

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Entrepreneurship is one of the means of reducing unemployment in developing countries like Nigeria and it forms the bedrock of economic development in every nation. Entrepreneurship has helped to develop the nation's economy in so many ways. According to Hisrich, Peters and Shepherd (2007), entrepreneurship 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 reward of monetary and personal satisfaction and independence. Entrepreneurship is also considered to be an important mechanism for reducing poverty through employment generation, and innovation. As evidenced by many different definitions, the term entrepreneurship means different things to different people and can be viewed from different conceptual perspectives. In spite of the differences, there are some common aspects: risk taking, creativity, and reward. These commonalities will continue to be the driving force behind the notion of entrepreneurship in the future (Hisrich *et al* 2007).

The term entrepreneurship is as old as human being. Entrepreneurship in Nigeria started when people in the villages and farming communities produced more products than they needed, as such; they had to exchange these surpluses with those who needed them within their immediate and neighboring communities. The exchange of goods for goods or services was based on trade by barter initially, until commodity money was developed and used. Exchange encouraged specialization among producers, and the communities came to realize that they can concentrate on the areas of production they are best fitted. Consequent on the above, the culture of entrepreneurship started in Nigeria (Nicks, 2008; Raimi and Towobola, 2011). In past

decades, people have drive and zeal to turn theory into practice. According to Ogundele (2007), the development process of any country is determined by the way the production forces in and around the economy is organized. He also stressed that the development of industry for most countries had depended a great deal on the role of private sector. This development has been fostered by entrepreneurship orientation. The author is of the opinion that the promotion and development of entrepreneurial activities would aid the dispersal and diversification of economic activities and induce even development in a country. According to Harper (2003) entrepreneurship is the main mechanism that creates wealth, explains economic growth and development often ignore (or fail to acknowledge explicitly) the entrepreneurial forces of change and adaptation that underlie economic performance. Entrepreneurship is something we ignore at our peril.

An entrepreneur is an individual who has drive, ambition, foresight and imagination to breakthrough traditional barriers and to overcome social criteria and turn theories into practice (Gill 1963). An entrepreneur can also be defined as a person who has the ability to look at the opportunity offered by the environment, marshal the available resources and initiate appropriate action in order that production can take place and ensure success through creative and persistent effort (Dionco -Adetayo, 1998). This study looked at micro scale entrepreneurs like the artisans and these are people who are found in the informal sector and are skilled in specific trades. According to Cannon (2009), an artisan is a craftsperson skilled in making something and could also be someone who works with the hands, head and heart. Artisans were the predominant producer of goods in the era before the late 18th century Industrial Revolution and were the predecessors of the "craftsman." Artisans were revered in their knowledge and abilities to build, create, or construct their products with high degrees of excellence (Williamson, 2007).

In the world of work, emerging trends in employment relations and organizational restructuring have accentuated the need for skillful persons than ever (Okai, Musa, and Obeng 2010). McShane and Glinow (2000), have intimated that emergent employment relations like the concepts of “employability” and “contingent work” and telecommuting require that people seeking employment in the globalized world should necessarily acquire new skills and competencies to remain competitive in the world of work. The artisan’s products are handmade and individually unique, with their design closely tied to their production.

Entrepreneurship has high potential for creating new jobs considering the vast resources abound in Nigeria. According to Ibrahim (2010), there has been a consistent drive towards self-reliance but, the continued dominance of government in the economy made Nigerians youths to look up to government as the sole provider of labour and employment opportunities. This stance of government did not allow most Nigerian youths to think of entrepreneurship as an alternative to government employment.

The need for entrepreneurship development in the country today is necessitated by the fact that supply of paid employment is below the demand level while at the same time poverty and unemployment are to be kept low. Entrepreneurship development has now been seen as a major factor in economic growth and development and also the permanent cure for extreme hunger and poverty necessitated by unemployment (Ibrahim, 2010). Developing entrepreneurial skills is a vital tool to generate employment opportunities, create income and reduce poverty. Entrepreneurship is also a catalyst for individual welfare and helps to push people above the poverty line. If individuals should intensify efforts in exploring opportunities around them, their standard of living will improve *ceteris- paribus*. According to Awogbenle and Iwuamadi (2010), youth development and empowerment are vital stages in life for building the human capital that

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