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INDIGENOUS ENTREPRENEURSHIP AS ANTIDOTES FOR THE ATTAINMENT OF ECONOMIC PROSPERITY IN NIGERIA

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ABSTRACT

The study examined indigenous entrepreneurship as antidotes for the attainment of economic prosperity in Nigeria. One research question and two hypotheses guided the study. A correlational research design was used. The population comprised SMSs in Ogun State, South-West, Nigeria. A total of 1587 SMEs in Ogun state were selected as sample size through the use of stratified sampling technique. Researcher instrument tagged: Indigenous Entrepreneurship and Economic Prosperity Questionnaire (IEEPQ) was used for data collection with 0.95 as reliability coefficient. Descriptive statistics of mean and pie-chart were used for analyzing research question 1. Hypotheses 2 and 3 were tested using PPMC. The findings revealed that previous knowledge of entrepreneurship, entrepreneurship interest, courage to takes risks, courage to takes risks, planning skills, creative and innovative thinking skills, problem-solving skills, decision-making skills, management skills, innovativeness and availability of government support were among the factors that encourages indigenous entrepreneurship for the attainment of economic prosperity. There was significant relationship between indigenous entrepreneurship, social development (r = 0. 813, P<.05) and market growth (r = 0. 877, P<.05) in Nigeria. Government should encourage indigenous entrepreneurship through its policies such as tax incentives and bank of industry single digit loans. Furthermore, other support such as transportation, accommodation, exhibition fees, among others should be provided to all indigenous entrepreneurs to attend such events and showcase their products.

Keywords: Indigenous Entrepreneurship, Economic Prosperity, Social Development, Market Growth

Introduction

Nowadays, every nation is focusing on the need to attain economic prosperity because is important as it is a key element of quality of life and is also necessary for a country to be competitive in the global economy. Economic prosperity of a country could the term the attainment of inclusive growth,

economic security, economic competitiveness and peaceful coexistence. Economic prosperity defined as a situation or state where every Nigerian has a decent standard of living measured by equitable access to economic opportunities, a low unemployment rate, high-quality education and healthcare, and the protection of lives and properties (Omisakin, 2023). According to Nigerian Economic Summit Group (NESG) (2023), for the country to attain economic prosperity, issues of quality education, functioning social development, inclusive growth and functional market growth must be addressed. Education is critical to human capital development and achieving shared prosperity in Nigeria because it fosters economic growth and development. Closely linked with the drive for quality education is functional social development. Functional social developments are public measures that provide benefits to guarantee income security and access to essential healthcare, such as unemployment insurance and other contributory and tax-financed schemes. Establishing robust and functional social developmental protection programmes across all sectors in Nigeria will reduce poverty and inequality and promote economic prosperity (NESG, 2023).

A functional market system drives efficient and cost-effective production and service delivery across sectors of the economy, guarantees sustainable employment for the working age group, and creates business opportunities, competitive advantages and many more economic benefits required to achieve shared prosperity (NESG, 2023). Despite that, the attainment of economic prosperity stills a daunting fact in Nigeria. Nigeria need more of indigenous enterprises to drives it is wealth and tapping into natural resources to generate income, employment, poverty reduction, improvement in standard of living and attainment of peace in all sub-regions in the country. Because it is said that a nation can only attained economic prosperity when there is peace (Chukwu & Onyiah, 2018). Indigenous enterprises can promote peace because local dweller will see those enterprises as their own businesses.

Entrepreneurship can be a powerful tool for Indigenous people to assert self-determination and preserve cultural heritage, as well as stimulate economic development in their communities (Jalaskoski, 2023). According to Iipinge and Narang (2022), indigenous entrepreneurship is an entrepreneurial business venture adopted by a particular category of people, indigenous people, for the purposes and objectives of indigenous peoples. Unlike mainstream entrepreneurship, which focuses mainly on the achievement, within the bounds of mainstream law and ethics, of a profitable outcome, indigenous entrepreneurship is

characterized by different circumstances, culture, norms, social aspects and structural factors of the context in which they are situated (Croce 2019). Furthermore, indigenous entrepreneurship may be required to deal with different stakeholders and a variety of issues especially those related to social impacts rather than just the achievement of economic success by individual or firms. Indigenous entrepreneurship emerges within urban, rural and remote areas of a country (Iipinge & Narang, 2022). Urban indigenous entrepreneurship emerges in urban contexts and is similar to mainstream entrepreneurship, which focuses on formal business creation (Croce 2017). While rural indigenous entrepreneurship functions between urban and remote concerning the traditional and modern way of doing business (Lee-Ross & Mitchell 2007). Moreover, remote indigenous entrepreneurship takes place in remote contexts where entrepreneurship activities undertaken by indigenous entrepreneurs focused on sustainable economic development (Croce 2017). According to Mason (2019), entrepreneurship in remote communities consists of self-employed individuals who rely on local, natural knowledge to traditionally run their businesses. This may be due to low employment prospects, limited infrastructure and services, market opportunities, self-reliance, lack of knowledge on entrepreneurship and social and cultural inclusion.

Indigenous entrepreneurship processes can be profit or non-profit oriented, just as mainstream entrepreneurship may be. According to Dana (2015), indigenous people primarily practice entrepreneurship through traditional exchanges without market transactions. Colbourne, Peredo and Henriques (2024) were of the opinion that indigenous entrepreneurship is a process of drawing value from community-based resources (people, land, capabilities, culture, among others) and contributing value back that is responsive to a community's particular set of socio-economic conditions. Emiel, Felix, Leo-Paul and Henrietta (2024) contended that indigenous entrepreneurship have opportunities and provide solutions to local problems where government-led and institutional approaches are absent or hampering. In so doing, indigenous entrepreneurship can be seen as a vehicle to combat poverty and contribute to broader economic growth by providing people a sense of meaningful and valuable work, while proffering much needed solutions to local problems. Ideally this formative process leads to an upward socio-economic development of cities and communities which in turn will uplift as a positive spiral many people's welfare and wellbeing positions. As a result, overall inequalities

could potentially be reduced and promotion of peace.

The theoretical framework for this study was cognitive theory propounded by Taylor (2010). The theory assumes that individuals do not possess a perfect knowledge of the world because there is too much information out there to handle. As a consequence, they have to select information and interpret them based on their previous experiences and so, see and know the world differently. Behavioural patterns are the products of two psychological processes. The first process operates through the selection of environments and the second through the product of environments. When people have gained certain preferences and standards of behaviour, they tend to choose activities and individuals who share the same set of preferences, thereby mutually reinforcing pre-existing personal inclinations and fixed courses of actions. More precisely, the individual characteristics leading to an entrepreneurial career are: only activated when exposed to a. favourable socialization process, where an entrepreneurial career is as a viable possibility among others. Thus, the social environment is of primary importance to foster future entrepreneurs.

Statement of the Problem

Despite Nigeria's enormous potential, given its large population and abundant natural resources, which offers the citizens the possibility of immense prosperity, achieving economic prosperity could be a daunting task. The actualization of economic prosperity in Nigeria could be a mirage; for instance, the Nigerian economy is summarized by economic growth that does not translate into an improved standard of living for its citizens. In this regard, no functioning social development, inclusive growth and functional market growth, unemployment and poverty have been in bad shape amidst economic growth, leading to high-income disparity. Government and other stakeholders in the country have taken steps towards the attainment of economic prosperity, despite that, the attainment of economic prosperity in Nigeria still remain a mirage. This study was an attempt to examine indigenous entrepreneurship as antidotes for the attainment of economic prosperity in Nigeria.

Objectives of the Study

The main objective of the study was to examine indigenous entrepreneurship as antidotes for the attainment of economic prosperity in Nigeria. Specifically, the study sought to:

1. Identify factors that can encourages indigenous entrepreneurship for the attainment of economic prosperity in Nigeria.
2. Find out the relationship between indigenous entrepreneurship and social development in Nigeria.

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3. Ascertain the relationship between indigenous entrepreneurship and market growth in Nigeria.

Research Question

The following research question was answered in this study:

1. What are the factors that can encourages indigenous entrepreneurship for the attainment of economic prosperity in Nigeria?

Hypotheses

The following null hypotheses guided this study:

$H_0$1: There is no significant relationship between indigenous entrepreneurship and social development in Nigeria.

$H_0$2: There is no significant relationship between indigenous entrepreneurship and market growth in Nigeria.

Research Method

A correlational research design was used for the study. The design was appropriate because it enabled the researcher to establish the existing relationship between the explanatory variable (indigenous entrepreneurship) and the dependent variables (social development and market growth) of the study, in order to attain economic prosperity. The population of the study comprised all Small and Medium Scale Enterprises (SMSs) in Ogun State, South-West, Nigeria. A total of 1587 SMEs in Ogun state were selected as sample size of the study through the use of stratified sampling technique. However, the stratification was based on the three senatorial districts in the selected state, vis-à-vis Ogun East, West and Central senatorial districts. A self-researcher developed questionnaire was used for data collection. The instrument was tagged: Indigenous Entrepreneurship and Economic Prosperity Questionnaire (IEEPQ). This instrument (IEEPQ) was apportioned into two sections; A and B. Sections A and B focused on demographic characteristics of the respondents, factors that can encourages indigenous entrepreneurship for the attainment of economic prosperity, relationship between indigenous entrepreneurship, social development and market growth. The instrument (IEEPQ) was based on four rating scales such as strongly agreed (SA) with 4-point, agreed (A) with 3-point, strongly disagreed (SD) with 2-point and disagreed (D) with 1-point. A sample of the instrument was given to three experts at the Tai Solarin University of Education, Ijagun for inputs and corrections. After this procedure, all the corrections identified were amended as directed. Reliability of the study was conducted in Ondo state with the selection of twenty-five SMEs and administered the validated instrument on them twice. The data collected were subjected to Pearson Product Moment Correlation (PPMC) and revealed reliability coefficient 0.95. Five trained research assistants were used during the questionnaire administration of the study. For

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records purpose, a total of 1587 copies of the questionnaires were administered and only 1500 retrieved. Retrieval rate 94.5% and mortality rate 5.5%. Descriptive statistics of mean and pie-chart were used for analyzing research question 1. Hypotheses 2 and 3 were tested using PPMC. Any mean score of 2.5 and above was regarded as agreed while any one below 2.5 regarded as disagreed. For hypotheses, when p_{value} is less than significance level ($p < .05$), the null hypotheses is rejected, otherwise, accepted.

Results

Research Question 1: What are the factors that can encourages indigenous entrepreneurship for the attainment of economic prosperity in Nigeria?

Table 1: Descriptive statistics on the factors that encourages indigenous entrepreneurship for the attainment of economic prosperity

Items	Mean
Previous knowledge of entrepreneurship	3.25
Entrepreneurship interest	2.89
Courage to takes risks	2.69
Planning skills	3.12
Creative and innovative thinking skills	3.03
Problem-solving skills	2.99
Decision-making skills	2.95
Management skills	3.07
Innovativeness	3.41
Availability of government support	2.65
Cluster Mean	3.01

Source: Field survey, 2024

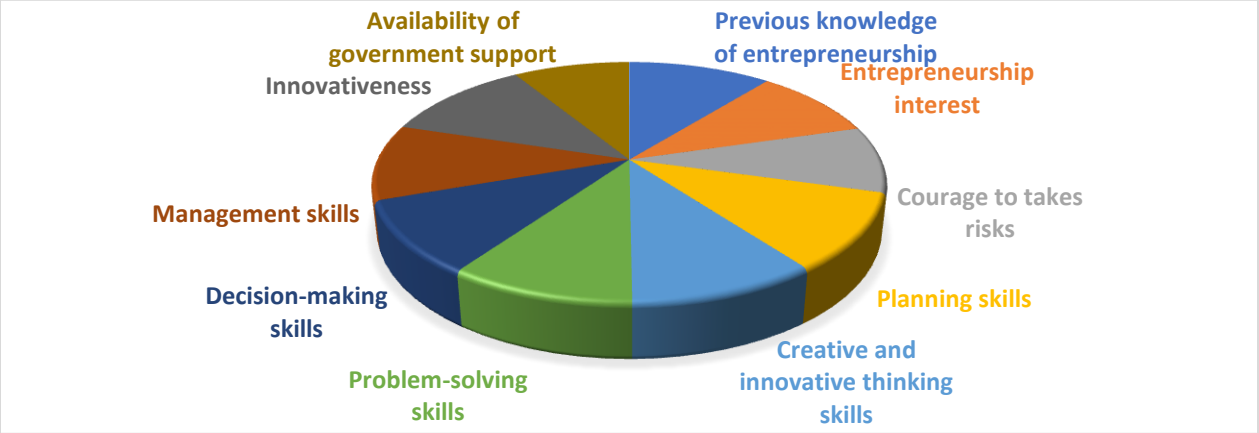


Figure 1: Pie-chart showing factors that encourages indigenous entrepreneurship for the attainment of economic prosperity

Table 1 and pie-chart 1 revealed that cluster mean was 3.01. The bench mark mean value of 2.50. Since 3.01 > 2.50, this implied that previous knowledge of entrepreneurship, entrepreneurship interest, courage to takes risks, courage to takes risks, planning skills, creative and innovative thinking skills, problem-solving skills, decision-making skills, management skills, innovativeness and availability of government support were among the factors that encourages indigenous entrepreneurship for the attainment of economic prosperity.

$H_0$1: There is no significant relationship between indigenous entrepreneurship and social development in Nigeria.

Table 2: Inferential statistics on the relationship between indigenous entrepreneurship and social development in Nigeria

Variables	N	Mean	SD	df	r-value	p-value
Indigenous entrepreneurship		36.5346	5.0401			
Social development	1500	80.2455	11.300	3	.813	.001

Source: Field survey, 2024

Table 2 revealed that there was significant relationship between the explanatory variable (indigenous entrepreneurship) and the dependent variable (social development) in the order of (r = 0. 813, P<.05). On this premise, the null hypothesis was rejected and the researchers concluded that there was significant relationship between indigenous entrepreneurship and social development in Nigeria.

$H_0$2: There is no significant relationship between indigenous entrepreneurship and market growth in Nigeria.

Table 3: Inferential statistics on the relationship between indigenous entrepreneurship and market growth in Nigeria

Variables	N	Mean	SD	df	r-value	p-value
Indigenous entrepreneurship		29.1789	5.4509			
Market growth	1500	80.2555	11.427	3	.877	.001

Source: Field survey, 2024

From Table 3, it was indicated that there was significant relationship between the explanatory variable (indigenous entrepreneurship) and the dependent variable (market growth) in the order of (r = 0. 877, P<.05). On this premise, the null hypothesis was rejected and the researchers concluded that there was significant relationship between indigenous entrepreneurship and market growth in Nigeria.

Discussion of Findings

The findings of the study revealed that previous knowledge of entrepreneurship, entrepreneurship interest, courage to takes risks, courage to takes risks, planning skills, creative and innovative thinking skills, problem-solving skills, decision-making skills, management skills, innovativeness and availability of government support were among the factors that encourages indigenous entrepreneurship for the attainment of economic prosperity. These findings were in support to Mohd, Sri, Siti, Azhani and Siti (2020) who have examined the factors influencing indigenous youth become some successful entrepreneurs and they found that demographic factors, suitable entrepreneurship and characteristics of entrepreneurs suitable for indigenous youth, transferable skills and policy and financial assistance to expand indigenous businesses were the factors promoting youths' indigenous entrepreneurship.

The findings revealed that there was significant relationship between indigenous entrepreneurship and social development in Nigeria. The implication of this result was that indigenous entrepreneurship has capability to reduce rate of unemployment as well as poverty. The findings of the study further revealed that there was significant relationship between indigenous entrepreneurship and market growth in Nigeria. That is, market growth promotes an efficient and cost-effective production and service delivery across sectors of the economy, guarantees sustainable employment creation for the people. These findings corroborate with Iipinge and Narang (2022) who examined growth and development of indigenous entrepreneurship and their findings revealed that indigenous entrepreneurship has potential for the reduction in numbers of youth unemployment and creation of more wealth in form of income growth.

Conclusion

This study concluded that the attainment of economic prosperity through social development as well as market growth could be possible through indigenous entrepreneurship.

Recommendations

Based on the findings, the following recommendations are provided for the study:

1. Government should encourage indigenous entrepreneurship through its policies such as tax incentives and bank of industry single digit loans.
2. Special market for indigenous products should be created with the support of government to promotes indigenous entrepreneurship.
3. Furthermore, other support such as transportation, accommodation, exhibition fees, among others should be provided to all indigenous entrepreneurs to attend such events and showcase their products.
4. In addition, fairs and exhibitions should not only be organised in urban areas but also in rural and remote areas for entrepreneurs to showcase their products and community awareness of the product in the market within their communities and potential investors.

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