without seeing or meeting physically. This study has found that Instagram, one of the types of social media has a huge benefit that can be employed by entrepreneurs. The app allows photo and video sharing. This unique feature is been used by many business owners to share their product pictures with the world, to market and also communicate brand offerings. 10 female entrepreneurs in Lagos metropolis whose businesses are on Instagram where interviewed for this study, they shared with us effects of Instagram marketing and how it has helped the performance of their businesses.

Instagram marketing is vital in running a business, because the society is gradually turning into a technologically driven one, where people spend more of their time on social media. It is therefore

necessary for entrepreneurs to move their products from physical engagement to online interactions.

In conclusion, leveraging Instagram for marketing will build a business and create an online community round it, it will expose the business to a wider audience, and it will help the business to increase sales volume and generate revenue, perform and compete favourably with its competitors.

8.2 Implications

The implications of this study for research is the ability of potential business owners or intending start-ups to utilize the available studies and findings in order to channel their efforts towards the newest technologies that can help their business to grow and attain their set aims and objectives. Another implication is how to market products and services using modern technologies rapped around social media. Further research can also be carried out to find out how male entrepreneurs leverage Instagram for Marketing.

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Raising Employability Bar and Building Entrepreneurial Capacity in Youth: A Case Study of National Social Investment Programme in Nigeria

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Abstract: Nigeria is no doubt currently among the countries embattled with a high rate of unemployment. Due to the present economic challenges, which have lasted over a decade. To examine the impact level of the social investment programme on the beneficiaries, qualitative research was carried out and the instrument was structured on complete open-ended, by one-one interview and online platforms (Whatsapp and Facebook groups). N-teach (150,000 beneficiaries), N-health (20,000 beneficiaries) and N-agro beneficiaries (30,000 beneficiaries) of batch A 2016 constituted the population, with a calculated sample size of 399. The sustainability level of N-power programme was also ascertained as the difference between the average initial sample size and adjustable sample sizes were roughly similar while testing at margin error of 5, 10, 15 and 20% using 95% confidence level. The findings of the study reveal that micro-businesses such as fishery, piggery, provision store, computer business centres and among others have been established with the aid of the monthly stipend and entrepreneurial skills have been acquired through the devices given and daily exposure at work. It however, recommended that the programme should be adopted by every regime at both the state and national level. The batch A beneficiaries who are likely at the exit stage, should either be giving seed capital and the remaining, permanent job. Also, the

government should as a matter of sporadic reduction in social vices and the creation of more businesses should expand the scope of the programme.

Keywords: Government Initiative, N-power, Employability Bar, Yaramé's Formular, Sample Size

1.0 Introduction

The concept of employability is one of the major ways, government at all level across the globe used to create different measures of tackling the menace of unemployment for the teeming youth (Emeh, 2017). Nigeria is not left out of the tentacles of unemployment, poverty, poor infrastructural development and neglect of youth etc (Iruonagbe, 2010). These have accounted for inflation, poor leadership, corruption, poor economy and poor exchange rate. Adeyemi, (2019) asserted that the premium between the official and parallel market remained wide throughout the period (2016 till date) as Nigeria experienced one of its worst economic meltdown in history. Therefore, the Nigeria government deemed it wise enough to create social empowerment scheme where its youth are expected to render reasonable service to the society, in the various available portfolio. The empowerment scheme was introduced by the President Muhammadu Buhari led administration in 2015, it's expected to absorb the youths across the six geo-political zones of the country. The investment programme also known as N-power is expected to train 500,000 Nigerian youth in various categories; N-teach, N-Health, and N-Agro (National Social Investment Office, 2018). The selection of the beneficiaries is made across the thirty-six states of the federation including the federal capital

territory (FCT) based on the statistics from the Nigerian population census. The innovation is geared towards enhancement of ailing the nation's public services in the area of basic education and primary healthcare while in the agriculture sector; it aimed at achieving self-sufficiency by giving farmers relevant advisory services (Akande, 2016).

It is worthy of note that no fewer than 300,000 graduates are mobilized annually for the National Youth Service Corps, NYSC (Kazaure, 2017). Downward scalability in the yearly turn out of graduates in various Nigerian Universities and polytechnics has become a bottleneck and major issue to ponder upon, which had made them either unemployable or subjected to further training by the respective employers, and lack of entrepreneurial mindset to be self-employed. Furthermore, in the bureau's report between September and December 2018, the unemployment rate in Nigeria rose from 3.3 million to 20.9 million (National Bureau of Statistics, 2018). However, it has been clearly stated that youth occupy larger per cent (65) of Nigeria population (Olajuwon & Awoyemi, 2018), and the economic movement and prosperity of nations is in this set of people. Therefore, unempowered youth and their continuous unemployment is a huge threat for Nigeria, as it has already been

manifested in the high rate of unemployment, entrepreneurial incapacitated, militancy, armed-robbery, kidnapped and fraudulent activities. If the youths are adequately engaged beyond the two years contract, it will help in the reduction of social crimes, increases employment generation, increase the gross domestic product and reduces the rate of youth protest and unrest in the country. Also, there will be a certainty for an increased standard of living, self-dependency and actualization. For these reasons, there is a need for an urgent intervention by the government at all cadre. While the introduction of National social investment programmes by the present-day government through the engagement of the human resource capacity in a more useful way remains the last resort to curb the menace of unemployment in Nigeria and to salvage the sad situation of our nosedived economy in all ramifications.

We examine the raising employability bar and building entrepreneurial capacity through national social investment programme in Nigeria, using the following objectives:

- To ascertain the gains of the volunteers in the process of their two years volunteering.
- To examine the challenges and the impact level of the programme on its beneficiaries.
- To examine the degree of reliability of the programme in solving the problem of unemployment in Nigeria.
- To determine the importance of device and monthly stipends in

building volunteer's entrepreneurial capacity and sustainable livelihood on the beneficiaries.

2.0 Literature Review

The new platform must be created that value the human spirit and foster its developments. The focus of everybody-government, individual and religions bodies is to serve the general populace. An empowered individual is expected to reciprocate; people who do not have a means of livelihood becomes minus to the entire societal resources (International institute for human empowerment, n.d.). Employability is having a set of skills, knowledge, understanding and personal attributes which make graduates or non-graduates more likely to select and get jobs in which they can be satisfied and successful (Pool & Sewell, 2007). Employability has been researched in the globe such as India, Taiwan, Nigeria and United Kingdom (Asuquo & Inaja, 2013; Benson, Morgan, & Filippaios, 2014; Jonck & Walt, 2015; Mohan, 2013; Pan, Y & Lee, 2011).

Competence of entrepreneurs denotes firm's ability to examine the process and take merit of a wider horizon of outside factors and entry into a wider range of diverse information and a strong perspective to understand and dwell on such a broad variety of new ideas. Conversely, firmness of entrepreneurial capacity should increase the probability of exploring opportunities that will result in a higher result. In short, entrepreneurial capacity increases the chances of frequent organizational success (Nowak, 2014).

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Capacity building is essential to entrepreneurial practices as it relates hugely to the thematic areas— Operation, Managerial, Finance, and Personalize capacities. The capacity building consists of building element of entrepreneurial capacity, to furnish the components for greater entrepreneurial success. Some of these competencies are acquired in the process of one's career, while other capacities are assimilated through formal and informal education, in a situation of complete zero capacity (Strategy Business Blog, 2012a). We could categorically identify potentials- business knowledge, opportunity awareness, education, financial skill, career exploration and good relationship as a complete cycle of entrepreneurial capacity building.

The links between entrepreneurial capacity and social capital-skills acquired through organizational entrepreneurial capacity can be related to social capacity and achieving employability bar, because the entirety of entrepreneurship, community-organization based are societal base and social. Social capital is ordinarily known as the ability to gain access to resources through social associations in the likes of marginalization, forming an enforce group, government's social initiatives and palliatives. It is made up of the correlations- formal or informal, initiated by individuals in their relationship with others. In short, social capital is also known as capital apprehend in the sort of social bond for entrepreneurial capacity building and reducing the rate of unemployment. Besides, social capital emerges from the

process of investing in human alliances, which needs resources (Montoro-Sánchez & Díez-Vial, 2013). However, Pollard, (2008) identified excellent instincts, demonstration skills, collaboration, passion, responsibility, self-management, responsibility, learning prowess, critical thinking skills, imaginative ability, attention skills, communication skills and creative competence as capacities for natural entrepreneurship.

According to the World Bank, (2002), reiterates that aside from the demographic characteristics-social, cultural, economic, and political contexts which are characteristics of marginalization of poor people. Voiceless and powerlessness in term of employment exclusion have also been factored to be the most common subsets still tagging poor people's exclusion in Nigeria (Abubakar & Atobatele, 2018). These are all embedded in a nation full of inhumane leaders, faced with uneven dragging of power struggle and penury; this category of people are unable to get better side of the coin (Alexander & Welzel, 2007), in whatever atmosphere they want their voice to be heard-trading, financing, governance, and civic engagement. This hugely limits their entrepreneurial competence in building their empire, in other to rise beyond poverty level (economic freedom and social liberation) in the context of employability. This lesser category of citizens is unarguably depending on the middle or higher level class in meeting their basic daily needs such as food, clothing and shelter. Also, it's impossible to halt deprivation of

their belief, cultural affiliation, the dignity of life and labour, because of the way society or ruling class has limited them, thus causes them to be left with lesser part of employability rate.

Some factors contribute to being employed, which varies from the person's learned skills, attitude, and individual and societal belief. The consensus theory of employability is based on the confidence that human capital injection through generic skills development will ascertain upward scalability of graduates and speed up their career development (Selvadurai, Choy, & Maros, 2012), while the conflict theorists believe that society is characterized by inequity in wealth, power, status and that these imbalances generate conflict between individuals and social sets (Kenton, 2019).

The outcomes of empowerment theory are procedural and terminating (Zimmerman, 2000), in the entrepreneurship and employability context. The illustrations of how an employed 21-year old graduate with lesser responsibility will be achieved will be quite different in behavioural to 34-year graduate with responsibilities i.e. there is variation in the empowerment and employability of the two sets of people even if they belong to some psychological and mental orderliness.

Thus, empowerment is more of a finite population and orderliness. The way empowerment work for the two sets are in different value- what works for Mr A, might not work for Mr B.

Also, the development of empowerment theory requires strong exploration and

description at multiple levels of analysis (Zimmerman, 2000). For example, a set of unemployed graduates who want to stop marginalization of societal value system of unemployment, will unite and create a body of like minds to champion this course, the formed group might seek for and join the force of other groups so as to increase their support base and ultimately see the better side of those in power. The essential tools or mechanism to accomplish such course are individual's competences, Individual's proactive-ness, individual's level of literacy, natural helping base, collective influence and prowess, and access to resources and group competences. Thus, to further ascertain the impact of the social investment programme of President Muhammadu Buhari led administration in Nigeria from 2016 till date. The research work was conducted through an opened structured interview on the beneficiaries of the one of the nation's major social investment programme (i.e. N-power) as suggested in the literature using the Taro Yamane's statistical formula used to calculate sample size to give the impact quality level the programme have on its beneficiaries.

2.1 National Social Investment: The N-power Programme

N-power is one of the national social investment programmes. It's the employability and enhancement programme of president Buhari led administration operating under the Vice-president's office, targeted at instilling the learn-work-earn- entrepreneurship tradition in Nigerians between the ages of 18-35years. All the stages are done

online except the physical verification of credentials, this is done at the state level, in other to create fairness and equity in the entire process. After these rigorous processes, the successful applicants are subjected to Bank Verification Number (BVN) validation. Besides, the monthly N30,000 stipend, the beneficiaries are given devices with applicable content for uninterrupted learning, to facilitate their ability to successfully implement the selected vocation and enable them to take ownership of their lives. The non-graduate category 10,000 have been trained in 23 States, with the remaining 10,000 having commenced their acquisition training in the skill workshops that have been inspected and found fit for essence of creating such portfolio in the remaining 15 States (National Social Investment Office, 2018), the batch A (200,000) and B (300,000) were deployed by December 2016 and August 2018 respectively.

2.2 Empowerment Scheme in Nigeria

This can simply be referred to as a social investment programme (employment generation, skill acquisition, entrepreneurship, education, technical and vocational training etc.) geared towards alleviation of social vices with the broad aim to the expansion of freedom of choice and action by its citizen (Alika & Aibieyi, 2014). Since, unemployment is a condition where people who are able, willing and capable of working are deprived of a suitable paid job. Government is expected to monitor and regulate this menace as it's one of the

macro-economic woes (Uddin & Uddin, 2013). It was postulated that the entirety of empowerment is seen in the context of individual and community, the word is popularly being used by human right activists, dated to 1975, however scholars have over the time, making use of the term in the pieces of literature (Freelancer, 2011), publications, conferences and seminars in discussing empowerment of the relegated citizens, like graduates and semi graduates who come from a relatively poor homes, especially with regards to community development. Empowerment is characterized as a person's liberty to dream and attain specific aims and goal of life.

2.3 Government Role in Empowerment Programmes

Awojobi, (2015), different government at different dispensation had instituted social protection programmes across board, meant to solely combat level of poverty in the country particularly Graduates- Better Life for Rural Women launched in 1987, Directorate for Food, Roads and Rural Infrastructure initiated in 1986, National Directorate of Employment created 1987, Family Support Programme established in 1993, Family Economic Advancement Programme founded in 1997, Poverty Alleviation Programme (PAP) in 2000, the conclusion drawn from the initiatives is that not less than 20,000 benefited across the nation, PAP was discarded and replaced in 2001, National Economic Empowerment and Development Strategy (NEEDS) launched in 2004 and the Youth Enterprise with Innovation in Nigeria

(YOUWIN) launched 2011, in which 1500 Nigerians benefitted with total amount of ₦11billion disbursed so far (Adeosun, 2018). All these interventions had increased the number of ventures founded, which is the capacity built in the course of each programme. Despite these efforts (initiatives), the spate of entrepreneurship in the bate of cultivating entrepreneurial capacity in Nigeria still cut shut expectations bearing in mind the rate of unemployment (Awojobi, 2017; Bello, Toyebi, Balogun, & Akanbi, 2009).

In 2015 and December 2016, the Buhari led administration birthed and successfully unveil one of his agendas-National Social Investment Programme (NSIP) respectively. It's primarily meant to help the graduates who are children of middle and lower class citizens across each geo-political zone. The portfolios are Job Creation and Youth Employment (N-Power), Government Enterprise and Empowerment Programme (GEEP), National Home Grown School Feeding Programme (NHGSFP), and National cash transfer programme (NCTP). These portfolios target 9.76 million direct beneficiaries. Npower as one of the portfolios, is mainly to create job and empower youth- the graduate path of the programme was targeted at 500,000 beneficiaries and others were pegged at 100,000, N-Power Junior pupils 1,000,000 and 8 Regional Innovation Hubs. However, the graduates were enrolled in two batches of 200, 000 and 300, 000 by December 2016 and August 2018 respectively, which spans across N-Teach, N-Health

and N-Agro. 500, 000 Nigerian graduates have benefitted from this programme. The National Social Investment Programmes were basically initiated to address the prevailing shortcomings of the history and majorly to sporadically move the graduates from above penury via created, to overcome the failings of the past and to enshrine the values and vision of the current Administration for graduating it's citizens from poverty through competence, investment-inform of monthly stipend, device and daily exposure to entrepreneurial capacity at their various place of primary assignment (National Social Investment Office, 2018).

Moreover, there is justification for the initiatives, as the driver of the economy is in the youth. In 2001, the National population commission put the youth population to 65 per cent (Olajuwon & Awoyemi, 2018).

3.0 Methodology

The study was carried out using qualitative approach and employed a multi-case study using a complete open-ended interview and observational survey for the batch A set of the beneficiaries of (Akande, 2016), N-Power where N-teach - 150,000, N-Agro - 30,000 and N-Health - 20,000 beneficiaries respectively.

Research Instrument

The data was collected using an open-ended interview of the beneficiaries through social media platforms (Facebook and Whatsapp groups) online survey and in-depth interview, this medium was used because the beneficiaries are spread across the 774

local government in Nigeria. The qualitative method was used because of its suitability and usefulness (Flanagan et al., 2015) as a tool used for collecting data from large respondents within a short period and permits to ascertain the respondents' opinion without manipulation or assumption by the researcher(s) i.e it gives a true reflection of their view(s). The open-ended interviews ensures that research objectives are maintained (Thibodeaux, n.d.). It also capture the mind, feelings and attitude of the respondents on the subject matter.

Population and Selection of Sample

The location of this study is Nigeria. The used platforms for the study are online (Whatsapp and Facebook groups) and one-one interview which was used to administer and interview the beneficiaries of the social investment programme (i.e. N-power). Cox, (2008) submitted that the target population determines whether sampled cases are eligible or not for a survey; he emphasized that the target population defines a subset for which the findings are meant to generalize. In line with the title of the study, the target population for this study is the 2016 Batch- A, 200,000 N-power beneficiaries of the national social investment scheme in Nigeria.

$$n_0 = \frac{N}{1+N(\% \epsilon)^2} \quad \text{eqn.....(1)}$$

$$n_0 = \frac{200,000}{1 + 200,000(0.05\%)^2}$$

$$n_0 = \frac{200,000}{1 + 375}$$

$$n_0 = 399$$

Where n_0 is the initial sample size or impact level, n is the adjustable sample size, N is the estimated population value and the error margin ϵ represent the level of significant 5, 10, 15 and 20% respectively at a confidence level of 95%.

$$n = \frac{n_0}{1 + \frac{(n_0 - 1)}{N}}$$

eqn.....(2)

Taro Yamane's statistical formula as depicted in equation 1 and Finite population correction for proportion in Equation 2 above was used to calculate sample size (impact level) which is also a direct reflection of the sample size based on the impact level which the scheme has on the beneficiaries. However, the dependence error margin and the sample size was calculated to determine the precision level.

4.0 Analysis and Results

The data analysis was based on the title of this present study, taken from the national dailies (punch newspaper) as suggested in the literatures, who gave a precise data of the number of beneficiaries of the National social investment programme batch one (N-power) 2016, which is also in cognizance with the research objectives. The one-one interviews were tape-recorded and transcribed, with the respondent's approval. Also, the online administration was collected through the same platform and was subsequently analyzed.

4.1 Demographic Distribution of N-Power Beneficiaries

The study employed research instrument; online survey and in-depth structured interview were used thus the

aspects of the two bodies of data (demographic and research questions) relating to the given information was harmonized.

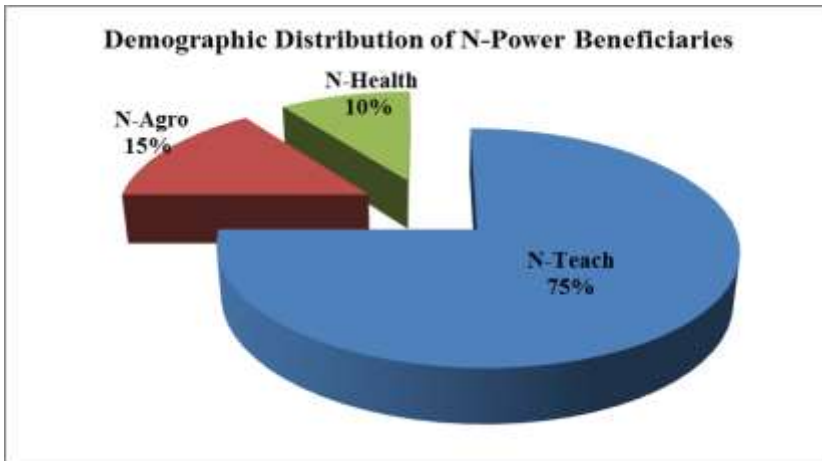


Fig.4.1: Percentage Distribution of Beneficiaries, across the categories (Population Size)

This section presents information about the demographic distribution of the population size of the 2016 Batch-A N-power beneficiaries. The information provided here were analyzed using frequency count, percentage mean. It was revealed, that the three major categories of the social investment programme (i.e. N-Teach, N-Agro and N-Health) of the respondents were within the population size of 150,000 (N-Teach) with the percentage of 75.0%, 30,000 (N-Agro) with 15.0% and 20,000 (N-Health) with 10.0% respectively. This means that a larger number of the beneficiaries are used in education, teaching and research work, the rest are engaged in farming and agro-allied activities while the rest of

the population are assisted hospitals and healthcare-related services.

The female respondents accounted for the majority (58%) of the responses obtained. While their male counterpart engulfed (42%). This shows that female graduates are more than male as volunteers in the N-power programme. By implications, female possess first degree among the volunteers in Nigeria. Most (69%) of the respondents firmly agreed that their small scale business commenced between September 2017-May 2018. (24%) of them were firm on June 2018-February 2019. (7%) of the respondents submitted that it commences between December 2016-August 2017. This shows that the volunteers started small scale businesses in the middle of the programme until

May 2018. This implies that the volunteer value the monthly stipend by diverting it into starting up of businesses. Also, these actions will not only increase their source of income, but as well increase the number of small scale businesses in the country, and reduces the rate of criminal activities.

A majority (85%) of the respondents firmly agreed that they run a sole proprietorship business while the remaining (15%) said they are into partnership with their spouse and friends. This reveals that the businesses run by the volunteers are a one-man business in nature. This implies that quick decisions will be taken and resources into the business might be limited.

The majority (55%) of the respondents completely agreed that their monthly income ranges from ₦21,000-₦30,000. (20%) of the respondent monthly income is ₦30,000 and above. (8%) has a monthly income in the range of ₦11000 and ₦20,000. (10%) of the respondent go home at the end of the

month in the range of ₦1,000 and ₦10,000. However, (7%) of the respondents were silent on their monthly income. This tells us that the monthly income of the respondents is in-between ₦21,000-₦30,000. The implication is that at the end of 12 calendar month, they will be able to have more fund to inject into the business for expansion or float another small scale business. The one-one interview survey lasted between 15 to 25 minutes per respondent, though this depends largely on the respondents. The online survey was done in a space of two months with daily reporting and monitoring.

4.2 Effective Sample Size: Theoretical Aspects

This explains the impact level each of the social investment programmes has on its beneficiaries concerning the sample size calculated from the Yaramé’s statistical relation and Finite population correction for proportion.

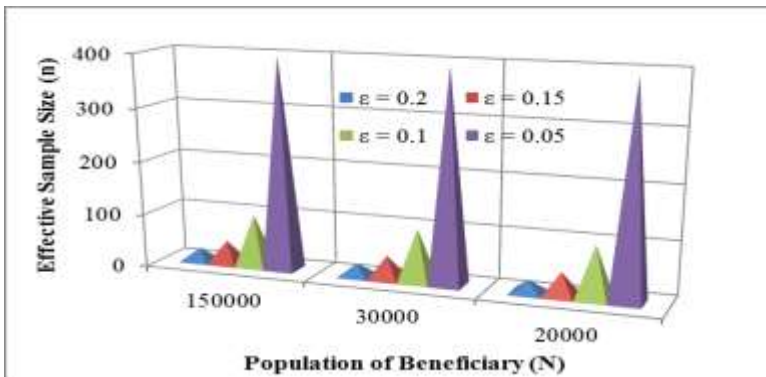


Fig.4.2: Dependency of N-power Beneficiary Population on Sample Size

As shown in Fig. 2 above, the relationship between effective sample sizes at various margin errors of 0.05, 0.1, 0.15 and 0.2 at 95% confidence. The result shows the effectiveness of the programme will be highest at the least margin error of 5% and least at when the margin error is 20%. Therefore, the national social investment programme will in no doubt have a significant impact on the larger populace, provided the enumerated challenges are carefully considered.

4.3 Dependence of Sample Size and Margin Error

Based on the illustration as shown in Fig.4.3 below, this indicates that at every marginal error, the effectiveness of sample sizes are very close. This implies that the precision level as used in conducting the national empowerment survey at 95% confidence level also attests to the fact that the social investment programme is reliable as the sampling size of the beneficiary population decrease with margin sampling error regardless of the type of programme.

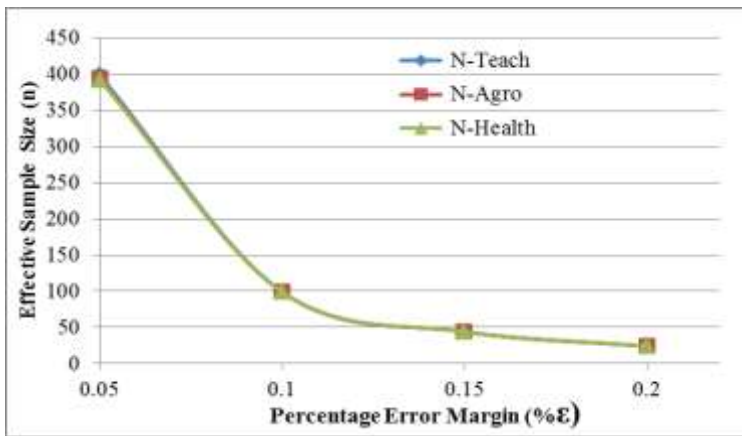


Fig.4.3: Dependency between Error Margin and Population Sample Size

To further validate the reliability of the social investment programme to the overall volunteer population at the same precision level (error margin) for 95% confidence. The nature of the dependency curve remains the same as

the data precision level decreases with an adjustable sampling size of the N-power volunteer for the various type of social investment programme using the Finite population correction relation as depicted in Equation 2 above.

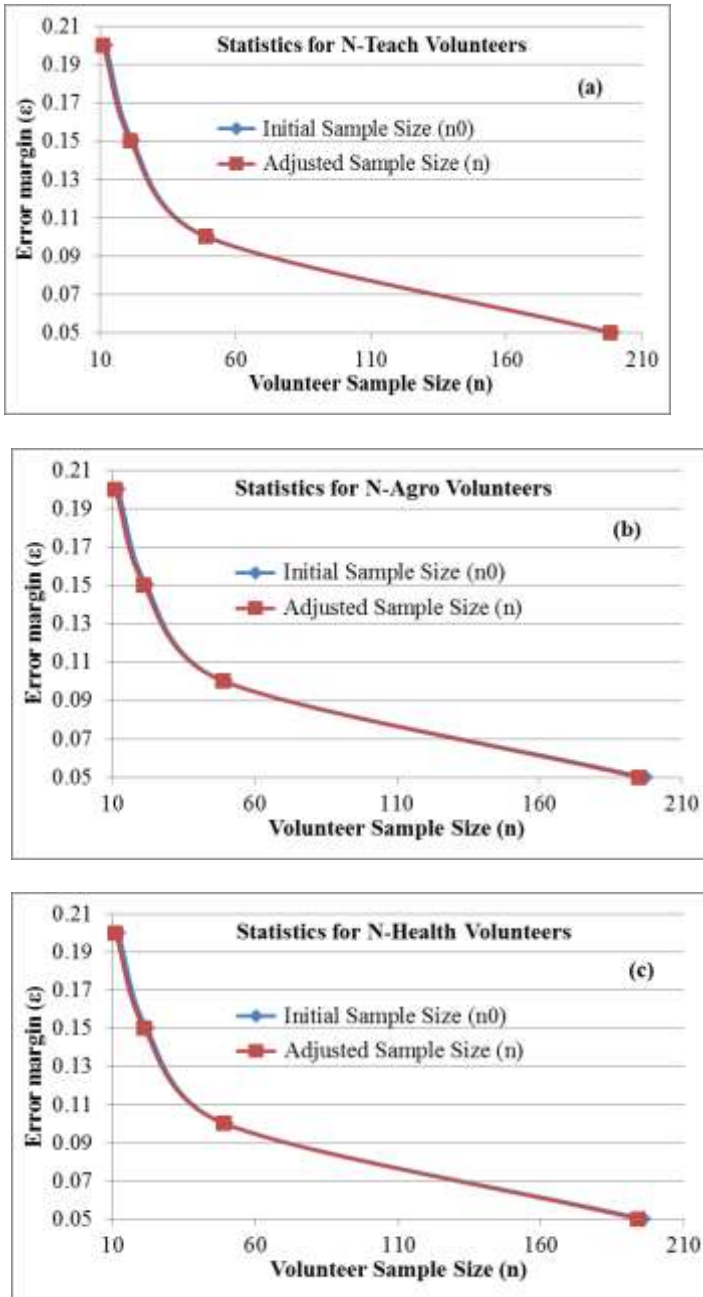


Fig.4.5: Volunteers Data Comparison between Yamane’s and Adjustable Sample Sizes:

(a) N-Teach (b) N-Agro (c) N-Health Beneficiaries. The graphical illustration above depicts a close relationship

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between the average value of sample size from the Taro Yamane's equation with the finite population relation when comparing the initial sample size of the Batch-A N-power population with the corresponding adjusted sample size at various margin error and 95% confidence. From the Appendix, the difference between both sample size values under each programme is not more than unity (1). This connotes that each of the social investment programmes does have a high positive impact on the beneficiary and the nation at large.

4.4 Reported Results

The responses from the two means of administration were analyzed using qualitative data analysis, it was sorted and coded to avoid repetition and to ensure concise of their responses. The following were responses from the three research objectives, as indicated by the beneficiaries of the various categories.

"Gains of the volunteers in the process of their two years volunteering" building of effective human relationship (patients, students and farmers). Acquisition of skills-managerial, leadership and administrative skills. Gain adequate knowledge in classroom management. There wouldn't be a serious gain in the programme if we were not giving a permanent job or valuable and tangible exit package. Participation in two international academic conferences within Nigeria. Career progression- sat for and passed TRCN professional qualifying examination, October 2018 diet. Opportunity to do my most passionate job on earth (teaching). Meeting my

personal and family needs. Moving from state of idleness and frustration to temporary relief (under-employment/empowerment).

"Challenges the volunteers has been facing" shortage of teachers, which has led to work overload. Shortage of modern teaching aid, textbooks in school and laboratory to facilitate the teaching-learning process. Duties of N-teach volunteer is bogus than other categories of beneficiaries, yet no promotion or increment in stipend, as well as other benefits, is attached. Other challenges are a rare delay of monthly stipend and uncertainty about permanency and plans for contract enhancement.

"Importance of device and monthly stipends in building volunteer's entrepreneurial capacity" Effective communication with fellow volunteers across the country. Easy study and research on teaching materials with the aid of the device. Most of the N-power beneficiaries acknowledge the fact the stipend from the programme has brought succor to them in term of transportation fare, feeding and so on. Seriously, for the bloggers and internet explorers have attested to the usefulness of the N-power study devices as some of the beneficiaries have established several micro-businesses through the internets. Ability to further my education (MSC), ability to travel near and far to work in local, multinational firms can also be ascertained.

4.5 Discussion

The study reveals that, the beneficiaries have benefitted immensely from the programme, though lager per cent of

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them believed ₦30,000 monthly stipends is a meagre, while it's a sign of progress on the part of volunteers and government in reduction of unemployment, Afolabi, (2019) the batch A graduates have earned a total of ₦150 billion for 25 months from December 2016 to January 2019, with a monthly bill of ₦6 billion. Subsequently, not that they received monthly stipend alone, the stipends have yielded to more source of income, as some that are entrepreneurially minded, had initiated "new ventures" from the tokens. Volunteers have been able to successfully found small businesses that will not only create multiple streams of income but as well increase the number of new ventures created under the watch of the Npower, which also have the potential of accommodating more unemployed youth as asserted by (Lawless, 2014; Zupic & Giudici, 2018) . Fishery, piggery, provision store, computer business centre among others have sprouted up, with the aid of the monthly stipend. The challenges the hosting communities, local and states governments have been facing such as shortage of teachers, food shortage and lack of primary health care which has led to work overload has been reduced to its barest minimum, due to the presence of this volunteers.

5.1 Conclusion and Recommendations

The study concluded that the essential benefit of the national social investment programme is its multiplier effects, as

the youths have fill the gap in the three spheres of the programme (Health, Teach and Agro), as the beneficiaries/volunteers have immensely gained for 25 months. Also, the beneficiaries/volunteers have their challenges that they are embattled with on the programme, particularly at their place of primary assignment and a staggering monthly stipend. The number of businesses that had been founded in Nigeria has increased. On the job, skills have been acquired both on the devices and via daily exposure at their places of primary assignment. Hence, there has been increasing in the level of entrepreneurial capacity of the beneficiaries. The study, therefore, recommends that such programme should be adopted by every regime at both state and national level, as its effects have not only reduced crime and insecurity, it has brought temporary succour to average Nigerian graduate youth. The batch A beneficiaries who are likely at the exit stage, should either give some seed capital and the remaining, permanent job. Since the close relationship in the initial and adjusted sample sizes has shown that N-power program will stand the test of time. Also, the government should as a matter of sporadic reduction in social vices and the creation of more businesses should expand the scope of the programme to accommodate more graduates.

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Identification of Beginning Entrepreneurs Problems in South Tangerang – Indonesia

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Abstract: This study aims to identify the problems faced by novice entrepreneurs in South Tangerang City - Indonesia. The research data was obtained through the distribution of questionnaires (primary data) randomly to novice entrepreneurs in the City of South Tangerang. Questionnaires were distributed using random techniques. The questionnaire was designed closed and the measurement scale 1-10. The selected sample was determined as many as 100 people. The research sample is a beginner entrepreneur in South Tangerang City with the criteria: the business is run no more than one year and is not included in the MSME criteria. The analysis technique uses Structural Equation Modeling (SEM) to find out the indicators or problems faced by novice entrepreneurs. Analysis tool using SmartPLS software. Problems faced by novice entrepreneurs in South Tangerang City consist of internal and external problems. Internal problems consist of HR (entrepreneurial motivation is unstable and has no experience), marketing (still done conventionally, no specific marketing costs), and capital/finance (still using own capital, not utilizing banking,

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and capital to run a limited business). While external factors consist of Government Policy (There is no capital assistance (in-kind) from the government directly, there is no technical assistance (such as training) from the government, there is no business assistance, and there is no policy in favor of business actors), Related Institutions (There is no technical and financial support/assistance from financial institutions / other parties, loan requirements are difficult to fulfill, loan collateral from banks is difficult to fulfill, there is no business assistance from banks/other parties).

Keywords: Beginner Entrepreneurs, Entrepreneurial Problems, External Factors, Internal Factors

1. Introduction

Considering the important role of entrepreneurs in the economy, the government has prepared various policies to increase the number of entrepreneurs in Indonesia. As it is known that the number of entrepreneurs in Indonesia is still limited, it is still below the minimum amount required to become a developed country. Still inferior to other countries such as Malaysia, Singapore, and even America. The number of entrepreneurs in Indonesia is still 1.6 percent of the population. Still far from the requirement, which is 2 percent.

The government's effort in increasing the number of entrepreneurs is to provide technical guidance to the provision of low-interest capital such as KUR (People's Business Credit). Also, the growth of new entrepreneurs has been carried out through various Ministry programs, such as the Ministry of Youth and Sports (Kemenpora) through the Beginner Young Entrepreneur program (WMP), and Entrepreneurship Skills Education (PKW). Efforts to create new entrepreneurs are also carried out at the level of education through the establishment of a central curriculum or entrepreneurial institution. In this case,

the main goal is how to create new entrepreneurs from among students. Students are currently required when graduating to become entrepreneurs who can create business opportunities compared to finding a job. This effort is guaranteed by Baumol, et al., (2007) as the key to a number of desired social outcomes, including economic growth, lower unemployment, and technological modernization.

At the regional level (Regency / City) various entrepreneurship programs have been promoted, one of which is in South Tangerang City. South Tangerang City has 1,000 SME programs to realize South Tangerang City as a cooperative city. The program is supported by the title obtained as the best city for the economic climate of Micro, Small and Medium Enterprises (MSMEs) through the Natamukti Nindya Award. Proof of support from the South Tangerang City Government in increasing new entrepreneurs is evidenced by programs such as the ease of making business licenses, granting halal logos, making packaging, product marketing, and promotion at home and abroad.

Although many programs have been rolled out by the South Tangerang City Government, there are still many obstacles faced by entrepreneurs

themselves. These constraints include labor and marketing issues (Tempo, 2017). Another problem that is often faced by MSMEs in South Tangerang City is capital problems (Maryama, 2016). Also, the problem of early entrepreneurship said Supriyanto (2014), many had bright ideas, great ideas and had high commercial value, but the idea remained only because the great idea had never been written or communicated to other parties or implemented. Beck and Demirguc-Kunt (2006) in Sundoro and Ardianti (2014) divide entrepreneurial barriers into two aspects of the environment, namely the internal environment and the external environment. Internal barriers can take the form of finance, management skills, information technology and much more, while what surrounds the external environment is the business climate, government, infrastructure.

Efforts to create or give birth to entrepreneurs, especially new entrepreneurs are not easy. Various problems will be faced either by the prospective entrepreneur itself or by other parties as a driver of the birth of new entrepreneurs. Santosa (2014) assessed that the obstacle in creating new entrepreneurs lies in the situation that is still not optimal achievement of higher education policy to develop student entrepreneurial behavior. In other words, policies between the macro level and learning practices at the micro level are still not synchronous. This unsynchronization is one of the causes of the lack of synergy between the various supporting elements of formal

education to stimulate the spirit, spirit and entrepreneurial behavior.

In line with Hubeis in Lupiyoadi (2004) explained that almost 80% of start-up companies in Indonesia failed in the first year. A similar opinion was expressed by Wirasmita (1998) that the mortality/failure rate of small businesses in Indonesia reached 78%. This shows that the failure rate for new businesses is very high. Timmons (2003) illustrates that at the beginning of a new business establishment begins with a very large opportunity, but has not been matched by sufficient resources (financial) and management team, resulting in inequality that increases the uncertainty and risk factors (Agustina, 2011).

2. Literature Review

2.1 Entrepreneurship

Referring to Rusdiana (2014), etymologically, entrepreneurship (ke-wira-ushaan in Indonesia) is derived from words Wira and business. Wira means opportunity, hero, superior human, exemplary, virtuous, brave, and gracious. From this definition can be drawn the definition that entrepreneurship is a business run by someone independently, without the involvement of other parties in deciding issues related to their business.

Someone who runs the entrepreneurship itself is an entrepreneur or entrepreneur. The Big Indonesian Dictionary defines entrepreneurs as people who are smart or talented in recognizing new products, determining new ways of production, arranging operations to procure new products, managing capital for their operations, and marketing them.

To put it simply according to Kasmir (2010), the meaning of entrepreneurship is that people who are brave in taking risks to open businesses in various opportunities. Being brave to take risks means to be mentally independent and dare to start a business, without being overwhelmed by fear or anxiety even in uncertain conditions. Similarly, Zimmerer and Scarborough (2005) provide an entrepreneurial definition with the following translation: people who create businesses in the face of risk and uncertainty for the purpose of achieving profits and growth by identifying significant opportunities and gathering available resources to utilize them.

2.2 Entrepreneurial problems

Entrepreneurship is a long journey undertaken by business people, starting from the beginning of the start until the period of success. Therefore Zimmerer (2005) divides the stages of entrepreneurship development into two stages, namely the initial stage (start-up) and the stage of growth (growth). The start-up phase is characterized by: Focusing on the future compared to the present and medium-sized businesses directed towards the long term, moderate risk taking with a high tolerance for change and failure, capacity to find innovative ideas that give satisfaction to consumers and technical knowledge and experience in the field. While at the growth stage (growth) is characterized by the capacity to forge during rapid growth, organizational purity and the ability to count, and Managerial knowledge and

experience using other people and available resources (Agustina, 2011).

In terms of time, start-up or new entrepreneurs are pioneering new entrepreneurs. Azzuman (2015), defining novice entrepreneurs in terms of time is a business that has been running for less than three years. Because the time or experience of a business is still relatively small or not long ago, the beginner entrepreneur is still in the stage of finding the ideal form in managing his business. In this process, entrepreneurship can be characterized in several aspects. As in the aspect of production: production in limited quantities depends on the ability of production costs and market reach. Marketing aspects: The product offered is still simple, there is no meaningful innovation, with limited market reach, marketing still relies on social media such as Facebook, Instagram, or WhatsApp because besides being cheap it can also reach consumers who are lousy (Rahmania , 2018). Management and human resources aspects: there is no workforce yet, it is still done by the owner, even if the owner's workforce is still directly involved in business activities.

2.3 Beginner Entrepreneurial Problems

Because beginner entrepreneurs are still relatively short, thus the experience gained to develop their business is also not much. At this stage, entrepreneurs often experience problems in developing their business, not even a few who experience failure or bankruptcy. Hubeis in Lupiyoadi (2004) explained that almost 80% of start-up

companies in Indonesia failed in the first year. A similar opinion was expressed by Wirasasmita (1998) that the mortality/failure rate of small businesses in Indonesia reached 78%. This shows that the failure rate for new businesses is very high. Timmons (2003) illustrates that at the beginning of a new business establishment begins with a very large opportunity, but has not been matched by sufficient resources (financial) and management team, resulting in inequality that increases the uncertainty and risk factors (Agustina, 2011).

According to Supangat and Purwanto (2008), beginner entrepreneurs often fail due to three factors, namely: first market driven ideas, beginner entrepreneurs fail due to the absence of potential markets. This factor usually occurs in new products in certain areas or results from previous product innovations. Second, Management skills, businesses fail due to internal factors or business managers themselves. Such as low knowledge and skills in running a business, including preparing business plans. Third, Access to capital, novice entrepreneurs fail because they do not understand how to use the capital they have, or they cannot succeed in getting enough capital from other parties when the business needs it. Zimmerer (2005) also characterizes a star up with an uncertain income.

Entrepreneurial problems can be caused by two factors, namely internal factors and external factors. Internal factors occur as a result of weaknesses or internal capabilities of the business including the ability of business actors.

While external factors can occur due to external factors that are difficult to be controlled by business actors. Beck (2007) divides the entrepreneurial problem into two factors, namely internal factors and external factors. Internal factors consist of management expertise, location and relationships. while external factors consist of economic and market variables, labor crime and corruption, infrastructure, and regulations.

Adawiyah (2013) explains that internal factors consist of limited capital, limited human resources, and the valley of business networks. While external factors are caused by a non-conducive business climate, governing policies, limited facilities and infrastructure, the implications of free trade policies, and difficulty reaching a wider market. Meanwhile, according to Munizu (2010) internal factors that cause the failure of beginner entrepreneurs include human resources, financial aspects, production/operational techniques, and market aspects. While external factors consist of government policy, socio-cultural and economic aspects, and aspects of the role of related institutions.

Furthermore, several studies which state that the internal problems that are often experienced by novice entrepreneurs are human resources (Munizu, 2010; Adawiyah, 2013; Martin and Staines, 2008; Sumantri, et al., 2013), Marketing (Munizu, 2010; Crijns and Ooghi, 2000; Dahl and Sorenson, 2007; Sumantri, et al., 2013), and finance/capital (Munizu, 2010; Adawiyah, 2013; Okpara, 2011; Mansur and Sulistio, 2010). While

external problems consist of Climate Economists (Crijns and Ooghi, 2000), Related Institutions (Munizu, 2010), and Government Policy (Munizu, 2010; Purwidiyanti, 2007; Ehlers and Lazenby, 2007; Sumantri, et al., 2013).

3. Methodology

Technical analysis techniques using Structural Equation Modeling (SEM) to determine the indicators or problems faced by beginner entrepreneurs (start-up) in running the business. SEM analysis is also used to see the effect of each research variable. SEM analysis is done using smartPLS tools or software.

The research data were obtained by distributing questionnaires (primary data) to novice entrepreneurs in the City of South Tangerang. Questionnaires were distributed using random techniques. The questionnaire was designed closed and the measurement scale 1-10.

Because the exact number of beginner entrepreneurs is not yet known, the

study sample was determined as many as 100 respondents. The determination of this sample is based on Roscoe (1982) if social studies with the same characteristics are used, the research sample can be determined by 30- 500 respondents.

The research sample is a beginner entrepreneur in the City of South Tangerang with the criteria: the business is run no more than one year, does not have employees, not included in the MSME category.

3.1 Variable Definitions and Research Indicators

Variables/constructs in this study consisted of internal and external variables. Internal variables consist of: HR, marketing, finance/capital). While external variables consist of government policies, related institutions, and the economic climate. The following are operational definitions and indicators of research variables:

Tabel 1. Variables/Constructions and Research Indicators

	Variables/Construct	Indicator
Internal	Human Resources (A) (Munizu, 2010; Adawiyah, 2013; Martin dan Staines, 2008; Sumantri, <i>et al.</i> , 2013)	1. Not having employees (A1);
		2. Do not have the competence or ideas in developing business (A2);
		3. Unstable business motivation (A3);
		4. Do not have experience (A4).
	Marketing (B) (Munizu, 2010; Crijns dan Ooghi, 2000; Dahl dan Sorenson, 2007; Sumantri, <i>et al.</i> , 2013)	1. Still conducted conventionally (B1);
		2. Do not use technology/internet (B2);
		3. Limited market reach (B3);
		4. The packaging material is still simple (B4);
		5. The packaging design is still simple (B5);
		6. There are no special marketing costs (B6).
	Finance / Capital (C) (Munizu, 2010; Adawiyah,	1. Still using their own capital, not yet utilizing banking (C1);

	2013; Okpara, 2011; Mansur dan Sulistio, 2010)	<ol style="list-style-type: none"> 2. Capital to run a limited business (C2); 3. Financial management is still simple, does not adhere to accounting standards (C3); 4. Can not access capital from other parties because of limited knowledge (C4); 5. Can not access capital from other parties because they do not have collateral (C5).
External	Government policy (D) (Munizu, 2010; Purwidiyanti, 2007; Ehlers dan Lazenby, 2007; Sumantri, <i>et al.</i> , 2013)	<ol style="list-style-type: none"> 1. There is no capital assistance (in kind) from the government directly (D1); 2. There is no technical assistance (such as training) from the government (D2); 3. There is no business assistance (D3); 4. There is no policy in favor of business actors (D4).
	Related Institutions (E) (Munizu, 2010)	<ol style="list-style-type: none"> 1. There is no technical and financial support/assistance from financial institutions/other parties (E1); 2. Conditions for applying for a loan are difficult to fulfill (E2); 3. Collateral loans from banks are difficult to fulfill (E3); 4. There is no business assistance from banks / other parties (E4); 5. Very high loan interest rates (E5).
	Economy Climate (F) (Crijns dan Ooghi, 2000)	<ol style="list-style-type: none"> 1. Increasingly tighter business competition (F1); 2. High production costs (F2); 3. High distribution costs (F3); 4. High marketing costs (F4).

Source: data processed, 2019

4. Result and Discussion

4.1 Entrepreneurial Problems

Problems raised/asked to respondents consisted of internal problems and external problems. Internal problems are problems that arise from within the business actors themselves. This problem consists of human resources (HR), marketing, and finance/capital. External problems are problems arising

from outsiders which tend to be difficult to be controlled by business actors. External problems in this study consisted of government policies, related institutions, and the economic climate. The following are the problems faced by novice entrepreneurs in South Tangerang City based on the average score of answers to questions in the questionnaire.

Table 2. Average Respondents' Scores

Business Problems	Skor
Human Resources (A)	4.70
1. Not having employees (A1);	4.34
2. Do not have the competence or ideas in developing business (A2);	3.93
3. Unstable business motivation (A3);	5.53
4. Do not have experience (A4).	4.99
Marketing (B)	4.12
1. Still conducted conventionally (B1);	4.47
2. Do not use technology/internet (B2);	2.99
3. Limited market reach (B3);	3.89
4. The packaging material is still simple (B4);	3.73
5. The packaging design is still simple (B5);	3.93
6. There are no special marketing costs (B6).	5.71
Finance/Capital (C)	8.50
1. Still using their own capital, not yet utilizing banking (C1);	8.50
2. Capital to run a limited business (C2);	8.67
3. Financial management is still simple, does not adhere to accounting standards (C3);	8.37
4. Can not access capital from other parties because of limited knowledge (C4);	8.33
5. Can not access capital from other parties because they do not have collateral (C5).	8.63
Government policy (D)	7.99
1. There is no technical and financial support/assistance from financial institutions / other parties (D1);	8.89
2. Conditions for applying for a loan are difficult to fulfill (D2);	9.03
3. Collateral loans from banks are difficult to fulfill (D3);	8.93
4. There is no business assistance from banks/other parties (D4);	5.11
Related Institutions (E)	7.62
1. There is no technical and financial support/assistance from financial institutions / other parties (E1);	7.49
2. Conditions for applying for a loan are difficult to fulfill (E2);	8.54
3. Collateral loans from banks are difficult to fulfill (E3);	8.59
4. There is no business assistance from banks/other parties (E4);	7.73

5. Very high loan interest rates (E5).	5.76
Economy Climate (F)	5.19
1. Increasingly tighter business competition (F1);	6.63
2. High production costs (F2);	6.36
3. High distribution costs (F3);	3.87
4. High marketing costs (F4).	3.90

Source: data processed, 2019

The average respondent gave a score of 7.4 (scale 1 - 10) for internal HR variables/constructs. If classified into four classifications (Very Low, Low, High, Very High), then HR is classified in the low group. This means that HR is not a major problem in running a business. It is understood that novice entrepreneurs do not need a lot of human resources. Can still be run by the owner himself. Marketing is also not a major problem for novice businesses. Because at this time marketing is easily run through the internet at a relatively low cost. Capital or financial constructs have a score of 8.5. The average score shows that novice entrepreneurs still have major obstacles in terms of capital. Most business people still rely on private capital, which is very limited in running their business, making it difficult to develop.

Government policies also become obstacles for start-up entrepreneurs in running their businesses. This can be seen from the respondent's answer score of 7.9. This government policy is mainly directly related to the businesses that are run, such as government

assistance both capital and capacity building of business actors. Relevant institutions such as financial institutions or educational institutions need to support the businesses that are run. The main related parties are financial institutions that provide venture capital. This institution is still a problem of business development because the capital provided is still inaccessible. The reason is that the collateral or loan terms cannot be fulfilled. While the economic climate is not a problem in running a business for novice businesses in South Tangerang City.

4.2 Identification of Entrepreneurial Problems

Analysis of the identification of problems faced by novice entrepreneurs in the City of South Tangerang is done by testing the Structural Equation Modeling (SEM) model with Smart PLS analysis tools. The latent variable in this study consisted of 6 latent variables with 27 indicators. The initial structural model of the study can be seen in the following figure:

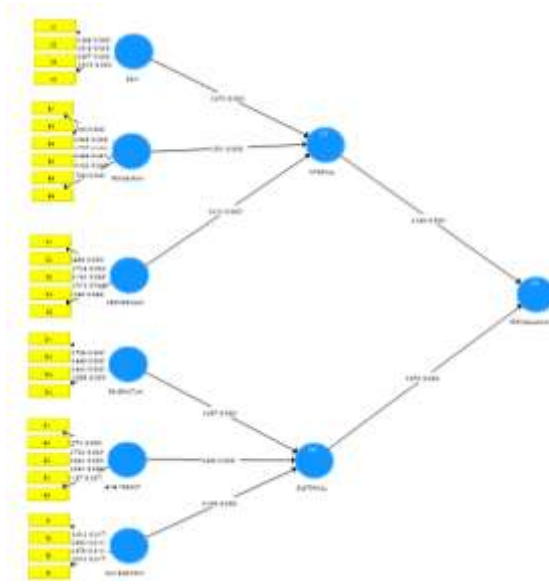


Figure 1. Structural Research Model

4.3 Test the Good of Fit Outer Model

The outer model feasibility test is conducted to find out the validity and reliability of the indicators of the construct. Outer model test is carried out through the Convergent Validity test by looking at the loading factor. Criteria or conditions of the outer model can

make the construct indicator variable is the value of the loading factor above 0.5. Based on the results of testing the good of fit outer model three times, from 27 indicators produced 19 indicators that are able to reflect the construct variable. The nine indicators are as follows:

Tabel 3 Loading Factor (good of fit outer model)

No.	Code	HR	Marketing	Finance	Government Policy	Related Institutional	Economy Climate
1	A3	0.904	-	-	-	-	-
2	A4	0.947	-	-	-	-	-
3	B1	-	0.799	-	-	-	-
4	B2	-	0.613	-	-	-	-
5	B3	-	0.759	-	-	-	-
6	B6	-	0.816	-	-	-	-
7	C1	-	-	0.958	-	-	-
8	C2	-	-	0.888	-	-	-
9	D1	-	-	-	0.698	-	-
10	D2	-	-	-	0.860	-	-
11	D3	-	-	-	0.841	-	-
12	D4	-	-	-	0.569	-	-
13	E1	-	-	-	-	0.806	-

14	E2	-	-	-	-	0.695	-
15	E3	-	-	-	-	0.779	-
16	E4	-	-	-	-	0.869	-
17	F2	-	-	-	-	-	0.900
18	F3	-	-	-	-	-	0.894
19	F4	-	-	-	-	-	0.943

Source: data processed, 2019

4.4 Test the Good of Fit Inner Model

Good of Fit Inner Model Test or Evaluation of structural models is done through testing the construct validity and reliability. construct validity and reliability are indicated by Composite

Reliability (CR) value and AVE value. the model is said to be good if it has Composite Reliability above 0.6 and AVE value of not less than 0.5. Here are the results of the inner model good of fit test:

Tabel 4 Uji Good of Fit Inner Model

	Composite Reliability	Average Variance Extracted (AVE)
Economy Climate	0.778	0.694
Related Institutional	0.817	0.502
Marketing	0.525	0.392
Government Policy	0.836	0.566
Finance	0.537	0.302
Human Resource	0.773	0.576

Source: data processed, 2019

Based on the test results as the table above, most composite reliability values are more than 0.6 and AVE values are mostly more than 0.5. So it can be

concluded that the data is feasible for testing at a later stage. The coefficient values of each variable can be chosen in the following table:

Table 5 Path coefficients

CONSTRUCT	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Coefficients	P Values
Economy Climate -> Problem	0.612	0.612	0.018	0.570	0.000
Economy Climate -> External	-0.356	-0.285	0.213	-0.408	0.095
Internal -> Problem	0.416	0.414	0.020	0.439	0.000
Related Institutional -> External	0.424	0.422	0.029	0.390	0.000
Pemasaran -> Internal	0.521	0.514	0.038	0.531	0.000

URL <http://journals.covenantuniversity.edu.ng/index.php/cjoe>

Government Policy -> External	0.373	0.370	0.034	0.357	0.000
Finance -> Internal	0.311	0.309	0.034	0.214	0.000
HR -> Internal	0.375	0.375	0.031	0.370	0.000

Source: data processed, 2019

From the table above shows that the external variable has a coefficient value of 0.570 with a P-value of 0.000. P-value less than 0.05 indicates the significance of the relationship between internal factors and problem variables. This means that the problem of beginner entrepreneurship is influenced by internal factors. The magnitude of external factors on the problems faced by novice entrepreneurs is shown by the coefficient value, which is equal to 0.570. An external factor that is a problem for beginner entrepreneurs is the agency variable associated with government policy variables because it has a p-value below 0.05.

While the economic climate factor does not influence the problems faced by novice entrepreneurs, because it has a value of 0.095 greater than 0.05. This finding is not in line with Crijns and Ooghi (2000) which states that this economic climate is a factor influencing the problems of new entrepreneurs.

The magnitude of the role factor of related institutions (banking) and government policies in influencing the problems of beginner entrepreneurs can be seen from the coefficient values, namely respectively 0.390 and 0.357. This result is in line with Munizu (2010), that the role of related institutions and government policies is an important factor in improving the performance of small and medium

enterprises. Also in line with Maupa (2004) which states that small businesses will grow if supported by government rules or policies.

The related institutions in this study are institutions that support the creation of new entrepreneurs, namely financial institutions, both banks and non-banks. This fact is important for beginner entrepreneurs, especially related to capital. For beginner entrepreneurs, access to capital to financial institutions is difficult because the requirements are not fulfilled. For example the existence of guarantees and business reputation. Start-up businesses usually do not have sufficient financial literacy, making it difficult to assess eligibility by banks so that it has not been considered feasible. Some respondents did not really mind the interest set by banks for loans. For them the most important thing is the ability to pay. Moreover, the capital needed to start a business is still relatively low, which is still under Rp. 100 million. This finding is in line with Munizu (2010) which states that related institutional factors are factors that are a problem for beginner entrepreneurs

While government policies related to government support for beginner entrepreneurs. This support can be in the form of direct capital assistance or in kind (in the form of goods), as well as technical assistance or training. Related to this government policy, the

entrepreneurs who were respondents in this study have not yet received assistance from the government in any form. This condition indicates that the government program that is run to give birth and increase entrepreneurship in Indonesia is still limited, not yet fully accessible to entrepreneurs in the City of South Tangerang. The results of the study are in line with Munizu (2010) and Purwidiyanti (2007) which state that government policy is an important factor in the growth of new entrepreneurs.

Table 5 shows the significant value or p-value and the coefficient value of internal factors in influencing beginner entrepreneurial problems in South Tangerang City. The coefficient value of the internal factors on entrepreneurial problems is 0.439 with a p-value of 0.000. So it can be stated that internal factors are capable of factors that can influence the problems of beginner entrepreneurs in the City of South Tangerang. This internal factor consists of marketing, human resources, and capital problems.

The main obstacle in marketing is the low or no specific costs for marketing. This constraint is related to limited business capital. Nevertheless, the marketing that has been done is quite good because it already utilizes internet media. The results of this study can also be found or support the research findings of Munizu (2010) and Crijns and Ooghi (2000).

The human resource factor is particularly related to the absence of employees and unstable business motivation. The low start-up

entrepreneur utilizes employee services because of the still limited business capital. Though employees have an important role in business development. Business owners who have employees will have more time to conceptualize business development. In addition to motivation and experience employees also have a stake in business development. For beginner entrepreneurs, motivation is important because in these business conditions the business is not yet stable and requires extra hard work and stable motivation to make it happen. At the age of novice business managers also do not have enough experience so it needs to be improved both through his own experience and through activities outside of his business. This finding is in line with Munizu (2010) and Adawiyah (2013).

The capital factor is the highest factor which becomes the obstacle for beginner entrepreneurs. For them, business capital is important for business development both for marketing, employees and for increasing business through the addition of raw materials. The majority of new entrepreneurs in South Tangerang City still use private capital in running their businesses. This is due to the difficulty of access to capital to financial institutions. This finding is in line with Munizu (2010), Adawiyah (2013), Okpara (2011) and Mansur and Sulistio (2010).

5. Conclusion

Problems faced by novice entrepreneurs in South Tangerang City consist of internal and external problems. Internal

problems consist of HR (entrepreneurial motivation is unstable and has no experience), marketing (still done conventionally, not using technology/internet, no special marketing costs), and capital/finance (still using own capital, not utilizing banking, and Capital to run a limited business).

While external factors consist of Government Policy (There is no capital assistance (in-kind) from the government directly, there is no

technical assistance (such as training) from the government, there is no business assistance, and there is no policy in favor of business actors), Related Institutions (There is no technical and financial support/assistance from financial institutions/other parties, loan requirements are difficult to fulfill, loan collateral from banks is difficult to fulfill, there is no business assistance from banks/other parties).

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