

Motivation for Entrepreneurial Engagement among Youths in Ogun State: Push and Pull Factors Analysis

JIMOH, Tajudeen Adisa¹, ADEBAYO, Adewale Bashir²

¹Office Technology and Management Department, The Federal Polytechnic, Ilaro, Nigeria

²Registry Department, The Federal Polytechnic, Ilaro, Nigeria

Abstract: This study was carried out to determine the factors responsible for the motivation of youths into entrepreneurship. It assessed the motivational impact of push and pull factors on the youths' entrepreneurial engagement. The study was carried out in Ogun State and the population comprised all youth entrepreneurs in the State. It is an ex post factor in design but employed survey approach with the use of questionnaire for data collection. A cross-sectional survey of 300 youth entrepreneurs from the three senatorial districts of the state was done in which 100 youth entrepreneurs were randomly selected from each of Ogun West, Ogun East and Ogun Central Districts. Descriptive and inferential analysis of data collected revealed higher relative contribution of push factors to the entrepreneurship engagement of the youths than the pull factors. This informed the conclusion that entrepreneurship engagement of the youths was largely stimulated by negative economic situations and compelling factors such as unemployment, job insecurity, economic hardship, poor conditions of available jobs, etc. Among others, it was recommended that governments and stakeholders in national economic building and development should put mechanisms in place towards providing support, enablement and appealing conditions capable of igniting youths' passion for entrepreneurship as desirable alternative for their economic engagement and productive living.

Keywords: Entrepreneurial engagement, Pull factor, Push factor, Youths

I. BACKGROUND TO THE STUDY

In the world today, entrepreneurship is accorded much importance and has become an increasingly popular component of curricula of schools at different levels. The importance of entrepreneurship, creativity and innovative thinking stems from the fact that they are seen as viable options for job creation, empowerment, poverty reduction, etc.

As a result of the need for developing economies, such as Nigeria, to have innovative, well-trained and entrepreneurial individuals who exhibits the capacities to develop new things and have the courage to face and adapt to likely challenges in their entrepreneurial life, efforts are being made by government at all levels to equip youths with skills necessary to become entrepreneurs and innovators through self-owned businesses and economic engagements (Aja-Okorie & Adali, 2013).

Entrepreneurship is the process that individuals adopts to grasp opportunities in a particular business or market by creating something new or adding new values to existing things. It involves one's ability to create job for himself and others who are taken up as workers in the production process (Ajagbe & Ismail, 2014; Fadeyi, et al., 2015). Entrepreneurship denotes an individual's capacity to translate ideas into action and encompasses the ability to create new things, make innovation and take risks, as well as the ability to exploit a business venture and manage circumstance with a view to achieving a goal or set of specific goals (Aja-Okorie & Adali, 2013). An entrepreneur, according to Anayakoha (2006), is anyone who identifies a productive and profitable opportunity, locates resources, takes steps and assumes risks or commences and run a business enterprise to make use of the opportunity. Such individual innovates new things, discovers new products offering, creates services that are capable of opening new markets; new sources of materials; or the development of entirely new ventures (Aja-okorie & Adali, 2013).

According to Viguria (2015), many young adults consider self-employment in productive activities as an option for their social wellbeing and economic sustenance. Their engagement in entrepreneurial ventures and activities provides them with means of livelihood and sources of survival for other people employed in such ventures, thus, contributing to national development through job creations, per capita income for survival, creative competitiveness, innovations and Gross Domestic Products (OECD & European Commission, 2014; Seth, 2021).

According to Bahrami (2014), several studies have given clear pointer to the fact that the rate of entrepreneurial involvement of people in a nation is linked to the economic development of such nation. In recent times, youth involvement in entrepreneurship activities is on the increase as many of them inclined towards desire for independent job ownership. However, teaching entrepreneurship either in the formal school setting or informally through apprenticeship is not the only reason why young people, even graduates, decide to orientate themselves towards entrepreneurship (Lucas & Marie, 2017) but individuals engage in entrepreneurial activity as a result of combination of factors (Zwan, et al.,

2016). Youth unemployment manifests in different forms and with a view to limiting the effect of poor economic situation and improving quality of living, youths engage in entrepreneurial activities to transform from being dependent on financial, social and economic support of parents or other adults to being economically productive on their own with the ability to support themselves and others and to have economic sustenance (Ayanna, 2016; Lucas & Marie, 2017).

Levie and Autio (2013) observe that a significant factor for the creation, development, growth and survival of businesses, firms and enterprises is the aspiration level of entrepreneurs which is manifested in their level of involvement or engagement in entrepreneurship activities. Entrepreneurial engagement, also referred to as entrepreneurial involvement, is a process that covers successive levels of participation in entrepreneurship activities or ventures (Hessels et al., 2011). It consists of the discovery, conception, analysis and utilisation of available opportunities by an individual (Lim, Oh, & Clercq, 2016). Entrepreneurial engagement encompasses the different levels in the process and cycle of any form of creativity and entrepreneurial venture - from the preliminary engagement (potential entrepreneur) to the highest level (established entrepreneur) (Hessels et al., 2011).

The level of entrepreneurial engagement of an individual is dependent not only on individual characteristics but also on environmental factors (Shane, 2000). Grilo and Thurik (2005) identified seven levels of entrepreneurial engagement to be - thinking about it, taking steps for starting up, having a young business, having an older business, gave up, no longer an entrepreneur and never thought about it. The authors further categorized the levels into *nascent stage* (comprising “thinking about it” and “taking steps for starting up”) *business stage* (comprising “having a young business” and “having an older business”), *exit stage* (comprising “gave up” and “no longer an entrepreneur”), *outsider stage* (“never thought about it”) and *latent stage* (denoting ‘preference for entrepreneurship over paid employment’). Accordingly, the engagement basis was used to classify entrepreneurs’ undertakings into six levels namely - no entrepreneurial engagement, potential entrepreneur, intentional entrepreneur, nascent entrepreneur, young business owner and *established business owner* (Hessels et al., 2011; Frederick, 2016).

Several studies have been carried out to understand the possible factors that give rise to entrepreneurial involvement and engagement (Cavada, Bobek, & Maček, 2017). Results of such studies revealed different findings pointing to personal, psychological, economic, social, cultural and environmental factors, desire for economic sustenance and independence, financial insecurity, emergence of opportunities, fear, passion for own business, etc. as reasons that inspire entrepreneurs to choose the path of entrepreneurship (Carsrud & Brananback, 2001; Shane, Locke, & Collins, 2003; Minniti & Nardone, 2007; Hopp & Stephan, 2012; Cavada, Bobek, & Maček, 2017; Kosa & Mohammed, 2017), but no one factor could be considered as having decisive influence on the motivation

of individual to engage in entrepreneurship (Androniceanu et al, 2020).

Motivations for entrepreneurial engagement have been classified into push and pull factors (Cavada, Bobek, & Maček, 2017; Ismail, 2021). According to Sharma (2015), the push theory claims that being pushed implies the in forces of negative conditions such as dissatisfaction, loss or lack of job, threats on existing jobs, insecurities, poor job condition, etc. to embrace entrepreneurship. Such factors are related to necessity for survival and they coerce individuals to embrace entrepreneurship as a way out. The pull theory holds that people are enticed and fascinated into entrepreneurial activities with a view to having economic and social independence, make good use of their skills and experience and live a productive life, among others. Verheul, et al. (2016) regard the pull factors as positive factors that draw people into entrepreneurship and these may include the need for achievement, desire to be independent and opportunities for social development. On the basis of motivation into economic and productive activities, Alam et al. (2021) classified entrepreneurs into *necessity-driven* who begins a venture as a means to grab perceived or received opportunity and *opportunity-driven* who opts for entrepreneurship as the available option where other opportunities for employment are scarce or completely unavailable.

Cavada, Bobek, and Maček (2017) in a study on motivation factors for female entrepreneurship, considered lack of desired jobs, graduate unemployment, unbearable conditions of employment, frustration, poor health and safety measures, policies and practices, and other economic necessities as push factors while freedom, passion for autonomy, self-fulfillment and achievement, aspiration, satisfaction, social inclinations, innate drive for self-reliance and desire for economic wealth were grouped as pull factors. According to Serazul (2012), pull factors contributing to the entrepreneurship involvement comprise reasons which position entrepreneurship as an attractive, desirable and encouraging alternative capable of drawing entrepreneurs to their choice. They are motivating and ambitious factors that arouse or stimulate rather than force entrepreneurs to initiate own ventures. On the other hand, any factor which compels people to look for a way out of economic hardship is a push factor. This could be rising unemployment, underemployment of qualified people, unsatisfactory job conditions, lack of job prospects, etc.

The foregoing suggests that individual entrepreneur is motivated by a factor or combination of factors to venture into entrepreneurship. As there is no generally accepted combination of conditions or factors taken as the main reasons that spur people into entrepreneurship and unanswered questions bothering on entrepreneurial behaviour, propensity and impetus (Góđány et al., 2021), the predominant influence of the push and pull factors on the motivation for entrepreneurial engagement is yet to be definitively determined. Hence, with special focus on youth entrepreneurs, an examination of the relative impact of the two classes of

factors (push and pull) that have been identified as motivation for entrepreneurship engagement is significant.

The present study examines the relative impact of push and pulls factors on the motivation for entrepreneurial engagement among youths in Ogun State, Nigeria. Ogun State is one of the thirty-six states of Nigeria. It shares boundaries with Lagos and Oyo States, major metropolitan states and known commercial hubs of the nation on one part, and Republic of Benin, on the other part. The various forms of job and economic ventures in which youths in the State are engaged are a reflection that entrepreneurship and business creation have become economic alternatives for the youths. The objective was to determine the difference in the motivational impact of push and pull factors on the youths' entrepreneurial drive with a view to determining which of the factors has domineering impact and engender higher motivation for the youths' entrepreneurship engagement.

II. METHODOLOGY

The study is an ex post facto in design and employed the survey approach involving the use of questionnaire for data collection. The study was carried out in Ogun State, Nigeria and the population comprised all youth entrepreneurs in the State. 300 youth entrepreneurs were selected from the three senatorial districts of the State with proportionate method of sample selection. With this, 100 youths who are engaged in entrepreneurial activities and ventures were randomly selected from each district regardless of the type and size of their ventures and business outfit.

In pursuing the objective of the study, the following hypotheses were formulated:

H₀₁: Push and pull factors do not have any significant combined impact on motivation for entrepreneurial engagement of youths in Ogun State.

H₀₂: Push and pull factors do not have any significant relative influence on motivation for entrepreneurial engagement of youths in Ogun State.

A questionnaire with 4-point likert type options - Strongly Agree, Agree, Disagree and Strongly Disagree was used for primary data collection. Entrepreneurial engagement levels in Grilo and Thurik (2005), Frederick (2016) and Hessels et al. (2011) were adapted and factored into the entrepreneurial engagement inputs. Since the present study focuses on the active entrepreneurial engagement, the non-engagement levels - "gave up", "no longer an entrepreneur" and "never thought about it" in Grilo and Thurik (2005) and "no entrepreneurial engagement" of Hessels et al., (2011) were deliberately exempted. The inputs for push and pull motivation factors were adapted from Fafaliou (2012), Jahangir-Kabir (2018), Sharma (2015) and Yousefi and Marzuki (2015).

III. RESULTS AND DISCUSSION

300 questionnaires were administered, 287 were returned representing retrieval rate of 95%. However, 282 were filled correctly and considered valid for analysis. Descriptive and inferential methods of data analysis were applied using Statistical Package for Social Sciences (SPSS).

Table 1: Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.719	.735	15

Scale reliability of items in the returned questionnaire was obtained through Cronbach's alpha as shown in Table 1. The result indicates Cronbach's alpha α .71 against the benchmark of .70. The Alpha coefficient value implies that the statistical instrument used for measurement can consistently produce the same result at different time under the same condition or circumstance.

Table 2: Factor Analysis

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.364	29.095	29.095	4.364	29.095	29.095
2	2.077	13.848	42.943	2.077	13.848	42.943
3	1.542	10.279	53.222	1.542	10.279	53.222
4	1.443	9.619	62.841	1.443	9.619	62.841

Table 2 shows the total variance explained value of 62.84% against the benchmark of 50%. This shows that the instrument is adequately loaded with factor inputs capable of measuring what it intends to measure.

Table 3: Correlation Matrix

		ETRENG	PULLF ACTOR	PUSHF ACTOR
Pearson Correlation	ETR ENG	1.000	.001	.878
	PULL FACTOR	.001	1.000	-.003
	PUSH FACTOR	.878	-.003	1.000
Sig. (1-	ETR ENG	.	.493	.000

tailed)	PULL FACTOR	.493	.	.481
	PUSH FACTOR	.000	.481	.
N	ETR ENG	282	282	282
	PULL FACTOR	282	282	282
	PUSH FACTOR	282	282	282

Table 3 reveals the relationship among the variables. The results show that there is a very weak positive correlation between pull factor and entrepreneurial engagement with correlation coefficient .001 and a very strong positive correlation between push factor and youth entrepreneurship with coefficient value of .87. This portends a high relationship between push factor indexes and motivation for entrepreneurial engagement among the youths but a weak relationship with pull factors.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.878 ^a	.772	.770	1.69145
a. Predictors: (Constant), PUSH FACTOR, PULL FACTOR				

The coefficient of correlation in the model summary shows R-square and Adjusted R-square values of .772 and .770 respectively, indicating that 77% of the total variance in the motivation for entrepreneurship engagement of youths is jointly accounted for by both the pull and the push factors. This implies that the pull and the push factors will jointly yield 77% motivation of the youths in entrepreneurship inclination and engagement.

Table 5: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	2698.058	2	1349.029	471.526	.000 ^b
	Residual	798.215	279	2.861		
	Total	3496.273	281			
a. Dependent Variable: ETRENG						
b. Predictors: (Constant), PUSH FACTOR, PULL FACTOR						

Table 5 shows the significance value P.000 <.005 which implies a significant joint influence of the predictors (push and pull factors) on entrepreneurship engagement. Hence, the null hypothesis one that pull and push factors will not have any significant combined impact on youth motivation for entrepreneurship engagement is rejected and we accept the alternative hypotheses that there is significant combined impact of the predictors (pull and push factors) on entrepreneurship engagement of youths in Ogun State.

Table 6: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.755	.809		.933	.352
	PULLFACTOR	.004	.031	.004	.126	.900
	PUSHFACTOR	.990	.032	.878	30.709	.000
a. Dependent Variable: ETR ENG						

Table 6 shows the relative influence of the predicting variables and the magnitude of their relative influence on the dependent variable. The table reveals that pull factors do not have any significant relative impact on the motivation for entrepreneurial engagement with t-statistics [$\beta=.004, t = .126, P >.005$]. Hence, the null hypothesis is accepted and the alternative hypothesis is rejected at 95% confidence interval. The result shows that a unit increase in any of the dimensions of pull factors will only yield .004 increase in the motivation for entrepreneurial engagement of the subjects. The result also reveals that push factors have significant impact on the motivation of youths for entrepreneurship with t-statistics [$\beta=.990, t = 30.709, P=.000 < .005$]. As a result, the null hypothesis is rejected and the alternative hypothesis is accepted. It is thus upheld that push factors have significant impact on the motivation for entrepreneurship engagement of youths in Ogun State.

These results clearly reveal that a unit increase in the index inputs for push factors will engender huge increase in the motivation for entrepreneurship engagement of the youths which communicates that most of the entrepreneurship engagement of the youths in the study area were informed by compelling or necessity factors such as rising unemployment level, inability of the youths to get paid jobs, poor conditions of work and economic hardship, among others. This supports Cavada, Bobek, & Maček (2017) and Kosa & Mohammed (2017). They are not positively attracted to entrepreneurship through innate passion for entrepreneurship and need for achievement, opportunities, preference for independence, social prestige etc. that are index for pull motivation.

It is particularly clear as drawn from the results that most of the entrepreneurial activities in which the youths in the study area are engaged are driven by negative economic indices like loss or lack of job, insecurities, poor job condition, and that the youths only venture into entrepreneurship as necessary options for economic sustenance and survival. Hence, push factors portend more domineering and potent influence on the entrepreneurial drive among youths in the study area and reflects on their disposition to entrepreneurship in which passion and aspiration and other ambitious factors are not responsible for the motivation of the youths in entrepreneurship.

IV. CONCLUSION AND RECOMMENDATIONS

The capacity, aspiration and willingness for entrepreneurial endeavour or business creation is globally acknowledged as potent means of productive living among young people. Youth's motivation for entrepreneurial involvement or engagement is triggered and enhanced by many factors and such motivation is significantly important for entrepreneurs to steer through the stages of entrepreneurial idea conception, translation of ideas into action, creativity, innovation, risk-taking to active engagement in entrepreneurship. Youth engagement in entrepreneurial is attributed closely to readiness and wiliness to be economically and socially self-dependent rather than the support of others on reliance of white collar engagement. Labour market condition and negative reasons are push factors while opportunities, passion and many other positive inclinations towards entrepreneurial life are pull factors driving young people into entrepreneurship

It can be concluded that motivation for entrepreneurship engagement of the youths is largely stimulated as a result of negative economic situations or compelling factors ranging from unemployment, job insecurity, economic hardship, poor conditions of work, etc. Youths are particularly attracted to business creation and self-reliance endeavours by push factors without enabling conditions to kindle inner passion for entrepreneurial opportunities, economic independence, and social integration beyond white collars.

In the light of these, it is recommended that economic development policies should give priority. Sustainable development includes active contributions of youths to gross domestic and national products through their per capital earnings, hence, governments and other stakeholders in national economic building should provide support and enabling conditions – start up loans, power, patronage of locally made goods, and other appealing factors that will make entrepreneurship a desirable alternative for youths and facilitate good use of entrepreneurial skills, and make them more passionately inclined towards job creation and independent economic activities.

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