

## PROBLEM AND PROSPECTS OF INNOVATIVE ENTREPRENEURSHIP FOR SUSTAINABLE DEVELOPMENT IN KANO STATE

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### Abstract

This study was carried out to determine the problems influencing the growth of SMEs entrepreneurship in Kano state. The study highlighted some of the prospects of entrepreneurship and innovations towards personal and societal development. A sampled population of 60 respondents was drawn using randomization sampling technique covering both the small and medium entrepreneurs. Two research questions were formulated to guide the research. The 26 items on the research instrument were validated by three experts at the Business Education Department FCE(T)Bichi. Using the Alpha Cronbach Statistics, the reliability of the instrument was found to be 0.71. Any mean rating between the range of 3.50 and above was in agreement with the research questions and mean ratings from 3.49 and below are in disagreement to the research questions raised. Finding of the study revealed the need for multifaceted interventions from government, private and multi-national firms toward entrepreneurship.

Jean Jacques Rousseau's asserted that man is born free, yet in chains everywhere, and the worst lobe of the chain is unemployment and poverty that zero into socio-economic and political crises in the society. This assertion is true in the Nigerian state despite the introduction of some employment-oriented policies and programmes such as Operation Feed the Nation, Green Revolution, National Poverty Eradication Programme (NAPEP), Structural Adjustment Programme (SAP). Philosophy of education in Nigeria is based on the capacity of education to foster the worth and development of the individual for the individual's sake and for the general development of the society. It added that education should lead to the development of the individual into a sound and effective citizen. The philosophy mentioned "the need for functional education". In its section I item 5. The above are in tandem with the national educational goals items b, and d as seen below.

- Inculcation of the type of values and attitudes for the survival of the individual and the Nigerian society.
- The acquisition of appropriate skills and the development of mental, physical and social abilities and competencies as equipment for the individual to live in and contribute to the development of the society. (National Policy on Education, 2006).

Today, the north east of Nigeria (Yobe, Borno, Adamawa) is embroiled in turmoil, lawlessness and wanton destruction of lives and property, by insurgents- a fall out of unemployment of youth (Osaaseri, 2013). Kano and some adjoining states like Gombe, Bauchi, Katsina, Kaduna etc have experienced doses of unemployment and impoverishment oriented activities. Kidnapping and abduction in the south east and south-south states of Edo, Rivers, Bayelsa e.t.c are seen as lucrative business that is better than armed robbery in terms of "returns", Ebong, 2008. Uloko and Ejinkeonye,

(2010) observed that unemployment is growing at a geometric progression especially with the global economic downturn. Osaseri (2010) revealed that most graduates today are still waiting for government to absorb them into the few vacancies reserved for political stalwarts in the civil service. However, Sonake (2006) warned that Nigeria graduates should not wait for government for job provision but they should awake to the realities of job creation by themselves for themselves. Therefore the need for innovative development for sustainable entrepreneurship. The paper examines the concepts of innovation and entrepreneurship, problem of the study, purpose of the study, hypotheses, methodology, result and discussion of the result.

### **Concept of Innovation**

Though many people view innovation to be invention, the two terms are distinct. Invention uses new knowledge to create tangible and new things such as artifact, equipment, service e.t.c. it is the application of knowledge to create something new. (Ebong, 2013). However, innovation is derived from previous inventions. Therefore innovation is the application and modification of invention benefits or knowledge (technology) to create new items or services. Michael Porter (1990) defined innovation as a new way of doing things that is commercialized. Fafunwa (1974) viewed innovation as a practical use of products to produce or improve the quality of new products, services, or items. There are two types of innovation, viz-a-vis, product innovation and process innovation. Product innovation relates to the development of new products from existing items or equipment. Therefore, ability to create job for oneself from existing products available in our environment is important in sustainable development of entrepreneurship.

### **Entrepreneurship**

The term was first used by architects and contractors of public work in medieval Europe, in many countries today, entrepreneurship connotes those people who start and own their own business in manufacturing, transport, agriculture, trade, building, organizations. Entrepreneurs in most developing countries of Singapore, Malaysia, Ukraine, Pakistan, India, Brazil, Cuba e.t.c have success stories as the primary domain engines of job creation, income generation, and poverty reduction. Utomi (2000), Adidu and Olannye (2006), Nwaogwu and Ugiagbe (2008), Egboh (2009), Agetue (2010). Anerua and Obiazi (2010) and Umeruhke (2011) all agree that entrepreneurship is a process of perceiving business opportunity, mobilizing resource (financial, human and material) and implementing actions under an enterprise characterized by risk-taking, innovation, and creativity to meet individual or societal needs. In 2003, the business and industry advisory committee to the Organization for Economic Co-operation and Development (OECD) stated that “policies to foster entrepreneurship are essential to job creation and economic growth, government should provide incentive, enforce property rights and encourage entrepreneurs in a competitive market economy.

### **Rationale for Innovation**

Over the years Kano state has witnessed considerable volumes of trade as the second busiest and biggest commercial nerve centre in Nigeria after Lagos. Unfortunately, this has not translated into chains of entrepreneurial outfits as it is supposed to be. Aliyu (2012) lamented that Sharada and Bompai industrial layout (industrial hub of the north) is a shadow of itself as most of the firms have

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gone moribund. The side-effect of the close down of companies coupled with the global-economic meltdown, epileptic power supply and endemic corruption, led to the hundreds of thousands of people losing their jobs without proper preparation.

Another reason for advocating the need to encourage entrepreneurs in Kano state is the increasing population of the state which is over 9 million by the last population census. The socio-economic burden and threat to peace posed by these active population is better imagined than experienced. Little wonder there are rampant cases of pick-pockets, insurgency, religious riots, street-fights, prostitution, armed-robbery e.t.c. in addition, government (at federal and state level) is now calling on private and organized sectors to intervene through introduction of small and medium scale enterprises that could kick-start the economy and reduce unemployment.

### **Present Scenario of Entrepreneurship in Nigeria**

Uloko and Ejinkeonye (2010) reported the result of their research on “entrepreneurship and enterprises in the training for job creation” that 80% of Nigeria labour force are employed by the small and medium scale enterprises. Andukam (2014) writing on the article “self-reliance”, small businesses yield dividends in Jalingo” reported hair dressing, grocery, computer works (type-setting, printing, photocopying, spiral binding, lamination), art work (painting, drawing), drama, singing, barbing saloon e.t.c as some of the thriving small scale businesses in which the youth now act as entrepreneurs. It is reported that a modest ‘business centre’ makes an average of six thousand naira daily in Jalingo which translates to approximately N100,000 per month. Some ‘Fagge boys’ are now producing leather slippers using simple machines for the cuttings and trimmings, others are going into tailoring and siemstressing, and knitting of caps.

Igbokwe (2006) remarked that the fame of Ababa market and Aba in Lagos and Abia states are anchored on the numerous small scale enterprises embarked upon by youths. Infact, most male youth prefer to be apprentices that would transform them into future entrepreneurs. Igbokwe outlined the following as the facts and characteristics of entrepreneurs

- i. Private sector most often drives the economy.
- ii. They nurture and expose logical managerial skills.
- iii. Display passion and potentials towards innovation.
- iv. Usually start with less capital (financial, human and material) resources.
- v. Always optimistic to achieve set goals and break new frontiers.

### **Challenges of Entrepreneurship in Kano State**

The following are some of the problems challenging entrepreneurship in Kano

- i. High level of illiteracy among the active youth population: Aliyu (2010) lamented that over 70% of the secondary school age of youth can barely read and write, thus subjecting the nuances of entrepreneurship into a mainly practical enterprise without better understanding of the concepts and theories.
- ii. Gender and religious barriers: certain enterprises are considered to be meant for either the masculine gender or feminine gender. For example using sewing machines to sew, design or

knit cloths are restricted to only boys or male gender. However both male and female youth are involved in commercial cloth sewing, designing, and knitting in southern Nigeria. This has made Lagos, Aba, Port Harcourt e.t.c famous in “ready-made” garments that find their ways into many boutiques in the cities.

- iii. Inadequate orientation and mobilization on the role of entrepreneurs and enterprises in sustainable personal and national development.
- iv. Lack of soft loans for prospective entrepreneurs.
- v. Dearth of Information Communication and Technology (ICT) acquisition.
- vi. Ignorance of the self-reliance million of small and medium scale entrepreneurship. The fact that most people, especially the youth prefer the non-existent white-collar jobs to setting up an enterprises of their own.

### **Problems of the Study**

In spite of government effort in mounting different programmes in partnership with the private sectors towards reducing unemployment, poverty, militancy, oil bunkering, child trafficking, robbery e.t.c among youth, the situation still remains gloomy hence, national development, self-reliance through entrepreneurship is still far from being achieved. Current realities have revealed that small and medium scale entrepreneurs are limited in number and quality.

### **Purpose of the Study**

The following purposes are designed to guide the study:

- i. To find out the problems facing entrepreneurship and innovation in Kano.
- ii. To find out the effect of entrepreneurship on male and female entrepreneurs in the development of Kano state.

### **Research Questions**

1. What are the problems facing entrepreneurship and innovation in Kano state?
2. Does gender have significant effect on entrepreneurship in Kano?

### **Methodology**

Survey design was used by the researcher to elicit relevant information from respondents in the urban and rural areas of Kano state. Population was made up of 315 medium scale entrepreneurs and 285 small scale entrepreneurs in Fagge, Tarauni (Urban), Bichi, Bagwai (rural) areas. Using simple randomization sampling technique,, 30 medium and 30 small scale entrepreneur-respondents were selected to make it 60 respondents in all.

Well structured questionnaire developed by the researcher was used as instrument for data collection. The instrument was validated by two experts from Department of Accounting, Bayero University-Kano. Internal consistency and reliability of the study was checked using Cronbach Alpha and Pearson Product Moment Correlation Co-efficient at 0.75 and 0.78 respectively. The result of the study was analyzed using mean ratings and t-test inferential statistics. The result is said to be disagreement if the mean rating was between the range of 0 2.49. It is undecided if the mean rating

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falls between the range of 2.503.49, and agreement when it falls between the range of 3.50 and above. In testing the hypotheses, if the calculated value is less than the critical value the hypothesis is accepted but if the reverse is the case the hypothesis is rejected.

**Research question 1**

1. What are the problems facing entrepreneurship and innovation in Kano state.

**Table 1**

**Respondents Ratings of Problem Entrepreneurship and Innovative Development in Kano State**

S/N	Problems	SA	A	UD	D	SD	FX	FX	Decision
1.	Provision of adequate fund and facilities by the government, philanthropic individuals and NGOs.	30	26	4	0	0	266	4.40	SA
2.	Lack of subsidies to entrepreneurs to boost the production of locally made goods.	41	14	1	2	2	272	4.50	SA
3.	Link the beneficiaries of entrepreneurship training to the sources of credit.	40	20	0	0	0	280	4.60	SA
4.	Lack of exposure of the beneficiaries to higher self esteem and a greater sense of control over their own business,	31	20	3	3	3	253	4.20	SA
5.	Redundant and obsolete economic policies.	42	18	0	0	0	282	4.70	SA
6.	Lack of coactive entrepreneurial legislation to protect new entrepreneurs.	28	30	1	1	1	265	4.40	SA
7.	Mismanagement of government funds allocated entrepreneurial development in Nigeria.	28	31	1	0	0	267	4.45	SA
8.	Ineffective monitoring of entrepreneurial projects.	53	6	1	0	0	292	4.90	SA
9.	Put embargo on the importation of foreign items that are produced in the country.	42	13	2	2	1	276	4.60	SA
10.	Encouraging and promoting the exportation of local made goods.	42	13	2	2	1	276	4.60	SA
12.	Regular supply of information to entrepreneurs on the latest business and economic development.	39	14	2	3	2	265	4.40	SA
13.	Provision of interest free loans to youths to start up their own business.	45	15	0	0	0	285	4.75	SA

The respondents in table 1 were given 13 possible problems affecting entrepreneurship and innovative development in Kano state.

**Research Question 2**

Does gender (male/female) have effect on entrepreneurship in Kano state?

**Table 2**  
**Entrepreneur’s Responses to the Positive Effects Accruing From Sustainable Development of Entrepreneurship in Kano State**

S/N	Strategies	SA	A	UD	D	SD	FX	X	Decision
14	Mobilizing and orientation of male/female youths on the importance of entrepreneurship	32	22	2	3	1	261	4.35	SA
15	Allocation of adequate funds in the annual budget for entrepreneurship and innovative development.	40	15	1	2	2	269	4.50	SA
16	Encouragement of male/female gender to partner with Kano state government for intervention.	40	15	1	2	2	269	4.50	SA
17	Formation of entrepreneurship bodies, trade and skill organization and centres with male/female graduates.	51	8	0	1	0	289	4.81	SA
18	Training of personnel on skills necessary for entrepreneurship.	44	10	3	2	1	261	4.35	SA
19	Promotion and patronage of locally made goods/services produced by male entrepreneurs.	44	10	3	2	1	261	4.35	SA
20	Provision of sustainable power and relevant social amenities in all the skill acquisition centres.	44	10	3	2	1	261	4.35	SA
21	Provision of soft and interest-free loans to newly graduated male and female entrepreneurs.	38	16	2	3	1	267	4.45	SA
22	Abolition of inferior foreign and cheap products.	34	23	1	1	1	268	4.46	SA
23	Sponsorship of trainees to relevant conferences and workshop on entrepreneurial best practices.	38	18	2	1	1	271	4.51	SA
24	Provision of machines, relevant accessories and spare-parts for repairs and maintenance.	30	22	2	4	2	256	4.26	SA
25	Organizing trade fair and exhibition fair Radio and television advertisement on available products by local entrepreneurs.	28	24	4	2	2	254	4.23	SA
26	Promulgation of legislation to protect, guide and guards the official operations of entrepreneurship.	58	2	0	0	0	298	4.96	SA

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Data in table 2 reveals that, there will be total positive transformation/revolutionalisation of individual lives, economy and society in general if adequate and effective entrepreneurship development is maintained.

#### **Discussion of the Findings**

The findings of this study revealed that entrepreneurship have the capacity to positively influence the male and female gender towards greater productivity and self-employment. Today, entrepreneurship is making the masses self-employed through well established and sustainable entrepreneurship development using formal and informal training means.

Knowledge of entrepreneurship according to Adidu and Olannye (2006); Nwagwugwu and Ugiagbe (2008); Anerua and Obiazi (2010); and Agetue and Nnamdi (2010) enables us to overcome the problem of unemployment and business challenges by being resourceful, ingenious, innovative and enduring. To Soniake (2006), entrepreneurship makes one a job creator rather than a job seeker.

The study further revealed that the success of every organization is rooted in adequate planning and implementation. Adequate planning cannot be successfully implemented if enough funds/facilities are not released. This is in line with views of Igbokwe (2006) and Osaseri (2010) that sustainable entrepreneurship development can only be achieved if government, philanthropic individuals and NGOs should make enough fund/facilities available so that beneficiaries of entrepreneurship training should have source of credit to start up their own businesses otherwise the objectives for which the project was set will be a defeated one. That some mischievous and dubious elements assigned to disburse monies and facilities divert the whole thing for their personal uses (Umezulike and Ile, 2007). Umezulike and Ile advice such group of unscrupulous elements to be contented with what they have and stop being greedy as to deprive the beneficiaries of their rights and entitlement. To checkmate and ensure the judicious use of the funds and materials for entrepreneurship project. This study further revealed that the economic reform project implementers should mount intensive monitoring of the project to ensure that the beneficiaries actually embark on the project for which funds were released. This was in line with Igbokwe 2006, Agetue and Nnamdi (2010), Osaseri (2010), Afolabi and Loto (2010); Uloko and Ejinkeonye (2010). It is suggested that government should pay adequate attention to funding and monitoring of implementation processes and human capital development to ensure that skills acquired through entrepreneurship training actually enhance job creation.

The end point of every production process is consumption. This study also discovered that the only means government could assist the local entrepreneurs in disposing of their products is to ban all the foreign items that are produced within the country. When importation is discouraged, exportation should be encouraged on by giving the entrepreneurs subsidies and latest information to boost their production capacities and generation. This will in turn increase the country's foreign reserves. Increasing foreign reserves will invariably bring about favourable balance of trade and payment which is a proof of economic balance and stability.

## **Conclusions**

Entrepreneurship being recognized as the flagship to national and personal development must be given the needed support from the three tiers of government, private sector and multi-national firms. Proactive strategies including training of prospective entrepreneurs, provision of infrastructures, establishment of different entrepreneurial and skill acquisition centres, introduction of policies germane to entrepreneurial best practices should be a priority.

Indeed, entrepreneurship creates jobs and engages the idle minds to become productive and effective citizen.

## **Recommendations**

Based on the discussion and conclusion of the study, the following recommendations are given:

1. To check the excessive crimes/societal vices in our country, government should as a matter of urgency, mobilize competent entrepreneurship personnel to move round schools and communities using both formal and informal approaches to train and retrain youths and adults, literates and illiterates, employed and unemployed to be creative, innovative, ingenious in risks taking and business advancement.
2. The success of every programme is adequate supply of funds. For sustainable entrepreneurship development to be achieved in Kano state, the government should release enough funds and materials to both trainers and trainees to enable them apply and utilize all the relevant skills and knowledge needed for the programme.
3. Government should provide interest free loans to the youths to enable them start up small businesses of their own.
4. Financial projects/assistance from governments should be monitored and evaluated by economic reform implementers to ensure that such projects are actually carried out as approved.
5. Nigerian youths should not wait for the government to provide white collar jobs for them. Rather, they should take the bull by the horn by sourcing for funds through the available means (e.g micro finance credit) to start their own businesses.
6. The government should also provide necessary infrastructural facilities like good roads, pipe borne water, and as well ensure regular electricity supply as any economy run on lanterns and generators cannot break even in this modern age of high technology.

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