



EXPLORING THE NEXUS BETWEEN ENTREPRENEURSHIP AND RURAL DEVELOPMENT IN ALOR-IDEMILI SOUTH LOCAL GOVERNMENT AREA OF ANAMBRA STATE, NIGERIA

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ABSTRACT

The study explored the link between entrepreneurship and rural development in Alor, Idemili, south local government area of Anambra State, Nigeria. To examine how the benefits and challenges in entrepreneurship relate to and influence rural development. The research design method used was the descriptive research of the survey type. The population for the study was 1256 small and large-scale entrepreneurs in the study area, the sampling technique used was random sampling methods, and 375 entrepreneurs from the study area were used. The instrument was a 20 self-structured questionnaire titled "Entrepreneurship and Rural Development". Face and content validity were done on the instrument, while split-half reliability was applied to check the instrument's consistency. A reliability coefficient of .89 was obtained. The study's findings revealed a significant relationship between the benefits of entrepreneurship and rural development. There is a positive relationship between the challenges in entrepreneurship and rural development in the study area, with an r value of .175 and .151 at .05 level of significance. Based on the findings, it was recommended, among others, that the government and community members should not make the business community difficult for private investors to exist since they need each other.

Keywords: Entrepreneurs, Entrepreneurship, Rural Development and Benefits Challenges.

INTRODUCTION

Business is any legal activities to satisfy human wants and needs and profit. A business owned and managed by an individual (s) is called a business enterprise. The capacity to bring out an innovative idea that benefits the individual government and puts money in the pocket of and creative is called entrepreneurship (Jimmy, 2017). The purpose of starting up a business (entrepreneurship) has gone beyond providing goods and services and making a profit; currently, it is known as a contributor to economic and social development (Ogbidi, 2020). The study of entrepreneurship development is now a most done course in our educational system. Also, the developed countries have not given up on entrepreneurs, despite their positions on the list (Inyang, 2018).

The manager(s) or owner(s) is/are called entrepreneur(s). Business does not exist in a vacuum, so the operational elements in any business environment make up the business and must be noticed. The economic survival of any nation remains only possible with a good, innovative idea and skills of small and large-scale business owners (Murray, 2017). The word rural entrepreneurs come from the location of the business. The rural area is the countryside outside the cities and towns, with less population density and less advanced economic activities. Adeyeye (2018) believes that rural areas are notable, with most



agricultural activities with some forestry, and resource extraction, with the need for basic infrastructure and social amenities such as electricity, good water supply and good network roads, to mention but a few which make a living easier. Based on the absence mentioned above, the need to provide them will bring positive changes in the areas. This is termed development. Development is an upgrade from one stage to a higher stage (Utoware, 2021). Rural entrepreneurship stresses rural industrialisation, which aids in providing for the needs of the rural dwellers through employment generation and rural development (Ihejimaizu, 2019).

The importance of entrepreneurs are numerous, and these benefits are to the entrepreneurs, the consumers and employees. They include; it aids the identification of investment opportunities according to the needs and wants that are unmet, Bringing about innovation in the country, creates a national and international relationships. Utoware (2021) stated that entrepreneurship accelerated economic growth by creating products, services, and job creation. The main crux of this paper is to examine the relationship between rural development and entrepreneurial activities. The study was therefore conducted to find an alternative to the problem as the researchers observed that the growth and development of any nation or place are faced with numerous non-operational and operational obstacles, among which include: poor allocation from the apex level, culture, government policies, insufficient basic facilities (electricity, access work, good water) and the location or sit of the community. Based on these bases, this study sought to examine the link between entrepreneurship and rural development in Idemili, south of Anambra State, Nigeria. The following Objectives were used in the study; how important is entrepreneurship to rural development, and how does the challenge in entrepreneurship affect rural development in the study area?

LITERATURE REVIEW

An entrepreneur is anyone with the ability and capability to initiate and successfully run a business activity. This is done by organising the human and material resources to make production s and services and get profit. Inyang (2018) referred to entrepreneurship as a willingness and ability of an individual to seek out investment opportunities in an environment and establish and run the affairs of the business successfully, using the opportunities within her reach. Ogbidi (2020), Attest that entrepreneurship is taking over the risk involved in running a new business established by individual innovative skills to solve human problems and make a profit. Utoware (2021) affirmed that entrepreneurship deals with the individual(s) starting up a new business, bearing the challenges in the venture in a strikingly new way that creates new products and services. It is a guarantee for job and wealth creation. This makes the individual a socio-economic agent of change in society. It is the ability to identify pressing human needs and wants, provide possible innovative solutions, and profit from them. When doing these, the entrepreneur makes use of the limited resources available.

Adeyeye (2018) noted that entrepreneurship was formally noticed in Nigeria in 1946 when ordinance 24 of 1945 in a ten-year rolling plan was put in place for the development and welfare of Nigerians. The Nigerian Local Development Board (NLDB) was formed to execute the following; (I) set up and operate experimental processing and development of any product in Nigeria. (ii) Promote and develop village crafts and industrial products. Small-scale businesses planned to achieve a higher efficiency level by becoming more productive. Entrepreneurship education is currently a general study course in public



universities in Nigeria. Utoware (2021) cited that entrepreneurship education has initiated a link between business practices and 21st-century education development and economic growth. The engrossment of entrepreneurship generally has translated from an individual entrepreneur to contributions of entrepreneurship to economic and social development (Afolabi, 2017). Entrepreneurship studies have been inhabited with large and small-scale business enterprises; the new trend of these studies is observed with artisans, traders and farmers, to mention a few, who make up a large sum of rural entrepreneurship (Hudson, 2010; Koyana & Mason, 2017; Afolabi, (2016).

The concept of Rural Entrepreneurship, in simple terms, is of all entrepreneurs doing their businesses in a rural setting (Ugwu, 2017). Irrespective of the size and structure of the self-owned business, as far as its location is not in the urban area, they can be rural entrepreneurs (Murray, 2020). Rural entrepreneurship emphasises rural industrialisation with an emphasis on providing for the needs of the rural dwellers through employment generation and rural development (Ihejimaizu, 2019). The main focus of rural entrepreneurial activity is the need to create goods and create employment opportunities for the people in the business areas and beyond (Ibeto, 2020). These lines of argument supported the popular commentaries that rural entrepreneurship's development and growth are significant in addressing many of the economic development puzzles of African countries (Malebana & Swanepoel, 2015).

Korsgaard and Tanning (2015) explain rural entrepreneurship as all types of entrepreneurial activity practised in areas characterised by big open spaces but few population settlements compared to the urban context. Paulo (2017) explanation grip most of the previous perspectives in this paper. For instance, the authors explain rural entrepreneurship as an enterprise in the village or fewer city areas, involving various sectors of economic activities and providing people's and nations' demands. This definition, no doubt, blends with the problems and benefits of entrepreneurship on rural development. Therefore, these definitions will form the crux of this paper. Rural development is the change from a less city town or village, to a city town, with the basic elements available for residents and people of the place. Alinno and Ikwegbe (2018) cited that rural development is seen when the factors that make a place rural are replaced with urban facilities. It does not matter who causes the change, whether government or private. Also, Osunde (2016) stated that rural growth is a result of the rate of social and economic activities in the place; it can also be a result of national and international relationships between the area and others. This explains why Adeyeye (2018) cited that the standard of living, poverty rate, economic activities, infrastructural facilities, and many more make a place developed. Where the above mentioned are present and accessible, in a place, it is developed.

The need for more financial strength is a huge problem hampering the operation of entrepreneurs. Alinno and Ikwegbe, (2018). Stated that the major need of any business is capital to start and funds to sustain the business, irrespective of the kind of enterprise. In Nigeria today, there have been efforts to provide funds for this purpose, especially by the government, like; the efforts of Nigeria Bank of Industry (BOI), but the political influence has clout the system and the private investors are hardly accessing funds from the bank. (Ibeto, 2020). Similarly, the failure of successive governments in Nigeria to provide physical infrastructure has been a burning issue for the operators of rural and urban entrepreneurship. Ihejimaizu (2019) explains that the decade of the existing infrastructure creates further problems for citizens. Poor infrastructures in Nigeria have been linked to the cause the collapse of many rural and urban businesses, like agro-businesses.



Drop in production output: It is obvious today that the bulk of Nigeria's food production for exportation and local use are from rural communities, such as cassava, palm oil, cocoa and other agricultural produce. Due to numerous challenges, Nigeria's gross domestic product (GDP) has dropped (Afolabi, 2016). The high rate of corruption and poor effort to develop rural entrepreneurs by the government and its agencies are problems in Nigeria's business. For instance, budgets approved by the government to revitalise rural communities for the growth of rural life and entrepreneurs were embezzled year after year (Osunde, 2016). The neglect of these projects has deprived Nigeria of economic growth through the contributions of rural enterprise. The increasing poverty rate in Nigeria today has, directly and indirectly, affected customer demands, thereby affecting the business turnover rate. However, In Nigeria, the statement that the poverty rate in rural dwellers has been improved through rural entrepreneurial activities needs more evidence (Adeyeye, 2018).

The importance of entrepreneur are numerous, and these benefits are to the entrepreneurs, the consumers and employees. They include; it aids the identification of investment opportunities according to unmet needs and unmet needs, bringing about innovation in the country, and creating national and international relationships. Utoware (2021) stated that entrepreneurship accelerated economic growth by creating products, services, and job creation. The main crux of this paper is to examine the relationship between rural development and entrepreneurial activities. It drives innovation by causing productivity growth, providing material well-being for society, and increasing living standards (Paulo, 2017). According to Inyang (2018), the benefits are; making individuals managers of their businesses, creating a positive impact on people, bringing in revenue to the government through taxes, Bringing about scarifying to meet human wants and needs, creativity, risk-taking and problem-solving, increase competition, fill up the gap between government and the people in production and services, and skill acquisition.

EMPIRICAL REVIEW

The benefit of an entrepreneur to community development is a concern to individuals since any economic activities welcome a positive and innovative image to a place. According to Ugwu (2017), in a study on the factors contributing to national development. The study used 2 developing countries, Nigeria and Ghana, and 2 developed countries (China & UK). With a sample of 800 selected entrepreneurs in the study area. Dates gathered were with a self-constructed Likert scale instrument. The analysis done was with independent t-test statistics. The result revealed that the factors responsible for those 2 nations' development were based on the entrepreneurial activities in those nations. It was concluded that entrepreneurship is a key factor in any nation's development. In the same view, a report from Murray (2020) investigated rural-urban growth factors. The study showed that rural-to-urban growth is a factor of economic activities involved in the area. The study sampled eight Cross River State towns and monitored their development growth rate. From the findings, it was seen that 3 towns in the study area showed a positive engagement in entrepreneurship, while 6 towns were lacking in entrepreneurship activities.

Ihejiamaizu (2019) carried out a study on rural upgrade and industrialisation. The study revealed that rural-to-urban upgrade relates to the kind and rate of industrial activities in those places. The statistics showed that, with a sample of 4 rural areas in Abia North LGAs, 1 out of the 2 areas showed 8% of industrial activities, while 2 areas showed 47% and 58% respectively. It concluded that there is a relationship between the industrial activities of an area and its development. Ogbidi (2020) researched factors that hide rural growth. The study

examined the problems in business and industrialisation. It was revealed that as the industries are suffering or lacking in one way or the other since the business does not exist in a vacuum, the environment will directly or indirectly suffer similarly. Therefore, it was concluded that the problems in industrialisation effects rural growth.

METHODOLOGY

A descriptive survey design was employed for the study; the population was 1256 small and large-scale entrepreneurs in Alor, idemili south local government of Anambra State, Nigeria. The sampling technique used was sample random sampling methods. This made it possible to get 375 entrepreneurs from the study area. The instrument used was a 20-self-structured questionnaire titled "Entrepreneurship and Rural Development."'. Section A presented the bio-data. At the same time, section B contained questions eliciting information on the two variables of the study. (benefits and problems). Both face and content validity were done to ascertain that the instrument measures what it is meant to measure. At the same time, spilt-half reliability was applied to check the consistency of the tool in measuring what it purported to measure. The reliability estimate of .89 was achieved. The Hypotheses formulated were; (i) There is no significant relationship between entrepreneurship benefits and rural development. (ii)The challenges in entrepreneurship do not significantly relate to rural development. These hypotheses were tested using the Pearson Product Moment Correlation Statistical tool at .05 levels of the sign.

RESULT AND DISCUSSION

Hypothesis 1: There is no significant relationship between entrepreneurship benefits and rural development.

Table 1: Summary of Pearson Product Moment Correlation showing the relationship between entrepreneurship benefits and rural development in Alor LGA. N=375.

Variables	Mean	SD	R	Sig	Remark
Entrepreneurship benefits	34.87	2.09			
Rural development	11.02	5.91	.175	.000	sig.

*P>.05

The results in table 1.1 above revealed a significant relationship between the benefits of entrepreneurship and rural development. With an r-value of .175, which is greater than .05 (P>.05), the null hypothesis that there is no significant relationship between entrepreneurship benefits and rural development is rejected. The result corroborates the findings of Ugwu (2017); the study revealed that the factors responsible for those 2 nations' development were based on the entrepreneurial activities in those nations. It was concluded that entrepreneurship is a key factor in any nation's development. Also, the finding from this study supports the result from Murray (2020) on an investigation of rural-urban growth. The study showed that rural-to-urban growth is a factor of economic activities involved in the area.

Hypothesis 2: The challenges' in entrepreneurship do not significantly relate to rural development.



Table 2: Summary of Pearson Product Moment Correlation showing the relationship between entrepreneurship challenges and rural development in Alor LGA. N=375.

Variables	Mean	SD	r	Sig	Remark
Entrepreneurship Challenges	39.02	11.98	.151	.000	sig.
Rural development	16.97	19.62			

*P>.05

From table 2 above, the result shows that the correlation value ($r = .151$) is significant at .05. That is, the p-value is more than .05. This implies that the null hypothesis, which states that the challenges in entrepreneurship do not significantly relate to rural development is rejected, indicated a positive relationship between the challenges in entrepreneurship and rural development in the study area. This supports the Ihejiamaizu (2019) study that concluded a relationship between an area's industrial activities and its development. The result from this hypothesis agrees with Ogbidi (2020); the study examined the problems in business and industrialisation. It was revealed that as the industries are suffering or lacking in one way or the other since the business does not exist in a vacuum, the environment will directly or indirectly suffer similarly. Therefore, it was concluded that the problems in industrialisation effects rural growth.

CONCLUSION AND RECOMMENDATIONS

Based on the findings of this study, it was drawn to the conclusion that the benefits and problems in entrepreneurship significantly relate to the development of rural areas, especially the study area. It was observed from the results of the study that entrepreneurial activities boost rural development in Alor, Idemili South local government area. Rural development is visible or achievable when various entrepreneurs are welcome to a community, also where the communities make the businessmen/women. Also, the challenges in running industrial activities can influence the rate of development of any rural area. By implication, where an industry is functioning in a community, directly or indirectly, the community must benefit from its progress and suffer from its losses. This is because businesses do not exist in a vacuum; the presence of internal and external elements of the business environment plays on each other (the business and the community).

Based on the empirical outcomes, the following recommendations were made; Nigerian governments should promote technical skill acquisition at all levels. The management and owners of private businesses should emulate the government's policy thrust on voluntary community services. The community members should make it easy for the business community of entrepreneurs since they need each other. Individuals in rural communities should directly or indirectly support small and large businesses within their reach (around them).

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