

Entrepreneurship, Growth Drivers, and Economic Development: The Roles of Small-Medium Enterprises (SMEs) in Sustainable Development in Nigeria

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ABSTRACT

Entrepreneurship development is often regarded as a key driver of economic growth and long-term development in any given economy. This research examined the influence of entrepreneurship development on the Nigerian economy, as well as how to implement particular principles and get the greatest results for long-term growth. The results show that entrepreneurship makes a significant contribution to job creation and economic growth. The study found that entrepreneurial development inevitably results in employment creation, which leads to economic development. As a result, Nigerians should take advantage of the many economic possibilities available to them; likewise, the government and other institutions should focus their efforts on the purposeful growth of entrepreneurship.

Keywords: Entrepreneurship, Entrepreneurship Development, Nigeria economy, Small-Medium Enterprises (SMEs)

INTRODUCTION

Entrepreneurial development may be used to assess economic prosperity, stability, and progression, particularly for the sustainability of individuals and organisations inside a society. Meanwhile, experts have investigated entrepreneurship and discovered that it has the potential to help any country's economy grow. The overview of success documented in industrialised nations was most commonly related to the success of entrepreneurship, which serves as a signpost to economic progress, particularly in third-world countries. Entrepreneurship is recognised as a "source of economic growth" (Adejumo, 2000). This is because it places a high value on its contribution to a country's economic development. It is also related to actions that have the potential to impact the lives and economics of a certain country.

Adejumo (2000) argued that entrepreneurial activities have been shown to have a favourable influence on a country's economy as well as its people's quality of life. The link between entrepreneurship and economic growth is demonstrated when entrepreneurs act on profit opportunities, thereby increasing the economy's productivity by creating more economic activities, which invariably generate employment opportunities and boost GDP (Nwachukwu and Ogbo, 2012). Not only that, but it is endowed with a diverse range of mineral reserves, including coal, petroleum, natural gas, precious metals, tin, and crystal, as well as vast agricultural farmlands.

Despite these advantages, Nigeria is economically underdeveloped due to a lack of industrial infrastructure, among other factors. However, these constraints have severely hampered the growth of entrepreneurial activity in Nigeria, and the Nigerian economy remains underdeveloped. Meanwhile, Nigeria's abundance of human and natural resources provides several economic and investment opportunities. Drawing on these resources, one must be able to discern the potential and utility of economically viable fields of activity.

As a result, there have been notable attempts to develop entrepreneurial activities and innovative skill in Nigeria enterprises within the following areas: food processing, quarrying, germ stone cutting/polishing, power generation, haulage business (cargo and passengers), producing and repairing of Mobile phones and its

accessories, printing and selling of recharge cards, construction and maintenance of pipelines, drilling, processing by products, refuse disposal, drainage/sewage. Entrepreneurial development is therefore defined as planned actions that aim to improve the knowledge (body of knowledge), skills, behaviours, and attitudes involved in the generation of society's wealth in order to create human capability. Thus, entrepreneurial growth is seen as the foundation for capacity building and economic development.

This paper made the case that entrepreneurship is essential to economic growth because it fosters innovation, the creation of jobs, and the accumulation of wealth. Over the past twenty years, Nigerian entrepreneurship has changed dramatically thanks to developments in fintech, e-commerce, technology, the creative sector, and youth-led businesses. A dynamic environment for corporate growth has been fostered by the nation's vast and youthful population, rising digital use, and government efforts. Technology is being used by startups and small enterprises to get beyond conventional obstacles, increase productivity, and access new markets both domestically and abroad.

Notwithstanding these developments, a number of obstacles still stand in the way of Nigerian entrepreneurs' expansion. Significant barriers include inadequate infrastructure, restricted access to financing, erratic governmental regulations, and a difficult business climate. Due to strict lending conditions, exorbitant interest rates, and a dearth of venture capital, many entrepreneurs have difficulty obtaining finance, especially for small and medium-sized businesses (SMEs). Furthermore, the complicated business environment created by several tax regimes and legislative uncertainties makes it challenging for start-ups to grow.

However, with the correct initiatives, Nigeria might emerge as one of Africa's premier hubs for entrepreneurship. Business growth may be accelerated by implementing strategic policies that support innovation, provide access to capital, and fund entrepreneurial education. The government has taken positive steps with its Ease of Doing Business reforms, digital economy initiatives, and infrastructure development investments. Nigeria can establish a more inclusive and sustainable entrepreneurial ecosystem that propels long-term economic growth by tackling these issues and seizing current possibilities.

This paper examines the present situation of entrepreneurship in Nigeria, stressing significant developments, advantages, and opportunities to promote a livelier business environment. It looks at how Nigeria's entrepreneurial ecosystem is shaped by technology, governmental regulations, financial accessibility, and human capital development, providing guidance on how the nation might maximise its entrepreneurial potential for long-term economic success.

This work is organised into many key sections to aid comprehension. Research methodology was reviewed in Section 2. The literature on the historical development of entrepreneurship in Nigeria is examined in Section 3. The study's research techniques are covered in Section 3 along with recent developments in entrepreneurship in Nigeria, the benefits of entrepreneurship, and the contributions of entrepreneurship to economic growth. Entrepreneurship's theoretical views on economic development are presented and examined in Section 4, and the main findings and their implications for further research are summed up in Section 5. This organisation makes an effort to provide comprehensive information about the study's methodology, findings, and conclusions.

RESEARCH METHODOLOGY

The systematic literature review (SLR) was used in this work. Owioye (2023) argued that the SLR identifies, selects, and assesses research that addresses a given topic. Before beginning the systematic review, the criteria should be explicitly established. The author described the key sources of literature for each of the study subjects using SLR. The author conducted an SLR using a sample of 85 research publications. These articles were selected from a pool of 300 papers gathered from various relevant sources. The publications were chosen based on their citation count in Google Scholar, Scopus, and the journal's impact factor.

In addition, the author synthesised the literature using the QCA and applied it to provide answers to the research

question. The author chose the most current papers from 2005 to 2025 that were cited by several academics since the growth of entrepreneurship in Nigeria has been a significant topic of research for the past 20 years. According to Okoli and Schabram (2010), the SLR is a methodical, transparent, exhaustive, and repeatable process for locating, evaluating, and synthesising recent academic, research, and practice literature.

Finding pertinent articles, creating a screening strategy, evaluating the quality, extracting pertinent material, and analysing and synthesising the results are the next five phases in the SLR process. Lastly, a report and summary of the review's conclusions are provided (Xiao & Watson, 2017). One method for determining the factors that contribute to certain outcomes is qualitative comparative analysis, or QCA. This research technique aims to draw valid conclusions from contextual data in order to offer understanding, fresh concepts, fact interpretation, and advice for real-world application. Giving a comprehensive picture of the phenomena is the goal. Models, conceptual maps, conceptual systems, and categories are frequently developed using QCA ideas or categories.

There are two possible approaches to QCA: deductive and inductive. When prior knowledge of the subject is inadequate, inductive reasoning is employed. However, deductive content analysis was created to investigate new information or validate hypotheses (Elo & Kyngäs, 2008). In order to critically assess the work, the author employed an inductive approach. Three steps have to be considered. The author started by choosing passages from search articles that addressed the three study topics. The author then addressed the research questions of the study by choosing sentences from each section. This research will examine the critical issues stated above. The next section will provide a comprehensive review of the Historical Development of Entrepreneurship in Nigeria.

Historical Development of Entrepreneurship in Nigeria

Entrepreneurship as a human effort has piqued the curiosity of scholars, academics, and policymakers all around the world. And, after the conclusion of the Nigerian civil war (1967-1970), the government's role in fostering entrepreneurial growth has grown. After the mid-1980s, there has been an improvement in the government's commitment to entrepreneurial development, notably after the implementation of the Structural Adjustment Program (SAP in 1986). Meanwhile, the concept of entrepreneurial development is regarded to be the key to poverty eradication, job creation, and rapid economic growth.

Entrepreneurship is viewed not only as effective in addressing the issues of unemployment, poor financial condition, and underdevelopment in developing countries, but also as a method for accelerating economic development in both developed and developing countries, which has aided the growth of entrepreneurship developments (Schumpeter, 1934; Harper, 1991; Morris & Lewis, 1991; Van Praag & Versloot, 2007). Over the last five decades, Nigerian governments have recognised the importance of entrepreneurship as a tool for economic growth and development, and they are now developing policies and programmes aimed primarily at fostering entrepreneurship through the formation of small and medium-sized enterprises.

The current National Directorate of Employment (NDE), the National Open Apprenticeship Scheme (NOAS), and the Small and Medium Enterprise Development Association of Nigeria (SMEDAN) are examples of these schemes (Thaddeus, 2012). The Nigerian government primarily promotes entrepreneurial culture through initiatives that foster business confidence, a positive outlook, pride in success, support and encouragement of innovative ideas, social responsibility, technological support, improved inter-firm linkages, and stimulation of study and development. At the early 2000s, entrepreneurship studies were introduced into Nigeria's educational system as a required course, notably for students at higher education institutions.

The Centre for Entrepreneurship Development (CED) was established with the mandate of training and inspiring students of higher institutions (particularly in the field of science, engineering, and technology (SET)) to acquire entrepreneurial, innovative, and management skills, realising the poor increase in the level of unemployment and poverty rate in Nigeria, which has sparked the interest of university graduates as well as young school leavers who are unable to get a white-collar jobs turn into entrepreneurship.

This reflects one of the goals of the Centre for Entrepreneurship Development (CED), which is to help unemployed graduates become self-employed so that, at the end of their studies, graduates of tertiary institutions will be able to start their own businesses with the goal of contributing to the economy, creating job opportunities for others, and creating wealth.

Furthermore, the concept of entrepreneurship development in Nigeria became relevant immediately following the end of the Nigerian civil war, as the National Development Plan focused on developing the 3Rs objectives of reconstruction, redevelopment, and reconciliation. Entrepreneurial activities are commonly practiced by micro and small-scale businesses, so SMEDAN's effort is to focus on the event of micro, small, and medium-scale enterprises (MSMEs) wherever it coordinates and incorporates MSME activities in order to develop their full potential and competitiveness (Thaddeus, 2012).

The Small and Medium Enterprises Development Association of Nigeria businesses (SMEDANs) have the potential to grow into large-scale entrepreneurship if the right parameters, such as finance, infrastructure development, favourable government policies, adequate preparation, and sufficient business information, are considered satisfactorily.

Nigeria, on the other hand, has witnessed an economic development system of industrialisation as a result of the economic process, with industrialisation being the outcome of technological advancement and investment. Technical advancement or capital expansion, on the other hand, is regarded to be both the cause and effect of entrepreneurial endeavour in the economy.

There is evidence from industrialised countries that economic progress is driven by the availability of quality and competency among entrepreneurs inside the country. As a result, following independence in 1960, the Nigerian government felt compelled to encourage and promote local businesses. As a result, the government supports the multilateral link between entrepreneurship, industrialisation, and economic growth. Over the last five decades, the government has taken a variety of steps, including financial, business, and industrial policy measures, to support the development of Small and Medium Scale Enterprises (SMEs) by establishing a variety of support institutions aimed at providing succour and assisting SMEs in overcoming a number of obstacles on their growth path.

Specifically, the government has been engaged in the following areas: providing funds for the creation of industrial parks to reduce overhead expenses. Support the construction of industrial financial institutions, like the Small-Scale Industry loans theme (SSICS), the Nigerian Industrial Development Bank (NIDB), and the Nigerian Bank for Commerce and Trade (NBCI), which would provide long-term loans. Support the formation of the National Economic Reconstruction Fund (NERFUND), which will provide medium- to long-term indigenous and international loans for small and medium-sized companies.

To support the establishment of institutions such as the National Directorate of Employment (NDE), Nigerian Export-Import Bank (NEXIM), Industrial Development Coordinating Centre (IDCC), Peoples Bank, Community Banks, Construction Bank, Family Economic Advancement Programme (FEAP), and State Ministries of Trade SME schemes. Technical training and consulting services are provided through industrial development centres, for example. Meanwhile, the aforementioned supporting institutions and alternative incentives offered by governments have helped to improve the performance and activities of entrepreneurs in the economy.

As a result, development in small-scale firms leads to an increase in national revenue, job creation, a solid entrepreneurial basis, and feasible economic growth within the country. The country's current desire for entrepreneurship development stems from the fact that entrepreneurship development is regarded as a key ingredient in long-term economic growth, particularly as a permanent solution for chronic hunger and poverty caused by a lack of work. The availability of skilled entrepreneurs inside a country will inspire, implying that an increase in material riches (opportunity) would result in people's expectations being raised. Entrepreneurs have been recognised as agents of economic revolution, resulting in an increase in people's economic standards of living worldwide.

Nigerian Entrepreneurship Development: A Contextual Perspective

Around the world, entrepreneurship is understood to be the philosophy of finding and running a company endeavour in order to turn a profit while taking a number of risks in the corporate sector. This characterises a circumstance in which a person is regarded as an entrepreneur if they have discovered and are prepared to engage in an entrepreneurial activity, as well as to take on all associated risks and rewards. An entrepreneur is someone who produces money by establishing and operating enterprises, particularly when doing so requires taking financial risks, according to Hornby (2006).

This is demonstrated by the traits of an entrepreneur, such as his capacity to see innovation so that he may take advantage of a chance, mobilise capital and managerial abilities, and take measured risks to open up markets for new goods, procedures, and services. According to Imafidon (2014) paper, an entrepreneur is a person who is capable and ready to take business risks in order to make money. Accordingly, the concept of entrepreneurship is concerned with those entrepreneurial activities that are primarily focused on the operational tasks of a business enterprise. These tasks include identifying investment opportunities to take advantage of for profit, promoting and establishing the business enterprise, and pooling the various scarce resources required for the production and distribution of goods and services.

Based on the aforementioned researchers' claims, they were able to prove that entrepreneurship is about being willing to take a chance by combining diverse and limited resources to launch a company venture and possibilities to benefit from it.

According to Robson et al (2009) argument, an entrepreneur is someone who is committed to succeeding in spite of all obstacles; he views every setback as a challenge and is prepared to turn it into an opportunity by offering a solution to the current circumstance, which in turn opens up more opportunities and gives him more ground.

This statement is supported by the concept that an entrepreneur is someone who can come up with important ideas, create things, and figure out how to use those ideas to succeed. In order to satisfy his local surroundings, he participates in the activities by introducing new goods and services to the market. He demonstrates the ability to recognise and assess business prospects and to assemble the resources required to start the appropriate action for success. Based on the aforementioned statements made by these academics, it was determined that entrepreneurship is about having a clear vision and being prepared to take action that would help achieve goals and objectives.

Therefore, considering the opinions of the different scholars mentioned above, it is evident that entrepreneurial activities have a positive impact on a country's economy and are effective in creating jobs, among other things. This lowers the level of poverty among the country's citizens and increases the gross domestic product.

Recent Developments in Entrepreneurship in Nigeria

Recent technical developments, legislative changes, more finance availability, and a growing young population have all contributed to a dramatic shift in Nigerian entrepreneurship. Nigeria, the most populous and largest economy in Africa, has witnessed a rise in digital innovation, startup activity, and a burgeoning self-employment culture. The entrepreneurial ecosystem has shown resilient and evolved quickly in spite of obstacles including inadequate infrastructure, limited financial resources, and erratic governmental regulations.

The Development of the Tech and Digital Startup Environment

The growth of tech-driven companies is among the most noteworthy recent trends in Nigerian entrepreneurship. With cities like Lagos, Abuja, and Port Harcourt rising as hubs of innovation, Nigeria has emerged as Africa's greatest startup ecosystem.

The important elements of Tech Entrepreneurship in Nigeria include the fintech boom. This resulted into the developed and growth of the Africa's largest fintech firms, including Flutterwave, Paystack (purchased by Stripe), and Opay, are based in Nigeria. These businesses have transformed digital payments, banking, and

financial services. This sector was experienced rapid growth due to large, young population, technologically driven, smartphone adoption, favourable regulatory environment and large unbanked and underbanked population.

Furthermore, is the growth of the various E-commerce platform. Companies such as Trade Depot, Konga, and Jumia have increased online purchasing, providing access to a wider market. Owoeye (2025) emphasized the importance of e-commerce for entrepreneurial activities particular in an emerging economy like Nigeria.

The role of Agritech Innovation in the entrepreneurial development in Nigeria is critical in driving demand and supply of agriproducts. Startups like Farmcrowdy, Thrive Agric, and Releaf are using technology to enhance smallholder farmers' access to capital, agricultural methods, and supply chain effectiveness. From another perspective, Edtech and Health tech Platforms are not left out. For instance, start-up businesses such as 54gene (health tech) and lesson (edtech) have surfaced to fill important gaps in healthcare and education services.

Government and Private Sector Support for Tech Start-ups

The Nigerian government under the current democratic rule have made the development of entrepreneurship activities as an integral part of its political agenda. As a consequent, this mandate has made the functionary of the government, the Central Bank of Nigeria (CBN) and the developmental banks like the Bank of Industry (BOI) have introduced funding programmes for start-up entrepreneurs. These programmes increased the access to the required finance to start and expand their business operations. Small enterprises can get money, assistance, and training from the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN). Financial assistance for SMEs is provided by initiatives such as the National Social Investment Programs (NSIP), the Youth Entrepreneurship Support (YES) Program, and CBN's NIRSAL Microfinance Bank loans.

Aspiring business owners can get finance and training from the CBN's Anchor Borrowers' Programme, the Tony Elumelu Foundation Entrepreneurship Programme, and the Youth Investment Fund (YIF).

Furthermore, the support for entrepreneurs in Nigeria, The Nigerian Start-up Act (2022) was enacted. The Nigerian Start-up Act (2022) was created to foster innovation by providing early-stage companies with capital access, tax breaks, and clear regulations.

The author further argued that more foreign investment and venture capital influx into Nigeria made it to be become the most financed African nation for start-ups in 2021 with over \$1.2 billion in start-up funding.

Expansion of Small and Medium Enterprises (SMEs) and Informal Entrepreneurship.

Nigeria is a country where SMEs contribution to the economy cannot be underestimated. The author argued that SMEs are the backbone of the Nigeria Economy. This is because SMEs employed more than 80% of the workforce in a variety of industries, including manufacturing, retail, services, and agriculture, and they account for more than 48% of Nigeria's GDP. Small companies may now prosper without the need for conventional brick-and-mortar installations because to the growth of digital markets like Facebook Marketplace, Instagram, and WhatsApp Businesses. In Nigeria, informal entrepreneurship is defined as business operations carried out outside of the official regulatory framework, mostly by young people who launch small, family-run businesses to make money because of the country's high unemployment rates. This sector is crucial to the country's economy despite having little official oversight because it is primarily motivated by the need to find work in a difficult job market or supplement income.

The Emergence of Digital Entrepreneurship and the Creative Economy

Owoeye (2025) argued that of the role of Digital Entrepreneurs within the SME space in Nigeria. In recent time,

the digital space of Nigeria has grown rapidly and thus, enhancing the creative economy.

Nigeria's creative sector, which encompasses the production of music, movies, fashion, and digital material, has become well-known worldwide, opening up new commercial prospects. Nigeria's economy and jobs are

greatly influenced by its creative economy. It encompasses a wide range of sectors, including the performing arts, music, and movies. With almost 4.2 million workers, the creative industry is Nigeria's second-largest employer.

By 2025, an extra 2.7 million jobs are expected to be created. Nigeria's GDP benefited from the music and film recording industries in 2023 to the tune of over 154 billion Nigerian naira. Infrastructure development, investment, and employment creation are all being carried out by the Creative & Tourism Infrastructure Corporation (CTICo). Among the projects are the Obudu Resort rebirth, 5,000 movie screens, and Abuja Creative City.

One of the most significant recent developments in the creative economy is the Nigerian film industry, which is one of the biggest in the world and brings in over \$7 billion a year. Global distribution has expanded thanks to platforms like Prime Video Nigeria and Netflix Naija. Furthermore, in the Music & Entertainment for instance, Afrobeats musicians like Burna Boy, Wizkid, and Davido have increased Nigerian music's global appeal, drawing in investment and creating new economic prospects in branding, live performances, and streaming.

In addition, Digital Content Creation & Influencer Marketing encouraged digital entrepreneurship. With the growth of YouTube, TikTok, and Instagram, business owners can now work with companies, create brands, and monetise content.

Youth Gig Economy and Entrepreneurship

Recent development in the entrepreneurship development in Nigeria is Youth Gig Economy. Nigerians, particularly young people, now have more opportunities to earn a living thanks to the gig economy through local choices like Field Insight and freelancing marketplaces such as Upwork and Fiverr. According to the Jobberman survey, 76.7 percent of jobs in Nigeria are in the informal sector, which includes freelancing. Since more than 60% of Nigerians are under 30 years old, the country's young population is fuelling the growth of side gigs and youth-led enterprises.

Platforms that allow for remote work and freelancing have welcomed the gig economy and young entrepreneurship. Nigerian millennials now have access to international employment prospects in computing, writing, digital marketing, and design thanks to platforms like Upwork, Fiverr, and Total. E-commerce and dropshipping are popular in Nigeria. Young business owners sell goods online without keeping inventory by using platforms like Instagram Shops, Jumia, and Shopify. Gig economy develops starts-up digital Training and Upskilling. Initiatives like Andela, Decagon, and AltSchool Africa are giving young people in Nigeria the in-demand digital skills (data analytics, cybersecurity, and coding) they need to work for themselves and in international job markets.

Women's Financial Inclusion and Entrepreneurship

With programmes designed especially for female-led enterprises, more Nigerian women are starting their own firms. Current Events and Programmes Assisting Female Entrepreneurs Financial support for female-owned businesses is provided in Nigeria via the Women Fund for Economic Empowerment (WOFEE) and the Bank of Industry's Women's Fund. For female entrepreneurs, She Leads Africa, Flourish Africa, and the Female Founders Initiative provide funding, networking, and mentorship. Financial independence and gender equity in entrepreneurship have improved due to the rise of female-led fashion enterprises, technology start-ups, and agribusinesses.

The Contributions of Entrepreneurship to Economic Growth

Entrepreneurship has been acknowledged as a critical component of how economies and organisations operate (Dickson and Weaver, 2008). This indicates that entrepreneurship is seen as one of the most important factors in a nation's economic growth. It is essential to a nation's industrial sector growth, but it is also important to the agriculture and service sectors. The researcher agreed that entrepreneurship has been identified as a critical component of how economies and organisations operate (Dickson, & Weaver, 2008). New job possibilities,

wealth creation, poverty reduction, and financial benefit for all governments and other individuals have resulted from its contribution to a nation's growth.

Since then, entrepreneurship has been shown to lower poverty and significantly raise a nation's economic standing through the creation of goods and services that consumers buy, the creation of economic activity such as shopping, selling, and marketing, the payment of taxes to the government, and the implementation of corporate social responsibility to the various stakeholders in the community where the business is operated.

The following headings address the different significant aspects that entrepreneurship plays in a nation's economic development:

Encouragement of Small Enterprises

It is commonly known that small and medium-sized businesses (SMEs) are strengthened and stimulated by entrepreneurship in any nation. According to Schaper (2002), nations that have achieved economic breakthroughs in the past 20 years clearly show that entrepreneurship is a key component of their economic development and process. This supports the fundamental idea that a nation's level of entrepreneurial development is determined by the number of small and medium-sized businesses (SMEs) that can be found there; the more SMEs a nation has, the greater its prospects of achieving economic growth. In almost every nation, small and medium-sized businesses (SMEs) are a source of pride. Therefore, SMEs are a true means of achieving national economic goals, such as creating jobs and reducing poverty, at a cheap cost of investment. They also foster the growth of indigenous technology and entrepreneurial skills. Other key benefits of SMEs include increasing the standard of living for their employees and their dependents, as well as for those who are directly or indirectly related to them; stimulating economic activity by serving as suppliers of various goods and distributive trades for goods created and/or required by SMEs resulting from rural-urban migration; and providing access to the infrastructure facilities made possible by the presence of SMEs in their surroundings. Small and medium-sized businesses, or SMEs, have played a significant role in the Nigerian economy over the years. According to the aforementioned perspective, SMEs are one of the necessary prerequisites for a nation's economic growth, even though they continue to play a significant part in the economies of industrialised nations like the USA, where large corporations predominate.

Employment Generation Opportunities

Globally, creating jobs is one of the main objectives of every government looking to advance economic growth in all areas and, more significantly, provide justifications for fostering the growth and promotion of entrepreneurship. According to Davis, Haltiwagner, and Schuh (1993), SMEs make up significantly more than half of all employment, sales, and value-added shares. Small enterprises provide over half of the new employment in the economy, and it is presumed that these are legitimate positions from the standpoint of economic growth (Davis, Haltiwagner, Schuh, 1993; Edmiston, 2007). Due to their greater capacity to produce an indigenous company culture than the other method, SMEs create the most practical and genuine vehicle for self-sustaining industrial growth.

In every major economic reform framework that aims to create jobs, improve financial conditions, protect food, and expedite industrialisation, SMEs are the subsector of particular interest. According to researchers, enhancing small company performance and encouraging entrepreneurship growth would be a commendable way to support and advance economic development (Snodgrass & Biggs, 1996). Consequently, make space for job possibilities in the nation. Both directly and indirectly, entrepreneurs contribute to the creation of jobs. They employ millions of people directly through their self-employment as business owners and indirectly through the establishment of several industrial units. As a result, entrepreneurship is thought to be the most effective way to fight the evil of unemployment in an economy.

Reducing Poverty

The performance of small business operations across the world has been improved by entrepreneurial activity. The expansion of SMEs is seen as a way to reduce poverty and expedite the achievement of various

socioeconomic objectives (Cook and Nixon, 2000). It is evident from this that the economy's poverty rate is kept to a minimum by encouraging SMEs, which are vital to the growth of any nation. SME promotion is regarded as one of the most effective tools for reducing poverty since it will boost the economy and raise people's standard of life instead. According to Kongolo (2010), improving people's quality of life is the primary goal of any development strategy, and with SMEs, this would significantly contribute to the achievement of socioeconomic growth and development.

Distribution of income

It is generally believed that entrepreneurial endeavours through the operations of SMEs help to further equitable distribution of money or income. Since SME managers and employees are thought to be in the lower half of the income distribution, encouraging their growth may result in additional income distribution, raising people's standards of living and enabling them to reach high levels of productivity and capability. In order to reduce the gap between urban and rural development and to keep an eye on social injustices and migration, the expansion of SMEs should be a top policy priority in any nation that aspires to development. This is because the majority of Nigerian SMEs, 65 percent, are located in rural areas, which would facilitate the flow of income among many people (Pansiri & Temtime, 2008).

Changes in Domestic Technology

According to Kongolo (2010), all economies have gradually transitioned from domestic manufacturing to the modern industrial setup, which has seen remarkable advancements in management techniques, machines, and skills. This illustrates how innovation and technology were introduced by SMEs as a result of entrepreneurship. The expertise of these giants can also be used by developing nations to argue for a favourable, welcoming, and conducive environment that could help small and medium-sized businesses move away from locally based methods of operation and adopt foreign technologies to modernise their processes and use them to grow their businesses.

Manufacturing of Intermediate Goods

It is often acknowledged that SMEs play an important role in the economy by producing intermediate and final commodities that are needed by bigger businesses. These include housing goods, machinery and equipment, replacement parts, and raw materials. Subcontracting is used to provide items to major corporations, allowing smaller businesses to meet their needs instead of competing with them in the assembly of final goods, where they would be at a competitive disadvantage. The backward and forward ties necessary for the economy's self-reliance and survival are provided by the sector's mutuality (Jackson, 2016).

Lessens Economic Power Concentration

The inevitable result of commercial and corporate activities is economic power. Economic power is typically concentrated in the hands of a small number of people as a result of industrial progress, leading to a significant increase in monopolies. Many entrepreneurs need to be taught in an effort to reduce this disadvantage and assist manage the population's concentration of economic power. This was confirmed in Roberta and Enrico, (2022).

Encourages the Creation of Capital

Through the accumulation of the public's idle savings, entrepreneurs encourage capital development. In order to start their businesses, they typically borrow money in addition to using their own finances. Such entrepreneurial endeavours lead to price increases and wealth generation, which are crucial for the nation's commercial and economic growth.

Encourages Equitable Regional Growth

By developing enterprises in underdeveloped and less industrialised areas, entrepreneurs contribute to the elimination of local inequities. A wide range of public benefits, including road transport, health, education,

entertainment, etc., are drawn to the growth of enterprises and businesses in these locations. The establishment of additional industries encourages steady regional development by opening up new opportunities for underdeveloped areas. Because of the increased competition in and around cities, entrepreneurs are forced to establish their businesses in smaller cities that are farther away from larger ones, which causes them to expand more quickly. The development of underdeveloped areas will then be aided by this.

Encourages Export Trade in the Nation

The export-trade of a nation is facilitated by entrepreneurs and is a crucial component of economic growth. They produce goods and services in large quantities with the intention of increasing their export revenue in order to counteract the demand for imports. Therefore, export promotion and import substitution provide economic growth and independence.

Improving the standard of living

According to Barreto (2014), entrepreneurship improves people's quality of life by creating jobs and money. They are able to afford the basic needs of life, such as housing, food and consumer goods, education, appropriate healthcare delivery, etc., since they make more money and have easy access to discretionary cash.

Managing Innovation

An entrepreneur is a person who always looks for ways to improve things and integrates the sources of production. Furthermore, entrepreneurs present novel ideas and combinations of objects. Additionally, they present novel concepts together with modern methods of producing goods and services. By carrying out this role, an entrepreneur uses innovation to promote economic growth.

Entrepreneurship implements novel business ideas.

An entrepreneur fulfils this role by creating jobs that support personal growth. Entrepreneurs are also capable of addressing societal concerns with their creative and disruptive ideas. Even so, it's a worthwhile endeavour to examine, given the influence of entrepreneurship on future generations and the notion that entrepreneurship is a driving force behind economic growth (Barreto and de Magalhães Ozório, 2014). Overall, the best way to describe the contribution of entrepreneurship to a country's economic growth is creativity resulting from novel business ideas to robust and viable businesses.

Promotes General Development

Entrepreneurs serve as catalysts for change, which sets off a domino effect. Following the establishment of a firm, the industrial growth process is implemented. There will be so many different units that require the output of this unit, and it will help create demand for the many types of units that it needs. Because of the increased demand and the installation of new units, this ultimately leads to the general growth of an area. By doing this, the business owners boost their operations, which in turn generates a sense of excitement and starts the drive and growth for the region's total development.

Entrepreneurship's Theoretical Perspectives on Economic Development.

Over the past 50 years, there has been a significant increase in interest in entrepreneurship and how it affects economic growth. The knowledge that is based on the shoulders of academics like as Adam Smith (1776), Joseph Schumpeter (1983), and Israel Kirzner (1973), to name a few, is one of the numerous sources of this interest. The ability to manage and maximise opportunities in the manufacturing and services production sector has also increased recently, thanks to the tremendous growth of information and knowledge brought about by changes in competitive markets and entrepreneurial activities that support economic development. However, this has led to the development of several new goods and services that were unthinkable just a few years ago. The vast expansion of entrepreneurship knowledge has led to increased opportunities for innovation, economic development, and related growth at an apparently constant rate. In particular, there is a desire for better knowledge and technology, better relationships among stakeholders (e.g., consumers, employees, competitors,

society, and government), and positive movement in the direction of the organisation. According to (Acs and Szerb, 2010), entrepreneurship has been growing globally since the early 1990s and is defined as the establishment and expansion of new organisations or enterprises.

The main obstacle to economic development in developing nations over time is typically not a lack of capital, labour, or land, but rather a lack of dynamic entrepreneurs who can bring these resources along with them, as well as the markets and systems that can support them while they do so.

Schumpeter asserts that the entrepreneur has a major influence on the increase of output in an economy. In other words, the level of entrepreneurial activity in a nation will contribute to its economic development, which will lead to higher production growth. In the meanwhile, a nation's degree of capital growth rate whether rapid or slow and whether or not the expansion entails innovation the development of new goods and manufacturing methods are determined by the calibre of its entrepreneurs. This indicates that the disparity in economic development rates of nations worldwide is mostly caused by the calibre of entrepreneurs present in different nations.

Therefore, without the entrepreneur who arranges them for profitable endeavours, the production components of land, labour, and money are considered to be mostly dormant. However, this highlights the importance of the entrepreneur, who is seen as a catalyst for innovation, growth, and technological advancement in any nation's economy. Their technical and business abilities were developed and used, which led to the creation of growth potential in micro, small, and medium-sized businesses that support economic growth. The modern economy is knowledge-driven and relies on the creative and reasonable ideas of entrepreneurs. Today's business activities are more casual and focused on self-employment and survival.

In essence, technological advancement raises production levels, creates jobs, boosts exports, and increases the gross domestic product overall. It is impossible to overstate the importance of entrepreneurship in the growth and development of African (Nigeria, South Africa and Egypt) and Asian (China, India, and Singapore) nations. Small businesses, microfinance, small and medium-sized industries, information and telecom services, personal services in food vending and restaurants, clothing production, embroidery, agricultural turnout, music, and filmmaking are just a few of the ways that entrepreneurship development innovations are acknowledged in Nigeria.

Since entrepreneurship and economic development are interdependent, it follows that economic development occurs when a nation's actual financial gain rises over a specific time period, of which entrepreneurship plays a crucial role. This emphasises how important entrepreneurship is in any economy and cannot be understated. According to Desai (2009), he argued that the need for improvement is what drives the desire for entrepreneurship. It is impossible to overstate the influence of entrepreneurship development on the global economy since it effectively generates jobs for young Nigerians and contributes to the country's economic growth and development.

However, according to Aremu (2004) paper, he emphasized that "Entrepreneurism has been a motivating force within the current economy for the past years and also the anticipated future." Nigerians' aspirations are being fulfilled by entrepreneurs, who annually launch hundreds of new companies. It has been determined that the majority of job opportunities for young people in the nation are offered by new businesses, primarily small industries. As evidenced by Asia (The Asia Tigers), entrepreneurs are viewed globally as a means of accelerating industrialisation, fostering sustainable economic growth, reducing poverty, and creating jobs (Aremu, 2004)

CONCLUSION

This study came to the conclusion that the growth of entrepreneurship has a significant positive influence on the economy by supporting small businesses, the nation's export commerce, the creation of jobs, the distribution of income, innovation, and the transformation of domestic technology. The economy and society will undoubtedly benefit from a balanced approach to fostering entrepreneurship. Entrepreneurship stimulates growth and creates jobs for young people in Nigeria. Creating jobs, encouraging growth and industrial

development, reducing poverty, fostering innovation, encouraging capital formation, boosting the nation's export trade, and fostering balanced regional development are all areas where entrepreneurship makes a significant contribution.

Since entrepreneurship development has been demonstrated to be a successful tool for economic growth, government and other institutions' efforts should be directed towards the substantial expansion of entrepreneurial activities. Economic development, job creation, economic sustainability, individual self-sufficiency, a better standard of life, and increased understanding and practice are all outcomes of entrepreneurial development, according to the research. The study's conclusion demonstrates that the growth of entrepreneurship always leads to the creation of jobs, which in turn leads to economic development. Therefore, young people in Nigeria should take advantage of the many economic possibilities available to them. Young people without jobs should receive assistance in the form of loan facilities so they may launch a small business instead of stumbling about the town looking for white-collar jobs.

Therefore, it is the responsibility of Nigeria's federal government and its various branches to create an environment that is conducive to the activities of entrepreneurs. This includes providing infrastructure, passing legislation, and developing policies that can encourage the growth of entrepreneurship in the nation. Furthermore, since the growth of entrepreneurship has become crucial to the nation's economic independence, the Nigerian government should: focus on the deliberate development of entrepreneurship practices; create policies and programmes that support the development of entrepreneurship, such as SMEs; and make available resources like funding, well-maintained infrastructure, government policies, etc. that can support the expansion and development of entrepreneurship in the nation.

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