



### AN ASSESSMENT OF THE IMPACT OF ENTREPRENEURSHIP ON ECONOMIC DEVELOPMENT IN BAUCHI METROPOLIS: THE COVID-19 EXPERIENCE.

**BASHARI HADIZA**

*Department, Federal Polytechnic, Bauchi.*

#### **Abstract**

*The significant role entrepreneurship on played by the economic entrepreneurs in the development economic particularly in Bauchi development of metropolis. The advanced countries had made the underdeveloped countries conscious quest for the development of entrepreneurial skill among it citizenry. This paper focused on assessing the impact of*

#### **Keywords:**

*Entrepreneurship, Economy, Development, Standard of living, Wealth creation.*

*research design adopted is qualitative in nature; the sample*

#### **INTRODUCTION**

Economic Development is the major priority for any realm. Economic Development means a progression of upward modify that is whereby the real per capita income of a nation increases above epoch of time. To accelerate the economic development we have to use the entrepreneurship as a tool of instrument. Entrepreneurship as a process gives people more jobs, creates new inventions and ideas, stimulates national income consequently having the potential of affecting economic development. The process of entrepreneurship brings about better standard of living and regional development. As globalisation reshapes the

*of the study consists of using ANOVA and wealth in Bauchi 361 entrepreneurs content analysis. The metropolis. The randomly selected in study was guided by researchers to two major markets three research recommend that State in Bauchi metropolis questions and one Government should i.e. Wunti and Central hypothesis. The introduce Markets. In line with findings of this study entrepreneurship the design of this indicate that education at the study, the data entrepreneurship Almajiri School collected from significantly influences through mentoring literature review, economic programme; they documents analysis, development, should be synergy and and interviews in entrepreneurship had collaborative effort in order to obtain views positively improved between vocational from a wide variety of per capital income as institutions and some perspectives, data well as significantly government agencies. obtain was analysed influence created*

**I**nternational economic landscape and technological change creates greater uncertainty in the world economy, entrepreneurship is believed to offer ways to help to meet new economic, social and environmental challenges.

However, the lack of internationally comparable empirical evidence has constrained the understanding of entrepreneurship and many questions remain unanswered. This arises from the fact that entrepreneurship objectives and policies differ considerably among countries, owing to different policy needs and diverse perspectives on what is meant by entrepreneurship. In some countries, entrepreneurship is linked to regional development programmes in which the creation of new firms is stimulated to boost employment and output in depressed regions.

Economic development essentially means a process of upward change whereby the real per capita income of a country increases over a period of time. Also Economic development is the increase in the amount of people in a nation's population with sustained growth from a simple, low-income economy to a modern, high-income economy. Its scope includes the

process and policies by which a nation improves the economic, political, and social wellbeing of its people. Entrepreneurship therefore, has an important role to play in the development of a country. The number and competence of entrepreneurs affect the economic growth of the country. The economic history of the presently advanced countries like USA, Russia, India, the four Asian Tigers, i.e. Hong Kong, South Korea, Taiwan, and Singapore, most of all China etc supports the fact that economic development is the outcome for which entrepreneurship is an inevitable cause.

The crucial and significant role played by the entrepreneurs in the economic development of advanced countries has made the people of developing and underdeveloped countries conscious of the importance of entrepreneurship for economic development. It is now widely accepted fact that active and enthusiastic entrepreneurs can only explore the potentials of the countries availability of resources such as labor, capital, and technology.

Furthermore, the importance of entrepreneurs in the development of the Western countries has made the people of underdeveloped countries too much conscious of the significance of entrepreneurship for economic development. Now, people have begun to realize that for achieving the goal of economic development, it is necessary to increase entrepreneurship both qualitatively and quantitatively in the country. It is only active and enthusiastic entrepreneurs who fully explore the potentialities of the country's available resources – labour, technology and capital.

Entrepreneurship plays a vital role in the economic development of any nation and Nigeria is not left out. It also comprises increase in output per capita income; initiating and making changes in the structure of businesses at a wider scope in the society. Entrepreneurship serves as a medium for curving unemployment especially for graduates, general unemployment and under employment. It is one of the most important inputs in the economic development a country. The entrepreneur in relation to entrepreneurship acts as a trigger head to give spark to economic activities by his entrepreneurial decisions. He plays a pivotal role not only in the development of industrial sector but also in the development of farm and service sector of the economy.

### **Statement of Problem**

The crucial and significant role played by the entrepreneurs in the economic development of advanced countries has made the people of developing and underdeveloped countries conscious of the importance of entrepreneurship for economic development. It is now widely accepted fact that active and enthusiastic entrepreneurs can only explore the potentials of the countries availability of resources such as labor, capital, and technology. And economic development seems to be automatic and self-regulated. Now, people have begun to realize that for achieving the goal of economic development, it is necessary to increase entrepreneurship both qualitatively and quantitatively in the country. Nigeria is naturally endowed with entrepreneurship opportunities; however, the realization of the full potentials of these opportunities has been damped by the adoption of inappropriate industrialization policies at different times.

Entrepreneurship plays a vital role in many aspects of life which include growth of economy, creation of job opportunities, innovation and foremost enhancing the standard of living. Entrepreneurs faced certain challenges that include fund raising to start up their business, diligence, time management and the propensity to take risk. Scholars have conducted study on the role of entrepreneurship in economic growth and development with a varying result. Thus the purpose of this study is to examine whether entrepreneurship has effect on economic development. The role of entrepreneurship in economic development varies from economy to economy depending upon its material resources, industrial climate and the responsiveness of the political system to the entrepreneurial function .Path breaking offerings by entrepreneurs, in the form of new goods and services, result in new employment, which can produce a cascading effect on various circle in the economy .If we understand the benefits and drawbacks, a balanced approach to nurturing entrepreneurship will definitely result in a positive impact on economy and society.

### **Objectives of the Study**

The main aim of this study is to examine the impact of entrepreneurship on economic development a study of Bauchi Metropolis. The specific objectives of the study are to:

1. To examine the effect of entrepreneurship on standard of living in Bauchi Metropolis.
2. To investigate whether there is a relationship between entrepreneurship and economic development in Bauchi Metropolis.
3. To ascertain the impact of entrepreneurship in wealth creation within Bauchi Metropolis.

### **Research Questions**

1. . To what extent does entrepreneurship improve standard of living in Bauchi Metropolis?
2. To what extent does entrepreneurship affect per capital income in Bauchi Metropolis?
3. How does entrepreneurship create wealth in Bauchi Metropolis?

### **Hypothesis**

**H01:** There is no significant influence of entrepreneurship on economic development.

### **Theoretical Framework**

In order to understand the impact that entrepreneurship on economic development, it is important to review some theories of entrepreneurship and economics. There are many theories of entrepreneurship propounded by many scholars but all these theories appear to focus on the characteristics of an entrepreneur such as Kirzner theory, Frank Knight Theory. However Adam Smith theory relates entrepreneurship to economic development.

### **Adam Smith Theory**

Classical economic doctrines descend from Adam Smith and developed in the nineteenth century. It asserts that the power of the market system, if left alone, will ensure full employment of economic resources. Classical economists believed that although occasional deviations from full employment result from economic and political events, automatic adjustments in market prices, wages, and interest rates will restore the economy to full employment.

Adam Smith, the foremost classical economist, assigned no significance to entrepreneurial role in economic development in his monumental work "An Enquiry into the Nature and Causes of the Wealth of Nations", published in 1776. Smith extolled the rate of capital formation as an important determinant of economic development.

The problem of economic development was ergo largely the ability of the people to save more and invest more in any country. According to him, ability to save is governed by improvement in productivity to the increase in the dexterity of every worker due to division of labour. Smith regarded every person as the best judge of his own interest who should be left to pursue his own advantage. According to him, each individual is led by an „invisible hand“ in pursuing his/her interest. He always advocated the policy of laissez-faire in economic affairs. However this research study is grounded on Adam Smith theory.

### **The Concept of Entrepreneurship**

Entrepreneurship is the pursuit of lucrative opportunities by enterprising individuals with the hope of making a fortune. It involves creating new systems, resources, or processes to produce new goods or services at profit; or taking advantage of discovering new markets or entering into a market. It is the process of creating something new with value; by devoting the necessary time and effort; assuming the accompanying financial, psychic, and social risks; and receiving the resulting rewards of monetary and personal satisfaction and independence.

Entrepreneurship is an undertaking in which an entrepreneur is involved in the task of creating and managing an enterprise for the purpose of making profit. However, the concept of entrepreneurship is that, he alone bears non-insurable risk in his business operations. The nature of entrepreneurship implies several images and meanings Entrepreneurship has no universal definition like other disciplines as many authors and scholars have defined it differently according to their own perspective. However, some author's definition shall be considered.

The word entrepreneurship descends from the French word "entreprendre" which indicates an act in which the individual attempt, try, adventure or undertake an act of some sort. It was Richard Cantillon (in

18th century), separated activities from those of capitalistic activities. Later, Jean Baptiste Say developed the term to relate to the change of resources from low productivity to that of high productivity. Joseph Schumpeter at the beginning (of the 20th century), separated the capitalistic role from entrepreneurship and argued that entrepreneurs were –sociologically distinct individuals||.

Hisrich (2002) Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming accompany financial, psychic, and social risks and receiving the resulting rewards of monetary and personal satisfaction and independence.

Shaw (2004) defines entrepreneurship as an attitude, a way of thinking, and learning. It is a state of mind, an artifact, insightful and innovative mentality rather than business administration. It is a way of perceiving and exploring opportunity wherever it may be found.

Ronstadt (1984) defined Entrepreneurship as the dynamic process of creating incremental wealth. The wealth is created by individuals who assume the major risks in terms of equity, time and/or career commitment or provide value for some product or service. The product or service may or may not be new or unique but value must somehow be infused by the entrepreneur by receiving and allocating the necessary skills and resources

Entrepreneurship entails the ability to identify the resources, to perceive their economic potential, the ability and willingness to utilize these resources and to invest in their development deferring immediate rewards in favour of future investment. Needless to say that all these activities associated with entrepreneurship bring forth economic and social development.

Jones and Sakong (1990) define entrepreneurship as a force that mobilizes other resources to the unmet market demand. Bygrave and Hofer defines entrepreneurship is a process of creating a new organization and pursuing it. The process of entrepreneurship involves all functions, activities and actions associated with the perceiving of opportunities and the creation of organizations to pursue them. Entrepreneurship is the recognition and pursuit of opportunity without regard to one's current control resources,

with confidence and assurance of success, and the flexibility to change topic as necessary and the will to rebound from any setbacks (Reiss, 2000). Benjamin Higgins (1961) defined Entrepreneurship is the function of seeing investment and production opportunities, organizing an enterprise to undertake a new production process, raising capital, hiring labour, arranging for a supply of raw materials and finding site, and combining these factors of production into a going concern; introducing new techniques and commodities, discovering new sources of natural resources; and selecting top managers for day to day operations of the enterprise||. Gartner (1989), Low and Macmillan (1988) define entrepreneurship as the creation of a new enterprise. Stevenson and Gumpert(1985) also define entrepreneurship as the process of creating value by pulling together a unique package of resources to exploit an opportunity.

### **Entrepreneurial Venture**

Entrepreneurial venture is the business opportunities open to an entrepreneur to exploit since such venture has the potential for growth and profit. The primary objective of any entrepreneurial venture is to make profit and sustain growth. Entrepreneurs create new ideas and turn them into viable business ventures but entrepreneurship is not easy as it requires careful analysis, and thinking to make it work.

### **Qualities of Entrepreneurs**

An entrepreneur supposed to possess certain qualities in order to be successful. But Nwachukwu (1990) stated that entrepreneurs are all self-selected people who wish to be their own boss and must have nursed this hope all their life. Some have been successful in the pursuit of conventional career and some have never owned any meaningful paid employment.

Research has shown that all entrepreneurs tend to be people with tremendous amount of determined effort and commitment. They are people that are high in achievement motive - they love to make things happen. Entrepreneurs love to excel. McClland (1961) in his study observes that entrepreneurs are most likely to do well if they are:-

- Reasonable risk takers

- Self-confident
- Hard workers
- Goal setters
- Accountable
- Innovative

### **Entrepreneurial Traits**

The following are the entrepreneurial traits which an entrepreneurs is expected to possess, this includes;

- Ability to Make Decisions: Entrepreneur has the talents to analyze complex situations and Business like attitude: Entrepreneur possesses the knowledge of his chosen business and has the talents to conduct business.
- Creativity: Entrepreneur has creativity and the ability to come up with clever and good workable solutions to enterprise challenges.
- Communication Skills: Entrepreneur has the ability to express himself and to understand others so that ideas can be communicated and shared.
- Confidence: Entrepreneur has self confidence and capabilities to succeed.
- Concentration: Entrepreneur needs adequate concentration by “sticking” it out through distractions to get the job done.
- Hard Work: Entrepreneur is capable of doing the work and enjoying it.
- Human-Relation Skills: Entrepreneur has the ability to get along with others, to inspire cooperation, confidence and loyalty.
- Independence: Entrepreneur has the desire to be his own boss. He wants to be on his own without receiving orders from superiors.
- Motivation: Entrepreneur has the mental and physical drive to succeed and to accomplish chosen tasks in his own terms.
- Persistence: Entrepreneur never shows discouragement, he is always thinking of new ideas or ways to approach a problem and acting on them promptly.

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- Self Discipline: Entrepreneur needs self discipline to be trained to meet goals of an enterprise.
- Technical Ability: Entrepreneur has the expertise to produce the goods and services for any business.
- Willingness to take risk: Entrepreneur has the readiness to sacrifice his own security in order to accomplish the goals .draw conclusions that will make the business succeed.

### **Benefits for Entrepreneurship**

1. Entrepreneurs venture into entrepreneurs because they want to improve the personal relationship through business contacts.
2. Entrepreneurs need a sense of economic freedom and self-financial discipline to venture into business.
3. Entrepreneurs want to increase the effectiveness and control of their financial affairs by avoiding dependence on Government or other employers of labour.
4. Entrepreneurs want to show commitment and competence of efficient utilization of resources to venture into entrepreneurship with the view of creating additional wealth.
5. Entrepreneurs need additional wealth in terms of having or ability to maintain regular income and capital appreciation by venturing into Small and Medium term enterprises.

### **What it takes to be a Successful Entrepreneur**

It is a difficult task or decision to go into entrepreneurship due to a number of problems. But for an entrepreneur to be successful and have a plus on his career, the following characteristics will contribute to his success if strictly adhered.

1. Action and future oriented: Entrepreneur is expected to work on action plan he designed for his enterprise with the vision to realize actualise and build his own dream into reality to become a corporate achiever.

2. Commitment and determination: Successful entrepreneurs should be decisive, tenacious disciplined, willing to sacrifice and able to immerse themselves totally in their enterprises.
3. Creativity, Self-reliance and ability to adapt: They should be open-minded, restless with the status quo, able to learn quickly, highly adaptable, creative, skilled at conceptualizing, and attentive to details.
4. Energetic: The qualities that is expected to be a successful entrepreneur requires an entrepreneur to be highly energetic, and devoted to his dream about the enterprise(s) through, hard work, commitment and the mission to excel. This is possible only where the entrepreneur is energetic in term of being physically, mentally and emotionally stable to understand the activities of the enterprise and how to make the enterprise a difference.
5. Leadership: Successful entrepreneurs should be self starters, team builders, superior learners, and teachers.
6. Motivation to excel: Entrepreneurs should have a clear results orientation, set high but realistic goals and should have a strong drive to achieve, know their own weaknesses and strengths and focus on what can be done rather than on the reasons things can't be done.
7. Opportunity obsession: For entrepreneurs to be successful they should have an intimate knowledge of customer's needs, market driven values and that will bring value creation and enhancement.
8. Self-discipline: To be a successful entrepreneur requires self-discipline, respect and proper planning of activities through self-directed effort and self- discipline give the entrepreneur a sense of direction that it is his own business and therefore he is responsible for his success, achievement and failure. This can only be actualizing if he is self-disciplined and self-directed.
9. Self-nurturing: An Entrepreneur must have the ideas to succeed. He has to show his personal commitment and enthusiasm toward his entrepreneurship venture.
10. Tolerance of risk: They should be calculated risk takers and risk minimizes, tolerant of stress and able to resolve problems.

### **Problems of Entrepreneurs**

The problems of entrepreneurs in Nigeria are very eminent in nature as most entrepreneurs encounter a lot of problems in the process of setting up a business enterprise. The following are some the problems faced by the entrepreneurs under the Nigerian environment.

1. **Accountability:** Accountability is ensuring that all financial transactions in an enterprise are kept according to financial regulation of the enterprise or accounting standard. Most entrepreneurs lack the adequate knowledge on how to keep records of the financial transactions of their enterprise. Even where they want to employ qualified Accountant to handle their financial records, as earlier mentioned, they lack the finances to do so. In this case, entrepreneurs find it difficult to uncover financial frauds and theft not until the financial situation signals that the enterprise can no longer settle its obligations.
2. **Capital:** Many entrepreneurs go into entrepreneurship venture with little capital which poses a problem as to not having adequate working capital to run the business. Entrepreneurs did find it difficult to obtain additional working capital especially through the conventional banks. These conventional/commercial banks charge high interest rate on borrowed funds and entrepreneurs cannot afford such loans/credit as their enterprise is just a small or medium scale business. The collaterals which the commercial banks demand for loans cannot be raised by entrepreneurs. However, Nigerian Government have made efforts by introducing various credit schemes for entrepreneurs but these credit schemes requirements are difficult to fulfill by entrepreneurs while to a certain point, that amount given as credit by government is too small to assist entrepreneurs to solve their capital requirement or needs for their business venture.
3. **Competition:** Competition is one of the greatest challenges entrepreneur's faces as a problem. Entrepreneur find it difficult to compete with competitors due to the local contents of their product since customers prefer foreign made goods to local made goods. This is because customers have over years develop a wrong impression and attitude towards locally made goods in terms of quality, texture,

packaging, value creation to mention a few. Apart from competition from foreign made goods, there is also a growing intense competition among the local entrepreneurs where customers go for the best and sometimes go for the cheapest irrespective of quality.

4. **Managerial Knowledge and Skills:** Most entrepreneurs venture into small and medium scale businesses without having any prerequisite management knowledge and skills about the business they venture into. Entrepreneurs simply go into business because they have the idea or they have seen other people have succeeded in the same business. Having adequate management knowledge and skills helps entrepreneurs to progress in their business but entrepreneurs not having adequate management knowledge find it difficult to maintain and keep records of their business transactions which pose a great danger to success. Many entrepreneurs are facing problems of managing their entrepreneurship venture due to complete absence of management knowledge on how to manage their business enterprise and maintain financial discipline in the enterprise.

Entrepreneurs are required to have a basic knowledge, skills and little talents about business management even though they choose to employ experts to manage their enterprise. Therefore the success of the enterprise depends on the ability of the entrepreneur to carry out effective and efficient managerial functions in the discharge of duties as owner. However, one of the intricacies which entrepreneur identify as problem and a silent killer of entrepreneurial development is lack of managerial known-how.

5. **Market/Marketing:** Market and marketing are two different problem faced by entrepreneurs. In term of market, entrepreneurs are reluctant to identifying the appropriate market for their product/services. Most entrepreneurs do not actually know the right market for their product and how to take advantage of market for possible profit and capture the market share. Rather entrepreneurs have myopic view of the market due to lack of marketing education to market their goods. How will an entrepreneur overcome this market problem, an entrepreneur requires marketing training to articulate all

the necessary marketing programme that may lead the entrepreneur to success and acceptability of his products in the market.

Marketing is the process of bringing awareness to customers about the enterprise products or services. Therefore entrepreneurs require aggressive marketing to create awareness and sell their products. Aggressive marketing of entrepreneur's product/services requires advertising, sales promotion, effective distribution system and right price for the products/services. This can only be achieved through proper and well defined marketing strategy through a good marketing plan. A good marketing plan provides entrepreneurs with problem in marketing as it reaches many customers by identifying ways and means of reaching target customers at the right place, price and through the right promotional medium/methods. Another problem faced by Entrepreneurs in the area of marketing is lack of awareness of the need to carry out market survey, research and development that will help entrepreneurs in identifying customer's need, satisfaction and other attributes that is expected from the entrepreneur's products/services.

6. Staffing: Entrepreneurs as earlier mentioned need to have good management knowledge so as to assist in recruiting qualified personnel into their enterprise. Most often, entrepreneurs encounter problems with how to recruit and select the best applicant. This is basically as a result of inadequate knowledge on source of recruitment and methods of selection of the best Entrepreneurs simply go into business because they have the idea or they have seen other people have succeeded in the same business. Having adequate management knowledge and skills helps entrepreneurs to progress in their business but entrepreneurs not having adequate management knowledge find it difficult to maintain and keep records of their business transactions which pose a great danger to success. Many entrepreneurs are facing problems of managing their entrepreneurship venture due to complete absence of management knowledge on how to manage their business enterprise and maintain financial discipline in the enterprise.

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7. **Taxation:** Taxation is one of the crucial areas which entrepreneurs face problem in terms of tax payment, tax calculations or tax concessions. Even where government gives tax waiver or tax holiday, entrepreneurs still face different kinds of taxation imposed by various government regulatory agencies which makes it difficult for entrepreneurs to prosper. Some entrepreneurs end up closing their enterprise due to double or multiple taxation as the enterprise no longer yield any profit after tax.
8. **Technology:** The issue of technology is a problem to entrepreneurs to the extent of posing serious threats to the survival of an enterprise due to dynamic nature of technological development, changes, innovation and new inventions. As technology changes so also is expectation for business enterprises to move with the changes by updating the technology in the enterprise. However, due to insufficient capital to update technological changes, entrepreneurs are forced out of business due to obsolete equipment, machineries and other accessories especially entrepreneurs that are in the manufacturing and production business. Apart from high cost of acquiring automated machines, the cost of maintenance or repairs is also difficult for the entrepreneurs as there is drain for lack of spare parts for most of the machines.

### **Methodology**

The study is descriptive and sample survey design was adopted as the research design method, data was collected using both primary data via observation and survey methods of interview using questionnaire. While secondary sources will be past data from, journals, gazettes, textbooks,

magazines, newspapers, encyclopedias, other people's project reports, web and library will be used. For the purpose of this study, questionnaires were administered personally (face-to-face) to the target respondent by the researcher and with the help of some field assistants from each Market, due to the diverse nature of the target respondents involved in the study. The sample of the study comprises of 361 entrepreneurs randomly selected in to two major markets in Bauchi metropolis i.e. Wunti and Central Markets, who business is five years old.

**Table 1 the distribution of sample size**

<i>Markets</i>	Number of Entrepreneurs	Percentage
<i>Wunti Market</i>	180	50%
<i>Central Market</i>	181	50.0%
<b><i>Total</i></b>	<b>361</b>	<b>100%</b>

**Source:** Researcher, 2020.

### **Results and Discussion**

Data analysis was done using descriptive, inferential statistics and content analysis in assessing textual materials. This was done through calculating frequency distributions, means, modes, percentages and standard deviations. To test the hypotheses, F-test was used. Multiple regression was applied in order to access the impact of entrepreneurship on economic development as moderated by per capita income. The following model was adopted:  $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \epsilon$  where: Y = economic development X1 = entrepreneurship Z = per capita income  $\beta_0$  is a constant which denotes economic development that is independent of entrepreneurship and per capita income.  $\epsilon$  is a random variable introduced to accommodate the effect of other factors that affect economic development within or outside that are not included in the model. The model was first subjected to correlation to establish whether the variable was significant. F-test was further computed to determine the level of significance in the model. Null hypothesis was accepted or rejected based on the p-value obtained. The test was done at  $\alpha = 0.05$  level of significance.

Findings showed that entrepreneurship influenced economic development ( $r = 0.458$ ,  $p\text{-value} < 0.001$ ). This implied that entrepreneurship

independently explains 21.0% of the variation in Y. Using the study model:  $Y = \beta_0 + \beta_1 X_1 + \varepsilon$ . Where Y = economic development X1 = entrepreneurship l index  $\varepsilon$  = Error term the equation for establishment of economic development in the regression formula therefore is:  $Y = 0.458X_1$ . The model equation shows that economic development will increase by 0.458 units with one unit increase in entrepreneurship.

The hypothesis to be tested was H01: There is no significant influence of entrepreneurship on economic development. Using stepwise regression analysis, entrepreneurship as a variable of this study was entered with the measures of economic development into the regression model. Regression equation obtained using standard beta ( $\beta$ ) coefficient on the line of best fit and fitted in the regression model for testing hypothesis was:  $Y = \beta_0 + \beta_1 X_1 + \varepsilon$   $Y = 0.458X_3$  Where Y = economic development X1 = entrepreneurship.  $\varepsilon$  = Error term The F -test for this factor in the regression model was found to be significant  $F(1, 285) = 75.351$ , p-value = 0.001.

**Table 2: ANOVA table on impact of entrepreneurship on economic development**

	Sum of Squares	df	Mean Square	F	Sig.
<i>Regression</i>	31.996	1	31.996	75.351	.000a
<i>Residual</i>	120.596	284	0.425		
<i>Total</i>	152.592	285			

**Source:** Researcher, 2020.

Hypothesis H01 was therefore rejected and concluded that entrepreneurship significantly influences economic development. Based on analysis of the interview conducted 78% of the respondents strongly agreed that entrepreneurship had positively improved their per capital income, this result is consistent with the study of Athreye (2011) who recognized that despite the adverse market environment India businesses are confronted with, such as: over regulation, high cost of doing business, weak enforcement of property rights, poor capital market, entrepreneurs had significantly improve per capital income in the country. Similarly Li, Zhang & Matlay (2003) identified that the inclusion of entrepreneurial education in China had significant effect on the per capital income.

However, 328 representing 90% of the entrepreneurs interviewed are of the opinion that entrepreneurship had significantly influence created wealth in the course of profit making despites multiple tax system of the country. Shanmugaratnam (2004) discovered that entrepreneurship is the key source of wealth creation in Singapore. However, in India where the government deliberately granted tax holidays to start-ups entrepreneurs. This subsequently caused a huge growth in Bangalore and Hyderabad, as both cities became major hubs for wealth creation (Zhang, 2005).

### **Recommendations**

The paper recommends that the Bauchi state governments should make policies towards increasing the funds for financing entrepreneurial ventures within Bauchi metropolis. The government should also encourage more financing in the agricultural and most especially manufacturing activities, as this could improve the productivity of the real sector, as this will aid wealth creation within the metropolis.

State Government should introduce entrepreneurship education at the Almajiri School through mentoring programme in specialized area where grant will be issued to mentors, this will go a long way in improve the living standard of its citizenry.

The state government should reduce over regulation of some selected industries. It can give deliberate tax breaks in some industries to encourage new businesses to get into those industries which will positively affect per capital income of many citizens though employment generation. However, it is equally important to provide way for proper policy coordination and policy stability. There have been several government interventions and programmes aimed at promoting entrepreneurship, they should be synergy and collaborative effort between vocational institutions and some government agencies.

### **Conclusion**

However the interesting interaction of entrepreneurship and economic development has vital inputs and inferences for policy makers, development institutes, business owners, change agents and charitable donors. Entrepreneurship puts new business ideas into practice. In doing so, it creates jobs that facilitate per capital income which consequently affect living standard of citizen. Thus, it is clear that entrepreneurship serves as a catalyst of economic development.

The government on the other hand should come to terms with the fact that one of the ways of growing the economy is to promote entrepreneurship.

To achieve this it should build a society that promotes and encourages entrepreneurship. The private sector cannot realize and solely build a truly entrepreneurial society without recourse to the government. The government should build the right institutional environment such as reforming the educational system and the judicial system.

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