THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Nigeria as an Emerging Entrepreneurial Ecosystem: Prospects & Challenges

Abdullahi Mohammed Umar
Assistant Lecturer, Department of Business Administration and Management,
Gombe State Polytechnic Bajoga, Nigeria
Abdulrahman Abdullahi
Assistant Lecturer, Department of Business Administration and Management,
Gombe State Polytechnic Bajoga, Nigeria
Adamu Abdulkadir
Assistant Lecturer, Department of Business Administration and Management,
Gombe State Polytechnic Bajoga, Nigeria
Adamu Hassan Shinga
Assistant Lecturer, Department of Public Administration,
Gombe State Polytechnic Bajoga, Nigeria

Abstract:
Until recently, the global concern is growing about the need for effective Entrepreneurial Ecosystem with a view towards public private partnership in building a practical ecosystem for promoting Micro, Small and Medium Enterprises (MSMEs) development. Entrepreneurship in Nigeria has suffered so many years of neglect and deficiencies, this is in spite of array of policy decisions and programs embarked by successive governments over time to bring socio-economic development and growth in the sector. The Nigerian entrepreneurial ecosystem consists of a diverse pool of actors from the public, private, nonprofit and development sectors carrying out different ecosystem functions that impact and determine entrepreneurship outcomes. Using the Isenberg's six pillars of the entrepreneurial ecosystem framework, the study employed analytical review method to examined the Nigerian entrepreneurial ecosystem and explored deeper into the Nigerian economic, financial, social, political, and cultural contexts. The study revealed the issues that facilitated and impeded on the six pillars reviewed in the Nigerian entrepreneurial ecosystem. It was concluded that, unless there are deliberate attempts by government to creating enabling environment for smooth and successful engagements and collaborations with all stakeholders to meeting the entrepreneurs needs; all efforts and governmental strides to ensuring speedy entrepreneurship transformation and sustainable economic development will remain sluggish and unattained. This paper recommends amongst others, that there should be consistent monitoring and review of policies on entrepreneurship that will ensure its impact on startup, survival and growth of SMEs.

Keywords: *Entrepreneurial Ecosystem (EE), Entrepreneurship, small and medium enterprises, government, entrepreneurship development*

1. Introduction

Entrepreneurship is a vital component for any economic growth of a country. Operating optimally, entrepreneurial activities can provide ways that enable financial independence, community development and increasing quality of life for the people. To develop effective and sustainable entrepreneurship of a country, knowledge of the Entrepreneurial Ecosystem (EE) is imperative (Isenberg, 2011). EE largely focuses on creating an environment that promotes entrepreneurship development hence, multiple stakeholders play critical roles (Galperin & Melyoki, 2018) including large firms, universities, financial firms, and public organizations as well as regulatory bodies that support new and growing firms (Brown & Mason, 2014). This realization generated a significant amount of interest on how EE may be instrumental in fostering enabling environment for entrepreneurship development. According to Spigel (2017) EE are evolving, socially interactive and non-linear systems, and have contributed towards creating the conditions and culture that spur on further economic development. The success of entrepreneurship development depends on the interconnectivity of policies and synergistic interrelationships between these major stakeholders (Galperin & Melyoki, 2018).

In many developing and underdeveloped countries, governments are still in the early steps of developing ecosystems to foster entrepreneurship activities suggesting that governments need to step up their efforts in developing such systems (Isenberg, 2010). In Nigeria, recent literatures and popular press appears to suggest that government at all level are recognizing the importance of implementing effective strategies and policies required to create more business opportunities within small and medium enterprises (SMEs) in order to promote entrepreneurship development (Osemeke, 2012; Ogundele, Akingbade & Akinlabi, 2012; Tende, 2014). However, Adenle (2017) views that entrepreneurship development in the country is mainly challenged by inconsistent government policies, insufficient funding of domestic industries, focusing on some few interactions that takes place between businesses (profit and non-profit) and government often ignoring other important networks of the ecosystem.

Ecosystems are inherently complex, and little is known about how the different components interact with each other (Morris, Kuratko & Neumeyer, 2015). Malecki (2017) emphasized the need for more studies and methods that might help to know more about EE systematically in order to avoid the existing uncertainty about its nature and boundaries. To contribute to the evolving literature, the EE in Nigeria is discussed in this paper. The literature on EE is reviewed and different conceptual frameworks of the EE are presented, followed by an overview of the Nigerian context. In this study, the framework for identifying the entrepreneurship ecosystem was adapted from Isenberg's (2011) framework on Domains/Pillars of the EE. It is aim at examining those mutually reinforcing pillars of the ecosystem and how the components interact with each other towards entrepreneurship development in Nigeria. Recommendations for policy and future research are provided.

2. Conceptual Definition

Mason and Brown (2014) define entrepreneurship ecosystem (EE) as a set of interconnected entrepreneurial actors (both potential and existing), entrepreneurial organizations (e.g. firms, venture capitalists, business angels), institutions (universities, public sector agencies, financial bodies) and entrepreneurial processes (e.g. the business birth rate, numbers of high growth firms, number of serial entrepreneurs, degree of sell-out and entrepreneurial ambition) which formally and informally blend to connect, mediate and govern the performance within the entrepreneurial environment. Galperin and Melyoki (2018) defined an EE as a set of policies, laws, and institutions (both public and private) that exist and operate to aid and guide the entrepreneurs as they go through the entrepreneurial process of developing ideas, creating and developing business ventures. Osemeke (2012) states that various institutions and forces which determine the success or failure of the entrepreneur is its habitat also referred to as its eco-system or critical factors affecting the entrepreneurship.

3. Approaches to Entrepreneurial Ecosystems

There is an ample variety of ecosystems and different frameworks were developed by researchers (e.g., Isenberg, 2011; World Economic Forum, 2013; Stam, 2015) through their efforts on describing and/or measuring the EE in a specific geographic area, while others have focused on macro factors influencing the degree of entrepreneurship at a national level (Stam & Spigel, 2017).

This study adapted the Babson EE Project (BEEP) to examine the Nigeria entrepreneurship ecosystem. The BEEP is a well-established framework developed by Isenberg (2011). According to Isenberg (2010, 2011), there are four aspects of the EE. First, the framework consists of six domains: market, policy, finance, supports, human capital and culture (see Fig. 1 below). Second, each EE is unique. Although similarities between EE may exist, they are unable to be replicated. Third, the identification of root causes of the entrepreneurship ecosystem is limited because multi-dimensional cause-effect relations are difficult to pinpoint. Finally, EE eventually become self-sustaining when all six pillars are resilient.

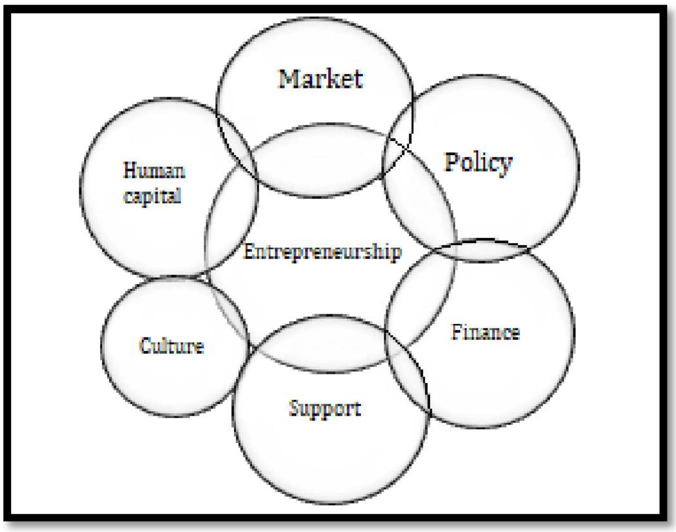

Figure 1: Isenberg's six Pillars of the Entrepreneurship Ecosystem
Source: Adapted from Isenberg (2011)

4. An Overview of the Nigerian Context

Nigeria is the largest and most populous country in Africa, its mainland is located western Africa, bordering the Gulf of Guinea, between Benin, Chad and Cameroon. It comprises 36 states and the federal capital territory where the capital, Abuja is located. Nigeria is classified as a mixed economy with emerging market; the country holds significant promise for its people and for the world. The main contributor to the economy was Petroleum resources and has been the main source of Nigeria's foreign exchange earnings accounting about 40% of GDP and 80% of government earnings. As of 2010, 70% of Nigerian labor force are employed in agriculture while Real GDP grew by -1.6% in 2016 and 0.80% in 2017

(National Bureau of Statistics [NBS], 2017). The SMEs sector today accounts for about 40% of the nation's GDP and employs about 84% of the labor force. Agriculture used to be the principal major foreign exchange earner for Nigeria. Other industries of economic growth include telecommunication industry and service sectors.

Nigeria entered recession in 2016 as a result of lower oil prices and production exacerbated by militant attacks on oil and gas infrastructure in the Niger Delta region, coupled with detrimental economic policies, including foreign exchange restrictions. GDP growth turned positive in 2017 as oil prices recovered and output stabilized. According to NBS (2017) Nigerian economy exited recession with a 0.50% quarterly GDP growth rate with an aggregate GDP of about N28.4 trillion in the first quarter of 2018 higher than the last quarter of 2017 with N26.028 trillion. The headline inflation increase by 50% from 9.8% in 2015, to about 18.72% in January 2017 but has since then taken a positive downturn with the current rate standing at about 13% (The Guardian, 2017). Other positive development for the economy is the increase in foreign reserves from about 29 billion dollars in 2015 to about 48 billion in 2018. Although the country is a developing economy, Nigeria has reached lower middle income status according to World Bank, with its abundant supply of natural resources, well organized financial, legal, communications, transport sectors and stock exchange which is the second largest in Africa.

The Nigerian economy has taken different turns over time. Various administrations have designed fiscal and monetary policies and incentives for entrepreneurs and small-scale sub-sectors of the economy. These policies include good governance, privatization and commercialization of public utilities, export-oriented manufacturing emphasis, reduction of poverty, illiteracy and empowering Nigerians with emphasis on the development of entrepreneurship, self-employment and for private entrepreneurs to engage in business ventures (Tende, 2014).

5. The Pillars of the Nigerian Entrepreneurship Ecosystem

As indicated, Isenberg's (2011) six domains of an EE are markets, policy, finance, supports, human capital and culture. First, markets consist of two main categories: early customers (e.g. reference customers and distribution channels) and networks (e.g. multinational corporations). Second, policy consists of two areas: leadership (e.g. unequivocal support and entrepreneurship strategy) and government (e.g. institutional investment and support and regulatory framework incentives). Third, finance relates to the role of financial capital and microloans. Fourth, supports consist of infrastructure (e.g. power, transportations) and support professions (e.g. legal, accounting). Fifth, human capital consists of two areas: educational institutions (e.g. general degrees and specific entrepreneurial training) and labor (e.g. skilled and unskilled). Finally, culture consists of societal norms (e.g. tolerance of risk) and success stories (e.g. visible successes, wealth generation for founders). Below, the role of the ecosystem pillars in the Nigerian context is discussed in detail.

5.1. Market

Nigeria has the largest consumer market in Africa with over 180 million people making it a highly attractive market for prospective business (ITA, 2017). It also provides opportunities for business growth and expansion across industries and value chain segments. Further, while a large population of Nigeria still lives in rural areas and depends on agriculture, urbanization is rapidly growing. Lagos, Port-Harcourt, Kano, Kaduna, and Aba, are the largest cities in Nigeria, with the largest companies located in these major cities. The NBS (2012) released a report indicating industries displaying substantial growth prospects to include: Consumer goods and the retail industry (including online shopping); Real estate due to high population, urban migration, and rising middle class; Information and communication technology; Food and agriculture; and Infrastructure. A number of players across EE intervene in the market to enable SMEs integrate into large product distribution networks and access more competitive markets. At this time, rising incomes through urbanization and consumer spending, which accounts for 70% of GDP push the economy forward which is a sign of good market for potential entrepreneurs (ITA, 2017).

Foreign Direct Investment (FDI) is often seen as an essential catalyst for economic growth in Nigeria because it affects the economic growth by stimulating domestic investment, increase in capital formation and also, enabling technology transfer in the country (Falki, 2009). The realization of the importance of FDI had informed the radical and pragmatic economic reforms introduced since the mid-1980s by the Nigerian government. The reforms were designed to increase the attractiveness of Nigeria's investment opportunities and foster the growing confidence in the economy so as to encourage foreign investors to invest in the economy (Ugochukwu, Okore, & Ono, 2013). FDI in Nigeria averaged $1298.48 million from 2007 until 2018, reaching an all-time high of $3084.90 million in the fourth quarter of 2012 and a record low of $501.83 million in the fourth quarter of 2015 (CBN, 2018). Foreign capital flows into all major sectors of the economy with United States, Canada, France and China being the main sources (International Trade Administration, 2017). China contributes actively to infrastructure and capital projects in the country. However, FDI fund invested into the economy has not significantly impacted on the economic growth, also access to land ownership, bad roads and lack of infrastructure issues hinders into venturing business in Nigeria (Ugochukwu, et al., 2013; ITA, 2017; FATE Foundation, 2016).

5.2. Policies

Nigerian Government has implemented over the years different policies and regulations for the development of entrepreneurship for the benefit of Nigerians and the encouragement of the growth of indigenous enterprise (Aminu, 2012). Government economic policies that affect small scale business can be classified as: Fiscal Policy; Monetary Policy; and Direct or Specific Policy. All these policies affect issues related to taxation and public expenditure, money supply and interest rates operated by the Central Bank of Nigeria (CBN) and wide range of policies directly focused on salient economic problem.

Main actors in the Nigerian EE on policies and regulations are the Ministries, Departments & Agencies (MDAs), Parastatals, Regulatory Bodies; State and Local Governments. The Federal Government plays the major role in scheming programmes, policies and laws aimed at encouraging entrepreneurial activities in Nigeria with the creation of various institutions/agencies. Some of which includes: The Nigerian Enterprises Promotion Decree (NEPD); National Directorate of Employment (NDE); National Enterprise Development Programme (NEDEP); Small and Medium Enterprise Development Agency of Nigeria (SMEDAN); Bank of Industry (BOI); Industrial Training Fund (ITF); Nigeria Agricultural Cooperative Bank (NACB); The National Poverty Eradication Program (NAPEP); and Research Institutes, among others. Various credit guidelines are prescribed by government for loans and advances which banks should make available to Nigerian small business firms.

In 2013, Federal Ministry of Industry, Trade and Investment established the National Enterprise Development Programme (NEDEP). NEDEP serves as one of the most comprehensive SMEs programmes to date and covers various factors relevant to enterprise development. Some of the Programme's agenda include: (1) Strengthening Institutional Framework; (2) Developing a revised national Policy on SME; (4) Implementation of a robust delivery and monitoring structure; (5) Increasing access to affordable finance; (6) Increasing access to markets; (7) Developing business development skills; (8) Developing technical skills; Promoting Youth Inclusion; (9) Reducing High Operating costs. The ministry has realized the need to include participation from additional stakeholders such as Corporate Affairs Commission (CAC), National Agency for Food and Drug Administration and Control (NAFDAC) and Standards Organization of Nigeria (SON) to increase the success and effectiveness of the Programme. SMEDAN has engineered the formation of about 70,000 cooperatives and in the process, created over 800,000 jobs (FATE Foundation, 2016).

Recently, diversification policies on agriculture and manufacturing made by the government have resulted in improved output particularly in agriculture and solid minerals sectors. The relative exchange rate stability has also improved the manufacturing sector performance. Also, policy by the CBN of allocating 60% of all available foreign exchange to the manufacturing sector for the importation of raw materials and machine has reduced the challenge of sourcing foreign exchange for importation. Despite these prospects, challenges still exist which include inconsistent government policies, inadequate planning and poor execution, inconsistent monitoring and review of policies to ensure impact in terms of business startup, survival and growth of SMEs, insecurity, and poor enabling environment (Tende, 2014; Olawale 2017; FATE Foundation, 2016).

5.3. Finance

Access to finance is often cited by business owners as one of the key determinants of growth and expansion of entrepreneurship. The financial sector in Nigeria has grown significantly following the 2004 banking reforms (CBN, 2009). Despite the strong capital base and strengthen of the banking system there is still limited access to entrepreneurial finance to start up or grow businesses (Somoye, 2013). SMEs continue to face more stringent financing conditions and higher interest rates compared to large businesses, and find themselves even more at a disadvantage when attracting alternative sources of finance (OECD, 2017). Banks typically require a collateral in the form of immovable property and charge interest rates up to 24% per annum. While microfinance institutions generally do not offer the needed levels of capital, they charge high interest and require repayment within short cycles. A recent joint survey by SMEDAN and NBS (2013) shows that most Micro-business entities obtained their source of capital from personal/private sources. Out of the 42,781,754 business entities surveyed, about 67.5% of these entities obtained finance from personal sources, while only 3.14% obtained their initial capital from various organizations in the form of loans. 20.4% of the surveyed entities obtained initial capital from family sources, 7.3% obtained initial fund from cooperative, while only 1.7% access finance in the form of grant (SMEDAN & NBS, 2013). These findings support the claim that access to finance remains a challenge in Nigeria.

Despite these obvious challenges, the federal government through the CBN and other partnership programmes are implementing a number of initiatives to improve the level of financing entrepreneurial activities for sustainable economic development. For instance, Agricultural Credit Guarantee Scheme Fund – 1987; SMEs Equity Investment Scheme (SMEEIS) - 2001; National Credit Guarantee Scheme (NCGS) – 2004; Social Investment Programmes (SIPs) – 2016. These schemes provide guarantees on loans by banks to the sector in order to absorb risks that had inhibited banks from lending to the real sector. Moreover, entrepreneurs access funding from foreign organizations such as UNIDO, DFID, AfDB, GIZ etc. provide direct finance, others utilize indirect financing model to provide access to resources/input (FATE Foundation, 2016).

More recently, sources of finance have emerged from the federal governments' Social Investment Programmes (SIPs). The Government has spent over N41bn across 36 states and the FCT on its four SIPs including the popular N-Power initiated to cater for unemployed graduates, the Conditional Cash Transfer (CCT) scheme targeted at the most vulnerable persons of the society, and the Home Grown School Feeding Programme which employed over 12,000 cooks, also included is the Government Enterprises Entrepreneurship Programme (GEEP) was allocated the sum of N7.301bn, designed for the empowerment of market women, traders and artisans with the disbursement of interest free loan (Nigerian Bulletin, 2017). However, this scheme generally provides relatively inadequate small amounts of funds and are suited to trading activities, which requires the entrepreneur to repay back the loan over a short period of time.

5.4. Support

The creation of an efficient EE, requires some good infrastructural facilities that will provide a supporting environment and opportunities for SMEs growth and expansion. In the literature, support comprises of two main categories of service area: infrastructure and business services (Isenberg, 2011). However, the general condition of infrastructure such as road networks, power and electricity, pipe-borne water, information and communication technology, transportation etc. across Nigeria is severely underdeveloped (Osalor, 2016). The collapse of basic infrastructure and social services was set off in the 1980s, when the static oil economy wiped out traditional and emerging livelihoods, creating rampant unemployment, business collapse, poverty and degraded living standards **(**Otieno & Shitta, 2014**).** In addition, there is a lack of affordable professional services (consulting, law, accounting, etc.) and other support programs including governmental, formal and informal business networks. For Nigeria, the larger impact of infrastructure deficit is the high cost of doing business, for both large corporations and SMEs (Osalor, 2016). According to the World Bank Ease of Doing Business Report (2018), Nigeria is ranked 145th out of 189 economies. Based on the ranking, the most critical challenge is power and this is a clear indication of how conducting business in Nigeria is so tough.

In addressing some of these challenges, most capacity building providers typically render business support services such as mentoring programmes while providing access to finance in some instances. The Federal Government and other development partners are making considerable investment in infrastructure to improve the state of power and transportation system. In 2009, the World Bank approved a US$1bn loan for Nigeria to fund multiple development programmes including expansion and enhancement of the country's massive deficient power sector. An amount of US$200 million was earmarked for investment in networking and technical upgrades to improve electricity supply to support SMEs and the manufacturing enterprises. In 2008, the Nigerian Debt Management Office (DMO) revealed that the country needed at least US$100bn in investment to develop four key infrastructure areas – power, rail, roads and oil & gas. Huge amount was budgeted in 2017 and 2018 for infrastructural development such that currently road projects are ongoing across every state of the country, while also refurbishing of Jebba & Manbilla Hydro Power Plant, revitalization of Nigeria's 3500km network narrow-gauge railway, Abuja-Kaduna Railway line and various railway projects (FATE Foundation, 2016) are still ongoing.

5.5. Human Capital

The role of human capital in Nigeria tends to be facilitative and productive which has nurture possibilities of growth (OECD, 2009, 2010). Different capacity building efforts among public (e.g. government), private (e.g. financial institutions) and not-for-profit (e.g. NGOs/foundations) organizations in improving Nigeria's human capital with focus on entrepreneurship education (EEd) training, research and business development programmes (FATE Foundation, 2016). EEd and training entails philosophy of self-reliance which includes: creating a new cultural and productive environment, promoting new sets of attitudes and culture for the attainment of future challenges (Arogundade, 2011). Example, the Education Partnerships in Africa project aimed at building a sustainable academic infrastructure for the study and investigation of entrepreneurship and employability through curriculum development and a framework for research in Nigerian higher education institutions (Mitra, Abubakar, & Sagagi, 2011).

Many Universities, Polytechnics and Technical colleges have been established as federal, state and private institutions (Aminu, 2012). These institutions are very much instrumental in the scheme of promoting human capital and SMEs as courses on entrepreneurship are included in their curriculum and are made compulsory for all students. They also promote entrepreneurship development in the following ways: (a) Training and development of management skills (b) Dissemination of information on SMEs (c) Consultancy services (d) Establishment of entrepreneurship centers. Graduate entrepreneurship has emerged as a new tool for development as the prospect of jobs for even the educated and skilled diminishes each day (OECD, 2010). Hence, Graduates are encouraged to explore various kinds of entrepreneurial activities as part of their career development plans.

However, recent statistics indicates that out of school children in Nigeria have increased from 10.5million to 13.2million – the world highest number and 60% of this figure are women (UNICEF, 2018). Many early childhood education institutions in Nigeria are lacking in vocational training and education on the children from an early age (Olawale, 2017). They only focused on teaching them elementary numerical reasoning and verbal skills. Vocational Education is now only available to students in Nigeria beginning at the secondary level. Despite all the efforts made on education sector and EEd in Nigeria the end result is still far from achieving the main objectives. Nigeria still suffers from low levels of human development and is ranked 152nd of 188 countries in the 2016 Human Development Index (UNDP, 2018). Highly qualified human capital remains limited. FATE Foundation (2016) opined that inadequate investment in human capital and low level of human capital development have continue to undermine Nigeria's SMEs growth and have caused scarcity of skilled workers, managers and entrepreneurs.

5.6. Culture

Culture has emerged as an important concept within the EE. Nigerian national culture varies across regions, industries and cultural group and consequently their impact on entrepreneurship varies. Evidence from the literature indicates that culture stimulates individuals to participate in activities that may well not be apparent in other communities (Hayton, George, & Zahra, 2002). Generally, Nigerians are said to be assertive and competitive in nature, the people are so enterprising which motivate them to engage in various occupation in order to achieve financial independence (FATE Foundation, 2016). Despite the dynamic economic condition in Nigeria, there are successful stories of Nigerians who pursue their entrepreneurship dream and achieve greatness in their businesses. E.g., Aliko Dangote, Arthur Eze, Otedola, to mention a few. From time immemorial, the Nigerian cultures practiced a policy of collectivism (Essien-Obot, 1991). By value system, all activities like tilling the land, building of living quarters, food security, leadership, etc. were approached collectively. The strong and able members were required to help the less able members of the society. This practice continues even today, in varying degrees of intensity by several ethnic groups especially in the rural areas and township associations (Ude & Bete, 2013). SMEs in Nigeria hold membership in various groups and associations such as the Market Women Associations, Association of Small Business Owners of Nigeria (ASBON) and the National Association of SMEs (NASMES) etc.

However, Nigerians are also risk averse (Udeozor, 2011), the people are characterized by inability to absorb uncertainties and risks confronting business organizations (Yusuf & Dansu, 2013). They avoid situations that bring change because of fear of the uncertainty that comes with the unknown. Nigerians are very religious. People are quick to accepting circumstances as 'the will of the God'. When events occur they aptly find explanations in spirituality rather than finding logical answers (Udeozor, 2011). Such lack of curiosity leads to mediocrity and content with status quo.

6. Discussion and Conclusion

Entrepreneurship is about profit-seeking ambition, and when successful, uniquely enriches the overall economy and society (Isenberg, 2011). Entrepreneurial ecosystem is so significant that it offers a holistic understanding how clusters of economic activities come into being and specifically offer a new perspective on entrepreneurship growth which emphasizes on the external environment as a geographically concentrated ecosystem that is conducive to entrepreneurship and its success. It is an approach that spontaneously arouses recognition and acknowledgement among public, private, and not for-profit stakeholders (Stam, 2015). It is also important to stress the dynamic nature of ecosystems as evolutionary rather than a static phenomenon and how interaction among entrepreneurs and other contextual elements/actors may create the conditions for the long-term entrepreneurial success**,** economic fortune, innovation, and national competitiveness.

A critical review of this study reveals that in Nigeria many insights reflect**s** that for decades, strategic programmes and policies are majorly carried out by the government with little private support in creating more business opportunities within SMEs into entrepreneurship and economic development. Successive governments have developed a sound policy base over time to support the entrepreneurial ecosystem. These improvements have contributed to several developments in investment activities and reinforces need for more improvements. First, most of the comprehensive SMEs programmes to date have engineered the formation of many cooperatives and in the process, created millions of jobs in the country. Second, the market holds opportunity for future entrepreneurs, given the growing Nigerian population is by now expected to reach about 180 million people (Economy watch, 2015). In the first quarter of 2018, Nigeria's FDI has increased while the Nigerian government continue to promote Nigeria as a rewarding target for FDI. Third, a number of policies on diversification have been created to support and promote entrepreneurship especially in agriculture, manufacturing, trade and solid mineral sectors. Fifth, there has been a slight upward trend in infrastructural development with steady growth in electricity/power, information and communication technology, and transportation. Finally, youth development and empowerment through EEd and training in all the higher institutions of learning and other capacity development providers have increased and are vital stages in life for building the human capital that allows young people avoid poverty and live better life.

While the efforts cited above have borne fruits, Nigeria is faced with many challenges which can impede entrepreneurship. First, Insufficient FDI fund invested into the Nigerian economy has not been able to significantly impact on the SMEs growth and many large companies have shut down due to poor infrastructural facilities and power supply. Secondly, inconsistent government policies and political instability with multiple laws, regulations, and bureaucracies may still serve as barriers to entrepreneurship. Despite several policy reform efforts that have been pursued, the end result is still far from achieving the main objectives. Thirdly, there is still limited access to entrepreneurial finance to start up or grow businesses. SMEs continue to face more stringent financing conditions and higher interest rates compared to large businesses, and find themselves even more at a disadvantage when attracting alternative sources of finance (OECD, 2017). Fourthly, many entrepreneurs in Nigeria lack access to affordable professional services (consulting, law, accounting, etc.) while also, lack of collaboration and coordination among key actors and other support programs including governmental, formal and informal business networks are identified as core SMEs weaknesses and the main areas where SMEs may require special attention (Tende, 2014). Finally, highly qualified human capital remains limited in Nigeria. In the 2016 Human Development Index report, Nigeria still suffers from low level of human development and is ranked among countries with low human capital development based on the number of people with access to education and other basic amenities. From author's experience and observation, most EEd at the higher institutions of learning in Nigeria only provide a theoretical knowledge regarding what entrepreneurship is, but not strong enough in encouraging students to start their own business. This conclusion is supported by Agbonlahor (2016) submission that the present method of teaching and EEd in the universities leaves no room for the students to engage individually with the hard realities of the business environment.

Based on the findings of the study, the following recommendations are proffered:

- More careful attempts should be design by government to creating entrepreneurial ecosystem for smooth and successful engagements and collaborations with all stakeholders to meeting the entrepreneurs needs.
- There should be consistent monitoring and review of policies on entrepreneurship to ensure its impact in terms of business startup, survival and growth of SMEs.
- The government still needs to further implement policies that impact social values and attitudes toward entrepreneurship.

- More entrepreneurship development centers should be built in all the three levels of education in Nigeria that will provide the needed practical knowledge and should be adequately funded and equipped with the necessary learning materials.
- Both the Government and private financial institutions should improve access to credit finance through a new law that will provide a framework for a regulated and reliable system of granting loans to SMEs with less restriction.

7. References

i. Adenle, A. A. (2017). Building the African economy: Is President Obama's entrepreneurial public management program sustainable in Africa? *Journal of Entrepreneurship and Public Policy, 6*(1), 92–107.
ii. Agbonlahor, A. A. (2016). Challenges of entrepreneurial education in Nigerian universities: Towards a repositioning for impact. *Journal of Educational and Social Research, 6*(1), 208–214.
iii. Aminu, A. A. (2012). *Entrepreneurship: Theory and Practice.* International Property and Technology Transfer Office [IPTTO], University of Maiduguri, Nigeria.
iv. Arogundade, B. B. (2011). Entrepreneurship Education: An Imperative for Sustainable Development in Nigeria. *Journal of Emerging Trends in Educational Research and Policy Studies, 2*(1), 26-29.
v. CBN. (2009). CBN Statistical Bulletin 2009, www.cbn.gov.ng
vi. Economy Watch. (2015). Economic statistics by country: Nigeria labor force by occupation for year 2015, www.economywatch.com
vii. Essien-Obot, A. (1991). *Personnel management and Nigeria culture.* Gaskiya Corporation Ltd, Zaria.
viii. Falki, N. (2009). Impact of foreign direct investment on economic growth in Pakistan. *International Review of Business Research Papers, 5*(5), 110-120.
ix. FATE Foundation. (2016). Mapping study of Nigeria's entrepreneurship ecosystem, www.fatefoundation.org
x. Galperin, B. L., & Melyoki, L. L. (2018). *Tanzania as an emerging entrepreneurial ecosystem: prospects and challenges.* African Entrepreneurship, Palgrave Studies of Entrepreneurship in Africa.
xi. Global Entrepreneurship Monitor. (2012). *The GEM 2012 Global Report.* Global Entrepreneurship Research Association, London Business School, UK.
xii. Hayton, J. C., George G. & Zahra, S.A. (2002) National culture and entrepreneurship: A review of behavioral research. *Entrepreneurship Theory and Practice, 26*(4), 33–52.
xiii. International Trade Administration [ITA]. (2017). Department of commerce United State of America, https://www.Export.gov
xiv. Isenberg, D. J. (2010). How to start an entrepreneurial revolution. *Harvard business review, 88*(6), 40-50.
xv. Isenberg, D. (2011). The entrepreneurship ecosystem strategy as a new paradigm for economic policy: Principles for cultivating entrepreneurship. Presentation at the Institute of International and European Affairs.
xvi. Johnson, F. O., George, O., Owoyemi O., & Adegboye, M. (2014). Effects of socio-cultural realities on the nigerian small and medium sized enterprises (smes): Case of small and medium sized enterprises in Lagos state. *International Journal of Business and Management, 9*(1), 90-100.
xvii. Malecki, E. J. (2017). Entrepreneurship and entrepreneurial ecosystems. Geography Compass. 2018; e12359.
xviii. Mason, C., & Brown, R. (2014). *Entrepreneurial ecosystems and growth oriented entrepreneurship.* Background paper prepared for the workshop organized by the OECD LEED Programme and the Dutch Ministry of Economic Affairs.
xix. Morris, M. H., Neumeyer, X. & Kuratko D. F. (2015). *A Portfolio Perspective on Entrepreneurship and economic development.* Springer Science Business Media, New York.
xx. Nwoye, U. J., Chinonso, E., & Justina, O. (2016). Influence of Culture on Nigerian SMEsCompliance Attitude to IFRS for SMEs. *Journal of Culture, Society and Development, (15),* 19-26.
xxi. OECD (2009). 'Universities, entrepreneurship and innovation in firms', internal working document, Centre for Entrepreneurship, SMEs and Local Development, OECD, Paris.
xxii. OECD (2010). SMEs, Entrepreneurship and Innovation, OECD Studies on SMEs and Entrepreneurship, Innovation Strategy, OECD, Paris.
xxiii. OECD (2017). Financing SMEs and Entrepreneurs 2017: An OECD Scoreboard, Highlights.
xxiv. Ogundele, O. J. K., Akingbade, W. A., & Akinlabi, H. B. (2012). Entrepreneurship training and education as strategic tools for poverty alleviation in Nigeria. *American International Journal of Contemporary Research, 2*(1), 148-156.
xxv. Olawale, J. (2017). Entrepreneurship development in Nigeria: problems and prospect. Legit.ng
xxvi. Osalor, P. (2016). Nigerian infrastructure development and the enterprise revolution: An African perspective. Vanguardnewsonline.
xxvii. Osemeke, M. (2012). Entrepreneurship development and intervention agencies in Nigeria. *International Journal of Business and Social Sciences, 3*(8), 255-264.
xxviii. Otieno, A., & Shitta, E. (2014). The Rockefeller Foundation and Tony Elumelu Foundation announceAfrica winners of the Impact Economy Innovations Fund: The winners were selected from a highly competitive pool of hundreds of applicants from across Africa. African Press Organization.
xxix. SMEDAN & NBS. (2013). SMEDAN and National Bureau of Statistics Collaborative Survey: Selected Findings (2013), www.smedan.gov.ng
xxx. Somoye, R. O. C. (2013). The impact of finance on entrepreneurship growth in Nigeria: A cointegration framework. *ACRN Journal of Entrepreneurship Perspectives, 2*(2), 21-45.

xxxi. Spigel, B. (2017). The relational organization of entrepreneurial ecosystems. *Entrepreneurship Theory and Practice, 41*(1), 49–72.

xxxii. Stam, E. (2015). Entrepreneurial ecosystems and regional policy: A sympathetic critique. *European Planning Studies, 23*(9), 1759-1769.

xxxiii. Stam, E., & Spigel, B. (2017). Entrepreneurial ecosystems. In Galperin B. L., & Melyoki, L. L. (2018). *Tanzania as an emerging entrepreneurial ecosystem: prospects and challenges.* African Entrepreneurship, Palgrave Studies of Entrepreneurship in Africa.

xxxiv. Tende, S. B. A. (2014). Government initiatives toward entrepreneurship development in Nigeria. *Global Journal of Business Research, 8*(1), 109-120.

xxxv. Tendler, J. and Amorim, A. M. (1996). Small Firms and their helpers: Lessons on Demand. World Development. 24 (3): 407-426.

xxxvi. Ude, U., & Bete, E. (2013). Traditional Value System and Leadership Effectiveness in Nigerian Organizations. *Public Policy and Administration Review, 1*(1), 16-25.

xxxvii. Udeozor, C. V. (2011). Influence of Culture on Entrepreneurial Orientation and Performance of Nigerian Firms. A Dissertation Submitted to the postgraduate school of Nottingham University Business School in partial fulfilment of the requirements for the degree of Masters in Science.

xxxviii. Ugochukwu, U. S., Okore, O. A., & Ono, J. O. (2013). The impact of foreign direct investment on the Nigerian economy. *European Journal of Business and Management,* *5*(2), 25 – 33.

xxxix. UNDP (2018). Human Development Report. 2018 Statistical Update. http://hdr.undo.org

xl. UNICEF (2018). Quality Basic Education: *The situation.* www.unicef.org/nigeria/education.html

xli. World Bank. (2018). *The World Bank Ease of Doing Business 2017/2018 Report.* Ease of doing business index data. Retrieved from www.worldbank.org

xlii. World Economic Forum. (2013). *Entrepreneurial ecosystems around the globe and company dynamics.* Industry Agenda. Report Summary for the Annual Meeting of the New Champions 2013.

xliii. Yusuf, T. O., & Dansu, F. S. (2013). SMEs, business risks and sustainability in Nigeria. *European Journal of Business and Social Sciences, 2*(9), 76-94.