

The Role of Entrepreneurship Development towards Socio-Economic Growth in Society: The Hungry Man Restaurant Case Study- WUSE II – Abuja, Nigeria

Abdoulrahman Aljounaidi^a, Siti Maisara Binti Mohammad Jafre^b, Ayman H. M. Uzrail^c, ^aHead of Management Sciences Department, Faculty of Finance and Administrative Sciences, ^bFaculty of Information Management, UITM Puncak Perdana, Selangor, Malaysia, ^cDirectorate of Education-Salfest, Email: ^aabdulrahman.ramez@mediu.edu.my, ^bmaisara.jafre@mediu.edu.my, ^caymanuzrail@gmail.com

Purpose – The aim of this research is to study and explore the entrepreneurship role in the development of the socio-economic growth of the society by using the hungry man restaurant, Abuja Nigeria as a case study. This research attempts to find out if the role of entrepreneurship in Nigeria is important, as well as to highlight the use of entrepreneurship in an economy, investigating government involvement in the country's entrepreneurship development. This study of the government's deliberate strategy or regulation, introduced and enforced at all levels in the federation, was designed to promote the development and growth of entrepreneurs in society. **Design/methodology/approach** – the study uses a compilation of primary and secondary analysis to obtain quantitative details. Taking on a statistical test performed through X,2 the hypothesis shows that perhaps the government's inconsistency in delivering significant support for areas of business has led to economic instability. **Findings** – the research concluded that the best form of business which touches the average life of the poor in the society is entrepreneurship. That poverty will always exist is a fact that cannot be disputed even in advanced countries; the depth and magnitude of poverty could be appropriated but not totally eradicated. Through the appropriate mix of programs, some of which have been executed by the small scale enterprise, where poverty is conceived as a broad problem that's due to lack of money or even lack of food security, additional structures, education services, health care needs, technological development,

provision of social amenities' etc. should also be considered as ways in which poverty can be alleviated in the country. The government is also missing the boat when it does not focus mainly on the entrepreneurship promotion programs, the proceeds from which will not end up in the pockets of the technical bureau, but reach the average poor in order to develop local investment motives within them. In an attempt to industrialise this country, the government sources of financing small scale industries are saddled with problems, yet progress can be achieved. Doing this, will mean our getting nearer to our goal of an industrialised nation. **Originality/value** – This in-depth study offers a solid foundation for establishing businesses by using entrepreneurship at the grass root level.

Key words: *Entrepreneurship, Socio-Economic Growth, Society, Prospects, Challenges.*

Introduction

When formulating developments of entrepreneurship, beliefs may generally be defined at the beginning of the operation, if not right at the start, for instance, or if it will yield gains or not when injecting more money. This could be known best because the overall productivity will reveal much sooner if it will be profitable or otherwise, but this will not come up early in a large manufacturing industry. The development of entrepreneurship, being machine and labour intensive, industries and service sectors and businesses offer employment opportunities for a large number of people. Due to lack of funds, entrepreneurs are facing difficulties (Fraser, Bhaumik and Wright, 2015). Innovations by self-efforts at root level by entrepreneurs have proven to be very crucial for development (Angelidou and Psaltoglou, 2017).

In such a situation, the business environment is complex and challenging, and a company could best achieve its success using a well-established managerial style, as well as a competent executive director who will handle organisational business, thus promoting the development of entrepreneurship. Entrepreneurs play the role of a catalyst (McMullen and Warnick, 2015). The small company would have been a source of economic development for Nigeria. However, currently, the development of entrepreneurship is not generating a good outcome due to poor performance, as well as lack of intercession from the government. Appropriately, these works will provide various solutions to these problems which actively work against the development of business enterprises. These are improvements to entrepreneurship that include: bad administration, inexperience in management, development of entrepreneurship management individualism, difficulty in obtaining qualified staff service,

lack of staff training and development, problems with funding. Entrepreneurs have to find a solution (Talan and Sharma, 2019).

Theoretical Framework

For entrepreneurship to grow effectively, entrepreneurs must pursue goals related to their skills and ability. They must accept themselves the way they are, and try to emphasise their strengths and play down their weaknesses. If goals are pursued honestly and aggressively, they are likely to be achieve positive results. Apart from seeing entrepreneurship as a function, it should also be seen as a discipline. To attain sustained development, social entrepreneurship may prove to be the main source (Bansal, Garg and Sharma, 2019).

Entrepreneurship development is a must for any aspiring economy. People everywhere are involved in one activity embarked upon for different reasons. Social entrepreneurs are surfacing as change agents (Partzsch and Ziegler, 2011). Henry Fayol (1976), viewed entrepreneurship as a mindset to provide everything used for functioning, that is materials tools, capital and personnel. Kirzner (1973:1982:1985) stated that the entrepreneurs contribute to a movement towards economic equilibrium by pursuing opportunities. In recent research, attitude plays an important role in stimulating the GDP in developed countries, but entrepreneurial activity is having a negative effect in developing countries (Doran, McCarthy, O'Connor, and Nsiah, 2018).

Research objectives

This study aims to achieve the following objectives:

1. To highlight the use of the development of entrepreneurship in a society.
2. To illustrate most of the issues involved in the business process.
3. To analyse government engagement in the entrepreneurship development of the country.
4. To decide the importance of growth of entrepreneurs in a society.

Research Hypothesis

The findings are focused on null hypothesis (Ho) and alternative (Hi). The basis for accepting or rejecting any of the hypothesis was this hypothesis.

Ho: Entrepreneurship development has no role to play in the development of the social economy in Nigeria.

Hi: Entrepreneurship companies are playing a major role in the development of Nigeria's social economy.

Ho: Organisational skills or capability does not perform any significant role in managing the development of entrepreneurship in Nigeria's growth in the social economy.

Hi: Organisational skills or capability performs a significant role in managing the development of entrepreneurship in Nigeria's growth in the social economy.

Scope of the Study

The research covers the period of 2019-2020. The role of entrepreneurship development towards the social economy growth in the society is investigated, using The Hungry Man Restaurant, Abuja, Nigeria as a case study. The persons involved in this research were randomly chosen from the organisation's higher, middle and bottom levels of management.

Methodology

To achieve the research objectives outlined above, this paper undertakes two sources of data which were obtained to elicit data. Sekaran and Bougie (2016), defined data as a fact required for a certain purpose and from which conclusions may be drawn. This could be obtained either through questions from respondents or already formulated theories. The total number of the population of "The Hungry Man Restaurant Wuse," is 52, made up of senior and junior staff as at the time of research. As per Sekaran and Bougie (2016), the researcher's case study and copies of questionnaires were distributed to the sample population randomly. It was not feasible to cover the whole population of the Hungry Man Restaurant Wuse employees for this study due to cost involvement. In view of this, a sample size of fifty-two (52) staff was randomly collected. There were two basic sources of data collection for research purposes, primary and secondary sources. In carrying out the research, face-face interviews with the respondents were conducted. The rest of the data used was acquired from reliable and up to date publications of government websites, trade journals, textbooks on related matters, newspapers, magazines, conferences, seminars and symposiums. The research instrument used in carrying out this research were personal interviews and questionnaires. Most of the drafted questionnaires were dispatched to the staff of the organisation through personal approach and contact. Some were sent by hand. Questionnaires were filled out by the management and employees and were collected afterwards. Fifty-two (52) questionnaires were distributed to the various respondents, but only thirty-six (36) questionnaires were returned .

Financing of Small Scale Business in Nigeria

Financial management is concerned with sourcing funds, allocating and judicious utilisation of these funds and other decisions relating to how profit/loss should be treated. There are various sources of finance available for any small business. These may include friends and relations; this is another dependable source of finance for the small scale business. Such finance may be interest free or may require payment of some minimum agreed interest. With regard to scale of assets, a business owner can sell his personal belongings or any asset of the business that is considered irrelevant at the time to raise funds (Stubbs, 2017). Agreement with employees; an urgent need for cash may require the small business owner to make an agreement with employees in order to quickly utilise their salaries for a few days. Trade credit; goods or services can be purchased on credit. Promoters of the business; entrepreneurs constitute the primary sources of equity financing for starting a business. Advance payment by customers; some customers, especially middlemen and large-scale buyers usually pay in advance for goods and services. Banks; Banks offer different types of credit to small business owners, these include; overdraft, commercial loans, term loans and bank guarantees (Wo'zniak and Pactwa, 2017).

Importance of Entrepreneurship in the Service Sector

The establishment and continued existence of small scale business in any country is beneficial to the owner, the society, large business and government. Independence is very fundamental to the growth of any society to enhance successful pursuit of responsibility of goods. With regard to income and profit, the small business owners derived their salaries and wages from the business they established (Lawal, Iyiola, and Adegbuyi, 2018). Regarding social and psychological satisfaction, small business owners equally derive satisfaction from owning a business. This is because owning a business gives pride or a sense of pride, security and respect from the society. In terms of employment generation, small business employs the greater percentage of the working population in any country. Social ills such as prostitution in any country, theft, armed robbery, beggars, hooliganism etc. are reduced when most of the citizens in the society are engaged in profitable ventures (Souisa, 2018).

Issues and Challenges

The ultimate preoccupation of this research work is the role of entrepreneurship development towards the social economic growth in the society (Hammer, J. and Pivo, G., 2017). Investigation on the subject matter findings have been made covering the idea identified with specific problems. The research has identified problems confronting entrepreneurship in Nigeria. The difficulties encountered by entrepreneurship in Nigeria, which occasionally leads to the failure of businesses, are numerous. Problems such as financial constraint and

management ineptitude are common causes of entrepreneurship failure. Since a likely problem in business life is finance, the only solution which will solve this problem is to operate a sizable firm which will be limited to the owner's financial position. The extension of the business should be based on how the society is patronising the product (Serenari, Peterson, Wallace, and Stowhas, 2017). There is an adage which says "cut your coat according to your size." Don't expand your business because MR. A. has extended his, you need to study the market situation to avoid future failure. Since society members are trying to assist the government to industrialise the Nigerian nation, the government should also assist them financially and technically.

Data will be Presented and Analysed Manually in Tabular form using Percentage Method.

Table 1: Data Presentation and Analysis

Age Bracket	Response	Percentage %
Below- 25 years	9	25
26-40 years	20	55.6
Above – 40 years	7	19.4
Total	36	100

Source: Survey 2019.

From Table 1 above, the objectivity of the data collected is tested. Respondents fall into different age categories which form the basis of the analysis here, nine respondents represent the age bracket of below 25 respondents or 25% of the total respondents, 55.6% fall within 25-40 years. Seven respondents or 19.4% of the respondents represent the age bracket at above 40 years.

Table 2: Sex of Respondents

Sex	Response	Percentage
Male	21	58%
Female	15	41.6%
Total	36	100%

Source: Survey 2019

Table 2 above shows the sex of the respondents. It is clear from the table that 21 respondents are male while 15 respondents are female. The quality of the information will depend on these responses.

Table 3: Educational Qualifications

Options	Response	Percentage %
WAEC/SSCE	8	22.2
ND/NCE	12	33.3
BSC/HND	5	13.9
MSC/MBA	3	8.3
Others	6	16.7
Total	36	100

Source: Survey 2019

The table above shows the educational qualifications of respondents of “The Hungry Man Restaurant,” eight respondents are holders of WAEC/SSCE, ND/NCE holders represent 33.3% of the total respondents, while BSC/HND holders represent 13.9% of total respondents, three respondents are holders of MSC, MBA, while six respondents or 16.7% of the total respondents have professional qualifications.

Table 4: The Source of Capital for Starting Entrepreneurship

Options	Response	Percentage %
Personal savings	16	44.4
Borrowing	15	41.7
Loan from bank	5	13.7
Total	32	100

Source: Survey 2019

The table above shows that 16 respondents are in support of personal savings, 15 respondents say borrowing, while five respondents or 13.9% of the total respondents have secured a loan from the bank.

Table 4: Does the Present Tax Change Affect “The Hungry Man Restaurant” Business

Options	Response	Percentage %
YES	20	55.5
NO	16	44.5
Total	36	100

Source: Survey 2019

The table above shows that 20 respondents support that the present tax charge affects the Hungry Man Restaurant, while 16 respondents say the present tax charge does not affect the organisation.

Table 5: Does the Hungry Man Restaurant Encounter any Problems

Options	Response	Percentage %
YES	14	61.1
NO	22	38.8
Total	36	100

Source: Survey 2019

The table above shows that 14 respondents say that the organisation has encountered some problems, while 22 respondents say the organisation has not encountered any problems.

Table 6: Government Assistance to Entrepreneurship Industries Necessary or not?

Options	Response	Percentage %
Necessary	25	69.4
Not necessary	11	30.5
Total	36	100

Source: Survey 2019

The table above shows that 25 respondents support that the assistance of the government towards entrepreneurship development in Nigeria is very necessary, while 11 respondents say entrepreneurship development in Nigeria does not necessarily need any assistance from the government.

Table 7: The Contributions of Entrepreneurship Development to Poverty Alleviation in Nigeria

Options	Response	Percentage %
Excellence	7	19.4
High	8	22.2
Average	11	30.5
Low	10	27.7
Total	36	100

Source: Survey 2019

The information gathered in the table above shows that seven respondents say entrepreneurship contributes 19.4% to poverty alleviation in the country, while eight respondents say entrepreneurship contributes only 22% to poverty alleviation. 11 respondents support that entrepreneurship contributes up to 30.5% to poverty alleviation while ten respondents say entrepreneurship contributes 27.7% to poverty alleviation in the country.

Table 8: Employee Satisfaction with the Nature of Motivation

Options	Response	Percentage %
Yes	26	72.2
No	10	27.2
Total	36	100

Source: Survey 2019

The table above shows that 26 respondents say the workers are satisfied with the nature of motivation in the organisation, while ten respondents say the workers are not satisfied with the nature of motivation in the organisation.

Table 9: Employees Contribution to the Growth of the Hungry Man Restaurant

Options	Response	Percentage
Yes	30	83.3
No	6	16.7
Total	36	100

Source: Survey 2019

The total above shows that 30 respondents say 83.3% of employees contribute to the growth of “The hungry man restaurant,” while six respondents say only 16.7% of employees contribute to the growth of the organisation.

Table 10: Managerial Skills of the Hungry Man Restaurant

Options	Response	Percentage %
Yes	23	63.9
No	13	36.1
Total	36	100

Source: Survey 2019

Test of Hypothesis

The stated hypothesis in chapter one will be tested using the chi-square statistical tool $\sum \left(\frac{o-e}{e}\right)^2$

H₀: Entrepreneurship development does not play a vital role in the Nigerian economy.

H₁: Entrepreneurship development plays a vital role in the Nigerian economy.

Table 11: Frequency Observation using Table 5

Option	Industrialist	Employees	Total
Yes	25	15	40
No	11	21	32
Total	36	36	72

$$\sum F = TR \times TC$$

GT

YES

$$40 \times 36 = 20$$

72

NO

$$32 \times 36 = 16$$

72

Degree of Freedom = (Df)

$$Df = (R - 1) (C - 1)$$

$$Df = (2 - 1) (2 - 1)$$

X (1)

$$= 3.841$$

Level of significance of 5% = 0.05 tabulated (X^2) chi-square is calculated X^2 using the formula below

$$\text{Calculated } X^2 = \sum \frac{(O - E)^2}{E}$$

E

O	E	O - E	(O - E) ²	$\frac{(O - E)^2}{E}$
25	20	5	25	1.25
15	20	-5	25	1.25
11	16	-5	25	1.56
21	16	5	25	1.56
				Calculated $X^2 = 2.25$

Decision Rule

If the calculated value is greater than the tabulated value at 5% significance level, we accept the alternative hypothesis and reject the null hypothesis. Since X^2 calculated is greater than X^2 tabulated, ($5.62 > 3.84$) at 5% significance level 0.05 degree of freedom, the first null hypothesis is rejected and the alternative hypothesis is accepted, which states that entrepreneurship development plays a role in the Nigerian economy. Also, managerial skills

or capacity has a positive effect in the management of entrepreneurship development in Nigerian society.

Conclusion

From the analysis, the research concluded that the best form of business which touches average life of poor in the society is Entrepreneurship; that poverty will always exist is a fact that cannot be disputed even in advanced countries; the depth and magnitude of poverty could be appropriated but not totally eradicated (Littlewood and Holt 2018). Through the appropriate mix of programs, some of which are being executed at the moment by the small scale enterprise, when poverty is conceived as a broad problem that's lacking money or even of food security, additional structures, education services needs, health care needs, technological development, provision of social amenities' etc. should also be considered as ways in which poverty can be alleviated in the country. The government is also missing the boat when it does not focus mainly on entrepreneurship promotion programs which will not end up in the pockets of the technical bureaus, but reach the average poor in order to develop local investment motives within them. In an attempt to industrialise this country, the government, the source of financing of small scale industries is saddled with problems; progress can be achieved (Rizzi, Pellegrini, and Battaglia, 2018). If attention is given to the recommended solutions given earlier in this research work, it will mean our getting nearer to our goal of an industrialised nation.

The findings of the study on the role of entrepreneurship development towards the social economy growth in the society indicate that the research work looked at various ways in which small scale industries have influence in the development of the Nigerian economy. The study was mainly undertaken to appraise the extent to which entrepreneurship has contributed to the development of Nigeria as a nation (Brown, Boon, and Pitt, 2017). However, the statistical test carried out on the hypothesis shows that the inconsistency in government to provide serious support for that sector has contributed to the under development of the sector. Based on the findings, it is observed that, when investigating the Hungry Man Restaurant, the researcher was able to cross the middle, top and the lower level of the entire staff of the said organisation, which provided primary data that assisted with carrying out this research work effectively. Finally, entrepreneurship can institute positive changes in the Nigerian economy if properly managed and financed (Thorgren and Omorede, 2018).

Recommendations

A clear look at the problems faced by entrepreneurship can be classified into two main sources, the external source and the internal source. Being mainly government and partly

market forces, the internal source is the proprietor itself, so solving these problems of the business can be handed from this perspective as well (Wu, J.; Zhuo, S., and Wu, Z., 2017).

Effect of Government

The government can help entrepreneurship by doing the following:

1. Provision of loans for viable small scale sector through:
 - a. National Directorate of Employment (NDE)
 - b. National Agency for Poverty Eradication Program (NAPEP)
 - c. Small and Medium Enterprise Development Agency of Nigeria (SMEDAN)
 - d. Centre for Industrial Research Development (CIDR)

As well as making efforts to see that the interest rates charged by banks as a result of loan collection are moderate for their business operations, and the procedures of obtaining loans from banks, the following should be considered:

2. Removing tax from viable activities of the industries to encourage investment in them.
3. Provision of infrastructural facilities to the producers, such as hospitals to take care of health, schools to educate the local people, electricity, pipe-borne water supply, good road for easy movement etc.
4. The need for technical assistance so as to adopt to the modern method of production to enhance production processes.
5. Improvement in market situation, the government should encourage local producers to produce in large quantities through the marketing abroad who will purchase this project from them in large quantities and with viable processes.

Effect of Proprietorship

The proprietorship should always have a financial plan before embarking on any business in life, and to hint the extension of family and making proper use of the bank savings system should be adopted, this will encourage banks to allow the customer to take an overdraft from the bank. The proprietor should study carefully the accounting system by recording their financial statements so as to be able to know their expenditure and revenue at a certain period (Drăgoi, Iamandi, Munteanu, Ciobanu, Tartavulea, and Lădaru, 2017).

Above all, the government should establish strong industrial links with countries like Korea, China etc. which have had tremendous success with the development of small scale industries. Nigerian entrepreneurs can learn a lot from the experience of enterprise in such countries and the Nigerian government will also learn from the supportive role that their government have rendered towards the realisation of the employment generating capacity of small scale industries (De Lange and Dodds, 2017).



Limitations of the Study

A variety of factors imposed restrictions during the period of working out this research, including lack of access to some useful items, since many of the data required are considered extremely confidential by employees at the Hungry Man Restaurant Wuse II Abuja, Nigeria. In addition, in pursuit of appropriate resources, the study was challenged with insufficient funding and the worst communications network.

REFERENCES

- Angelidou, M. and Psaltoglou, A. (2017). An empirical investigation of social innovation initiatives for sustainable urban development. *Sustain. Cities Soc.* , 33, 113–125.
- Brown, T.E., Boon, E., and Pitt, L.F. (2017). Seeking funding in order to sell: Crowd funding as a marketing tool. *Bus. Horiz.* , 60, 189–195.
- Doran, J. , McCarthy, N., O’Connor, M. and Nsiah, C. (2018). The role of entrepreneurship in stimulating economic growth in developed and developing countries, *Cogent Economics & Finance*, 6(1) , <https://doi.org/10.1080/23322039.2018.1442093>.
- Drăgoi, M.C., Iamandi, I.E., Munteanu, S.M., Ciobanu, R., Tartavulea, R.I., Lădaru, R.G.(2017). Incentives for developing resilient agritourism entrepreneurship in rural communities in Romania in a European context. *Sustainability*, 9, 2205.
- De Lange, D. and Dodds, R. (2017). Increasing sustainable tourism through social entrepreneurship. *Int. J. Contemp. Hosp. Manag.* , 29, 1977–2002.
- Fraser, S., Bhaumik, S. and Wright, M. (2015). ‘What do we know about entrepreneurial finance and its relationship with growth?’ *International Small Business Journal*, 33(1), 70-88.
- Hammer, J. and Pivo, G.(2017). The Triple Bottom Line and Sustainable Economic Development Theory and Practice. *Econ. Dev. Q.*, 31, 25–36.
- Kirzner I. M. (1973). *Competition & entrepreneurship*. Chicago: University of Chicago Press.
- Kirzner. I. M. (1982). “The Theory of Entrepreneurship in economic growth.” Pp. 272-276 In: Calvin A.Kent, Donald L. Sexton, and Karl H. Vesper (Eds.) *Encyclopedia of Entrepreneurship*. Englewood Cliffs, New Jersey: Prentice-Hall.
- Kirzner, I. M. (1985). *Discovery and the capitalist process*. Chicago: University of Chicago Press
- Littlewood, D. and Holt, D. (2018). Social Entrepreneurship in South Africa: Exploring the Influence of Environment. *Bus. Soc.*, 57, 525–561.
- Lawal, F.A., Iyiola, O.O., and Adegbuyi, O.A. (2018). Exploring alternative financing for entrepreneurship development in Nigeria: Surmounting challenges. *Journal of Entrepreneurship Education*, 21(2).



- McMullen, J. S and Warnick, B. (2015). The downside of blended value and hybrid organizing. *Journal of Management Studies*, this issue.
- Partzsch, L. and Ziegler, R. (2011). Social entrepreneurs as change agents: A case study on power and authority in the water sector. *Int. Environ. Agreem. Polit. Law Econ.* , 11, 63– 83.
- Rizzi, F., Pellegrini, C., and Battaglia, M. (2018). The structuring of social finance: Emerging approaches for supporting environmentally and socially impactful projects. *J. Clean. Prod.* , 170, 805–817.
- Souisa, W. (2018). The effects of entrepreneurial orientation and market orientation on business performance. *Journal of Entrepreneurship Education*, 21(4).
- Serenari, C., Peterson, M.N., Wallace, T., Stowhas, P. (2017). Private protected areas, ecotourism development and impacts on local people’s well-being: A review from case studies in Southern Chile. *J. Sustain. Tour.* , 25, 1792–1810.
- Stubbs, W. (2017). Sustainable Entrepreneurship and B Corps. *Bus. Strateg. Environ.* , 26, 331–344.
- Sekaran, U., and Bougie, R. J. (2016). *Research Methods for Business: A Skill Building Approach*. New York: John Wiley & Sons.
- Talan, G. and Sharma, G. (2019). Doing Well by Doing Good: A Systematic Review and Research Agenda for Sustainable Investment. *Sustainability*, 11, 353.
- Thorgren, S. and Omorede, A. (2018). Passionate leaders in social entrepreneurship: Exploring an African context. *Bus. Soc.*, 57, 481–524.
- Wu, J.; Zhuo, S., and Wu, Z. (2017). National innovation system, social entrepreneurship, and rural economic growth in China. *Technol. Forecast. Soc. Chang*, 121, 238–250.
- Wo’zniak, J. and Pactwa, K. (2017). Environmental activity of mining industry leaders in poland in line with the principles of sustainable development. *Sustainability* , 9, 1903.