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ENTREPRENEURSHIP GROWTH WEALTH INEQUALITY AND FINANCIAL CONSTRAINTS IN NIGERIA EVIDENCE FROM SMALL AND MEDIUM ENTERPRISES IN SOUTH-SOUTH REGION

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ABSTRACT

The study examined entrepreneurship growth wealth inequality and financial constraints in Nigeria evidence from small and medium enterprises in South-South region. Four specific objectives with four research questions and four null hypotheses guided the study. The study utilized the cross sectional survey research design. The population of the study comprised one hundred and twenty female enterprises owners and eighty male enterprises owner from 200 selected enterprises in South-South region. Questionnaire was used as instrument to elicit information from the respondents. Data obtained from the study was analyzed using mean and standard deviation was used to analyzed all the research questions. T-test was used to test hypotheses 1, 2 and 3 while ANOVA was used to test hypotheses 4. All the hypotheses were tested at 0.05 level of significance. Result shows that entrepreneurship is enhanced when there is adequate financial support from government in order to obtained positive growth and wealth equality through the help of small and medium enterprises respectively. The finding concluded that entrepreneurship always contributes towards successful business organization. Itrecommended that government should grant loans for entrepreneurship ownership in order to eliminate financial constraints that affect the growth of entrepreneurship in south-south region.

KEYWORDS

Entrepreneurship, Growth, Wealth, Inequality, Financial Constraints, Nigeria, Evidence, Small and Medium Enterprises, South-South Region.



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INTRODUCTION

Entrepreneurship is a natural desire in business establishment. It is a common business activity in which individual can invest their capital for profitability reason. The growth of entrepreneurship depends on the largeness of acquire capital invested into the business which small and medium enterprise is part of it. It shows that the business is wealth when entrepreneurial skill and management are absorbed for change and learning.

Many business organizations have their own vision and mission. Entrepreneurship is a part of the life that contributes towards successful business growth. The people who are actively participating or dealing with business activities are responsible for the achievement of their vision. In business cycle, individual with various education background and entrepreneurial skills come together to form entrepreneurship. At this point of view, financial constraints need not be an obstacle for entrepreneurship growth and wealth inequality since individual's small scale business is there to be utilized as sources of funds to enlarge the business. To achieve positive entrepreneurship business or performance, it's important to explore entrepreneurial skills required in order to maintain the growth.

Concept of Entrepreneurship

Entrepreneurship is a skill acquisition programme and it is regarded as discipline of its units used to input business skills on people (Coaxi, 2016).

Barat, (2015) opined that entrepreneurship is a practical skill inculcated into the creation of new business organization that will open new entry of employability for youth. Thus, entrepreneurship is an activity that shifted the old habits into the new with the discipline and independent.

Change (2015) observed that "entrepreneurship is relatively a new academic research topic that focuses on the area of exploring the management process of new innovations such as creativity and autonomy, capacity for adaptability as well as economic and social value".

"In my view, entrepreneurship can be define as interdisciplinary programme that provide innovative skills for young graduates that will become employer of labour for the unemployed youths in the society" (Change, 2015) .

Concept of Wealth Inequality

To know the distribution level of wealth in the management of small and medium enterprise across the countries, it is important for every one toknow the concept of wealth.

Wealth is described as the recent market value of all the assets owned by households, net of all their debts.

International Standard Organization (2020) opined that wealth is a system of National Accounts, capital assets value including all the financial assets and non-financial assets which ownership rights can be enforced and that provide economic benefits to their owners. In the cases of wealth, it is both pension wealth, either held in individual retirement accounts or through the pension funds and life insurance companies with the expectation of social security and unfunded defined benefit pensions.

Therefore, wealth inequality is a means of individual wealth distribution of tax declarations from the current assets market value owned by individual after deduction of their net ratio of debts. The performance of entrepreneurship ownership contributions will determine the wealth inequality of the available assets dividends shared among the owners after removing all net debts.

In South-South Region today, to start up business is not a difficulty issue, but it is the financial constraint that is the major issue for everyone who want to venture into small and medium enterprise; for instance a young graduate.

Financial Constrains

Financial constraint is the limitation of capital needed to be use for the establishment of small and medium enterprise that will contribute to the growth of standard of living of the people (Nanda, 2019).

Fisman and Lock (2020) opined that fresh entrepreneurship start up struggle with overcoming weaknesses in financial market development, event where existing firms are able to use trade credit as a substitute for formal financing.

Financial constrained is the process of having less assets that would have been used for capital investment that will generate additional assets to the existing one within the firm. An entrepreneur may have interest of expanding their small and medium enterprise, but capital inadequacy will become the major challenges and this will cause wealth inequality (Kerr, 2019).

Keer and Nanda (2020) opined that liquidity constraints are one of the greatest issues impacting on strong entrepreneurs around the South-South geopolitical zone. Their opinion revealed that the two main streams of call for paper research is to investigate the effects of financial problem for entrepreneurship for instance, financial market, development and personal income wealth. They further said that the death of one members might affect financial growth of the small and medium enterprise as well as the entrepreneurship growth.

Small and Medium Scale Enterprise (SMEs)

Small and Medium enterprises can be defined as the backbone of most emerging developed economies of the 2nd century, that take a peculiar audience to lashing and enhancing entrepreneurial innovation and initiative for unemployed youths (Nyark, 2020).

Small and Medium enterprises sometimes resent to the informal sources of finance invested as individuals money lenders, who come together to establish the firm for financial purpose.

Small and Medium enterprises can be classified as business entity that are owned and managed by group of people who agreed to invest their assets into a specific business that yield profit as dividend with a particular period of time (Agwu, 2021).

However, one of the highest challenges facing entrepreneurship growth and that of small and medium enterprise is the financial constraints, lack of accessibility of sufficient financial supply to start up. There is need for adequate operations of small and medium enterprise to the large extent in order to reduce wealth inequality. The challenges of small and medium enterprise are that they are not able to transform their ideals and plans into reality of expanding the growth of entrepreneurship which break the chain of wealth inequality. Inadequate capitalization or poor financial management can destroy a business growth, even when there is potential ideal behind the business cycle is efficient (Nanda, 2019). The advancement of economy and technology leads to the diversity of entrepreneurship at the same time enhances the competitiveness of their productivity among other firms in South-South financial market. At this intersect; skill innovation becomes common for youths who undergo entrepreneurial skill training. Although, the biggest challenges of the entrepreneurship activity is the task. With the take-off in wealth inequality, small and medium enterprise has become issue to the extent that partnerships are now withdrawing their capital from the enterprise. Okechukwu, (2020) said that the ultimate wealth inequality and financial constraints in Nigerian entrepreneurship is that; the avenue or access to financial challenges experienced by SMEs are from different ways: the

domestic financial market may contain an incomplete range of financial goods and services; lack of appropriate financial mechanisms in itself by a function of regulatory rigidities or gaps in the legal framework; monitoring challenges such as principal/agent problems and asymmetric information (OECD, 2016).

The financial houses and other external means of finance are weak, to funds SMEs in Nigeria since they are viewed as high risk lending due to insufficient assets, vulnerability to market destabilizations and high failure rate; information asymmetries because of lack of efficacy in financial book-keeping or business plans to access the viability of their proposals; and big administrative/transaction of borrowing and investing little amounts making SMEs financing unpredictable (Abereijo and Fayemi, 2016).

However, insufficient financial management system, judicial system and content cannot be easily enforced. The wealth inequality is as a result of poor business environment and uncertain and risk proves. Hence, when banks borrow to small and medium enterprise (SMEs), they charge more and inculcate tougher requirements that make it difficult to access external finance that will be useful to fund the entrepreneurship above their growth cycle (Fayemi, 2018).

Statement of Problem

Aside the depth of financial institution which seriously influences the ability of prospective or potential entrepreneurs to finance new businesses, the competition between financial intermediaries also has effects on entrepreneurship.

The performance of SMEs and other businesses owned by individuals at the same time might experiencing entrepreneurship low growth due to the cause of market failure or low managerial ability and these may also lead to low wealth inequality, survival rates and less profitable than those entrepreneurship that do not face financial constraint in the SMEs regularly in South-South Nigeria. Individual with low wealth may not have enough finances to cover all their start up business needed; they lack necessary capital to cover operating system and expenditure each day (Uti, 2022).

Small and medium enterprise face constant cash flow in terms of payment of rent, utility bills, vendor bills and payment of employee salaries which might be the major constraints an entrepreneurship will face as a start up business. Due to the wealth inequality of partnership, the prominent attaché to short term capital by small enterprise to meet the immediate business needs entrepreneurs may strive to get finance even at higher rates to balance interest, balance any discrepancies observed from the business in order to maintain entrepreneurship growth rate. The sources of this capital lead to the following question: Does financial constraints affects entrepreneurship growth? What is wealth inequality? What is small and medium enterprise?

Therefore, the paper examines entrepreneurship growth wealth inequality and financial constraints in Nigeria evidence from SMEs in South-South region.

Aim/Objective of the Study

The aim of this study is to examine entrepreneurship growth wealth inequality and financial constraints in Nigeria evidence from SMEs in South-South region.

The specific objectives are:

- i. To determine the mean responses of male and female respondents on entrepreneurship growth in South-South region.

- ii. To determine the mean responses of male and female respondents on wealth inequality of small and medium enterprise in South-South region.
- iii. To determine the financial constraints of entrepreneurship growth in South-South region.
- iv. To determine the impact of small and medium enterprise on entrepreneurship growth in South-South region.

Research Questions

Based on the objective of the study, the following questions are use to guide the paper.

- i. What is entrepreneurship growth in South-South region?
- ii. What is wealth inequality of small and medium enterprises in South-South region?
- iii. Does financial constraint affect entrepreneurship growth in South-South region?
- iv. What is the impact of small and medium enterprise to entrepreneurship growth in South-South region?

Hypotheses

The following hypotheses will be tested at 0.05 level of significant.

- H₀₁:** There is a no significant difference between the mean response of male and female respondents and entrepreneurship growth in South-South region.
- H₀₂:** There is no significant difference between the mean response of male and female respondents and wealth inequality of small and medium enterprise in South-South region.
- H₀₃:** There is no significant difference between financial constraints and its effect on entrepreneurship growth in South-South region.
- H₀₄:** There is no significant difference between impact of small and medium enterprises and entrepreneurship growth in South-South region.

Literature Review

Concept of Entrepreneurship

Entrepreneurship can be defined as a skill acquisition programme needed to be impacted on individual for job creativity (Herber, 2019). Entrepreneurship is defined as a process of building vocational skill that is useful in connection within the innovation of modern industrial business leader that explains the beginning of a profitable business orientation (Akanni, 2020).

Entrepreneurship can be viewed as the innovation of new production method to an organization or industries in order to produce different marketing goods that are needed by the final consumers. This means that entrepreneurship concept is all about the creation of new product, new market environment, new management of organization. Entrepreneurship is full of risk taking and reward. Indeed, wealth is created when entrepreneurship innovation provide what is demanded in the market. Hence, entrepreneurship is observed as a process which involves the creation of an innovative economic organization for the means of obtaining or gain growth under the condition of risk uncertainty and reward (Dollinger, 2001 citing Akanni, 2020). This definition means that entrepreneurship contained both risk and reward which ownership need to consider as they venture into the business.

Brush (2019) asserted that entrepreneurship is a business activity consisting of some interaction of the different managerial behaviour such as creativity, innovation, general management, risk bearing, intention to realize high levels of growth. This concept shows that no business will grow above expectation without undergoing risk fact. Therefore, entrepreneurship management has to understand the risk bearing of their business and plan out strategies that will reduce such risk whenever it occurs in order for entrepreneurship ownership to maintain high growth.

Hisrich and Peters (2021) opined that entrepreneurship is a perpetual way of creating something unique different from other competitive market that has value to the users. This is to say that entrepreneurship helps in creating different kind of goods and services that have not be produced by other competitive markets. Many businesses grow faster when such businesses have effective entrepreneurship ideal that is different from others.

Growth is the process of moving higher within a specific period of time. Akandele (2019) defined growth as a process of moving one's standard of living in a geometric way from one stage to the other. In business cycle, it is expected that growth should be the most target of the owners despite the risk bearing that involves.

Akpan (2018) opined that growth is a continuous shift from the lower economic level to the level of development within a time series of number of year. Akpan proved that small and medium enterprises can attain growth when the business sector is valuable to compete with other related commodities in the market.

Growth is a means of moving business production above competitive market due to the discovering of new innovation ideals use in creating different entrepreneurship products that are desired by final consumers in the market. Business enterprises who have efficient business skill can grow faster because of number of demand that purchase their product.

Concept of Wealth Inequality

Wealth inequality has to do with differences in the share of something between/among two or more persons where the share of one/some is greater than that of the others.

Ray (2018) define wealth inequality as a process of giving some material/resources to one person why denying others the same thing. Wealth inequality can be income heritage from parents or free gift.

Wealth inequality is defined as the inequitable distribution of income among the members of a particular group of business enterprise. This wealth inequality can be measured generally using the profit return from every business transaction carried out per day (Achieze, 2021).

Adelowa (2020) stated that wealth inequality is the distribution of income and resource to one particular person, while living the other persons with nothing. This definition shows that every business owner has a specific amount reserved for their children than the management body i.e., employees for instance have little benefit gain from the small and medium enterprise.

Concept of Financial Constraints

Financial constraint is a specific obstacle that hinders the growth of business enterprises rather being general or subjective in nature (Williams, 2016).

Financial constrain is a situation of having limited cash at hand to start up an enterprises at a regular time. This means that without capital no man can establish small medium business as means of surviving the family (Yale, 2020).

Okeke (2016) opined that financial constrain is a state of having cashless account and there is no means of borrowing to finance a small scale enterprise within the locality individual found themselves. The definition view financial constrained as hindrance to business owned by various individual across the country. Many business owners have good enterprise initiative, but the ability to establish the business becomes a challenge due to financial constrain.

Mba (2020) defined financial constraints as a limitation of income that is needed to establish small and medium enterprise as young graduate in form of employability reasons. This concept view financial constraint as hindrance to entrepreneurship establishment and job creativity for every individual person that has business idea, skill and experience since creativities is the key of entrepreneurship which require adequate financial resources to grow faster.

Financial constraint can be conceptualized as total shortage of capital at hand to start up small and medium enterprise. It is obvious that whether demand and supply is following the quest of entrepreneur have access to enough capital to establish or start up business venture is not available rather than borrowing with high interest rate (Meier, 2019).

Financial constraint can be defined as a process of struggling for capital intensive that is required by a fresher who want to start up enterprise or industry for production of consumable goods Kajan and Zingales (2020). Given the importance of entrepreneurship in enhancing economic growth, a lot of small and medium enterprises owners has lost their wealth due to over borrowing from commercial banks or individual lender to maintain the standard of their business.

Concept of SMES

Uche (2022) defined small and medium enterprise as an industry that provides over 250 employees for unemployed youths in order to survive good standard living. Having access to finance gives ownership of SMES the opportunity to develop their business and acquire adequate technology for production, ensuring their competitiveness.

Small and Medium Enterprises (SMES) is defined as an industry or company that possesses great potential for reducing poverty through employment creation and income generation. This means that the enterprises enhance entrepreneurship innovation, local technology, production diversification, development of indigenous entrepreneurship and forward empower integration with large-scale industries (Reuben, 2022). Indeed, every average Nigeria in South-South depends on these small and medium size enterprises (SMES) for sustainability.

Solomon (2019) asserts that small and medium enterprise (SMES) is a business entity that generates employment for unemployed graduates in order to earn income for survival of family welfare. This concept recognized the documentation of (SMES) as a significant contribution to economy growth and mankind. Hence, (SMES) in Nigeria fill the financing gap, that restricts the significant growth of the firm. Consequently, the lack of external finance availability for (SMES) is the focus of this paper.

Small and medium enterprise is a sector that has more element in its strategy to foster economy growth, employment and poverty alleviation (World Bank, 2012). This is because;(SMES) constitute the driving force of such entrepreneurial potential growth and development, and ensuring diversification and expansion of industrial production as well as the attainment of the basic objectives of wealth creation for the people.

Uche (2021) defined small and medium enterprise as an industry that possesses high quality of job opportunity turn up for labor markets which is an important part of the competitive process and structural change. However, small and medium enterprises lack access to relative cheap and

effectivesource of finance to maintain the entrepreneurship growth above 75.7% of individual survival across the South State, Nigeria. Therefore, the main focus of this paper is that small and medium enterprise ownership do not have sufficient finance to carry their business thereby lead to wealth inequality among membership of entrepreneur.

Theoretical Framework

This paper profound an entrepreneurship theories that indicate the potentiality of human resource to innovation created as skill for the society. These theories include:

Resource-Based Entrepreneurship Theory.

This theory justify that the access to financial resources by enterprises founder is an important prediction of opportunity based entrepreneurship business growth (Alvarez and Busenitz, 2016). The theory debate the significance of financial, social and human resources (Aldrich, 2019). Hence, availability to resources improved the individuals ability to forecast and act upon discovered opportunities needed in managing small and medium enterprise.

Human Capital Entrepreneurship Theory.

Human capital entrepreneurship theories are grouped into two sector, education and experience. The skills and knowledge gained from vocational education training and employability experience needed to be used in a work place represent resources that are heterogeneously distributed across individuals and effect central to understanding differences in opportunity identification and exploitation (Anderson and Miller, 2016). This theory is adopted in this paper due to the fact that wealth inequality and financial resources constraint of small and medium enterprise was identified in the theory of human capital entrepreneurship.

Financial Capital Theory.

An appraisal research has showed that the finding of new firms is more common when people have the opportunity to financial resources. This focus point of this theory is that people with financial capital are more able to acquire resources to effectively exploit entrepreneurial opportunities, and set up a firm to do so (Clausen, 2016). The theory also proved that entrepreneur has individual capital resources that enhance the recognition of new opportunities and the assessment of new financial growth for the establishment of new firm. In this theory, it is obvious that some people are more able to recognize and do exploit opportunities than others because they have good access to financial information and knowledge. The similarity between this previous study and the present study is that; the previous study considers financial assessment for recognition of new enterprise while the present study considered entrepreneurship growth wealth inequality and financial constraints evidence from small and medium enterprise.

Monday (2021) under rates financial constraint as tremendous factors that affect the ability of potential entrepreneurs that want to undergo a new business. This means that liquidity constraint lower survival rates and profitability of small and medium enterprise. The underlying prediction of the personal wealth entrepreneurship gain is that the propensity to become an entrepreneur is a function of personal wealth inequality of every member of the enterprise, while the present study consider entrepreneurship growth in wealth inequality and financial constraints in Nigeria evidence from SMEs in south-south region. Thus, this theory is adopted by the researcher due to the similarity in the literature review.

Empirical Studies

An empirical study was reviewed in this paper. Aigbokhan (2019) carried out an investigation on effect of financial challenges on the establishment of entrepreneurship for unemployed youth in south-south Nigeria. Three specific research objective and three null hypotheses were used for the study. Cross sectional survey design was adopted for the study. The population of the study comprises 256 employees of small and medium enterprise. A random sample technique was used to select 180 male and female respondents. Questionnaire was used as instrument for data collection and it was validated by three experts. Data collected was analyzed with mean and standard deviation, while z-tests was used to test the hypothesis at 0.05 level of significance. The findings of the result indicate that entrepreneurship establishment faced serious financial challenges in south-south Nigeria especially the new established firms. The study concluded that there should be adequate financial resources for the new startup of entrepreneur in south-south Nigeria. The study recommended that government should give out loan to individuals who want to start up new enterprise. The previous study considers the effect of financial challenges on the establishment of entrepreneurship for unemployed youth while the present study considered entrepreneurship growth wealth inequality and financial constraints in Nigeria, evidence from SMEs in south-south region. Both study have the same similarity because of the cross sectional survey design.

Lawa (2021) examined the importance of financial housing in the establishment of small and medium enterprises in Nigeria. The study was carried out in Kogi State. Four specific research questions and hypotheses were adopted in the study. Descriptive research design was used for the study. The population of the study consists of 365 ownership of small and medium enterprise. Random sample was used to select 200 respondents. An interview was carried out as a means of collecting data. Data collected was analyzed with the use of (SPSS) while ANOCN was used to test the hypotheses at 0.05 level of significance. The findings of the result show that adequate loan for new startup of small and medium enterprise enhances the growth of the business. The findings concluded that financial housing should provide loan for individuals that start up entrepreneurship. The study recommended that small and medium enterprise ownership should invest their capital into assets that will yield additional capital for their business. The similarity between the present study and previous study is that, the present study considered entrepreneurship growth wealth inequality and financial constraints in Nigeria evidence from SMEs in south-south region, while the previous study focuses on importance of the financial housing in the establishment of small and medium enterprises in Nigeria.

Leon (2020) examines the relationship between income inequality and growth of small and medium enterprises. The study was carried out in Ghana. Five specific research objectives hypotheses were adopted in the study. Secondary data was used for the study to determine the level of income inequality and growth of SMEs. Ordinary least square (OLS) regression analysis was used for the study. The finding of study shows that capital inequality affects the growth of small and medium enterprise. The study concluded that income inequality reduce SMEs wealth stage of the individual shareholder of the enterprise. The study recommended that there should be provision of capital for ownership of small and medium enterprise in order to reduce problem of wealth inequality. The difference between the present study and previous one is that, the previous study considered relationship between income inequality and growth of small and medium enterprises, while the present study considered entrepreneurship growth wealth inequality and financial constraints in Nigeria evidence form SMEs in South-South Region.

Methodology

The design for this study is the survey design. The study was carried out in South-South Region. The population of the study consists of 200 male and female enterprises owners selected from South-South Region of Nigeria. The selected area includes Delta, Edo, Rivers, Bayelsa State. A random sample of 40 Male and 80 female enterprises ownership was selected from the entire population as sample for the study. The researcher designed a structured questionnaire containing twenty (20) items based on four-point rating scale of frequency of usage. The usage ratings were:

Strongly agreed	SA	4 points
Agreed	A	3 points
Disagreed	D	2 points
Strongly disagreed	SD	1 point.

The internal consistency of the instrument was computed using Cronbach Alpha Coefficient measure of internal consistency. Subsequently a value of 0.89 was obtained as the reliability index. The instruments were personally administered to the respondents. The entire instrument administered was returned. Data collected for the study were analyzed using mean score, standard deviation, t-test to test hypotheses 1, 2 and 3 while analysis of variance (ANOVA) was used to test hypotheses 4. The data collected whose mean score of 2.50 and above were accepted, while mean score below 2.50 were rejected. The hypotheses were tested based on 0.05 level of significance.

Analysis

Research Question

What is entrepreneurship growth in South-South region?

Table 1: Mean Ratings on Entrepreneurship Growth in South-South Region N = 120

S/N	ITEMS: Entrepreneurship growth in South-South region	X	S.D	Remark
1	Entrepreneurship contributes towards successful business organization.	3.48	1.04	Accepted
2	Entrepreneurship creates opportunity for unemployed youths in south-south region.	3.65	0.62	Accepted
3	Entrepreneurship provides technical skill used in work place for young graduates.	3.13	1.07	Accepted
4	Entrepreneurship creates mind set and skills for employees.	3.25	0.91	Accepted
5	Entrepreneurship inculcates new innovation business ideals to employers of labour that bring growth.	3.53	0.96	Accepted
	Grand mean	3.41	0.92	Accepted

Table 1 calculated above shows respondents view to all the items asked in the questionnaire under research question 1 are the entrepreneurship growth in South-South region, from the table calculated a total grand mean of both male and female respondents is 3.41 which is above mean rating score of

2.50 of decision rule with a standard deviation of 0.92 showing that the respondents strongly agreed that there is entrepreneurship growth in South-South region of Nigeria.

Research Question

What is wealth inequality of small and medium enterprises in South-South region?

Table 2: Mean Ratings on wealth inequality of small and medium enterprises in South-South region. N = 120

S/N	ITEMS: on wealth inequality of small and medium enterprises in South-South region	X	S.D	Remark
1	Wealth inequality affects the growth of entrepreneurship in south-south region.	3.83	0.57	Accepted
2	Small and medium enterprise lack growth due to wealth inequality.	3.4	0.69	Accepted
3	Wealth inequality affects financial growth of entrepreneurship.	3.33	1.1	Accepted
4	Wealth inequality leads to financial discrimination among ownership of small and medium enterprise.	3.68	0.79	Accepted
5	Entrepreneurship lack production growth due to wealth inequality in south-south region.	3.85	0.39	Accepted
	Grand mean	3.62	0.71	Accepted

Table 2 calculated above shows respondents view to all the items asked in the questionnaire under research question 2 are wealth inequality of small and medium enterprises in South-South region. From the table calculated, a total grand mean of both male and female respondents is 3.62 with a standard deviation of 0.71 which is above mean rating score of 2.50 of decision rule. This shows that the respondents strongly agreed that there is wealth inequality of small and medium enterprises in South-South region of Nigeria.

Research question 3

Does financial constraint affect entrepreneurship growth in South-South region?

Table 3: Mean Ratings financial constraint affect entrepreneurship growth in South-South region. N = 120

S/N	ITEMS: financial constraint affect entrepreneurship growth in South-South region	X	S.D	Remark
1	Financial constraints affect the growth of entrepreneurship in south-south region.	3.53	0.96	Accepted
2	Small and medium enterprise lack adequate production of new product due to financial constraints.	3.18	0.87	Accepted
3	SMES lack expansion of business due to financial constraints.	3.68	0.62	Accepted
4	Financial constraints discourage fresh start up of SMES in south-south region.	3.25	0.91	Accepted
5	Small and medium enterprises lack quality of labour force due to financial constraints.	3.5	0.72	Accepted
	Grand mean	3.43	0.82	Accepted

Table 3 calculated above shows respondents view to all the items asked in the questionnaire under research question 3 are financial constraint affect entrepreneurship growth in South-South region, from the table calculated a total grand mean of both male and female respondents is 3.43 with a standard deviation of 0.80 which is above mean rating score of 2.50 of decision rule. This shows that the respondents strongly agreed that financial constraint affect entrepreneurship growth in South-South region of Nigeria.

Research Question 4

What is the impact of small and medium enterprise to entrepreneurship growth in South-South region?

Table 4: Mean Ratings on the impact of small and medium enterprise to entrepreneurship growth in South-South region. N = 120

S/N	ITEMS: on the impact of small and medium enterprise to entrepreneurship growth in South-South region	X	S.D	Remark
1	Small and medium enterprise provides high quality of job opportunity for labour market.	3.34	0.67	Accepted
2	SMES provide competitive and structural change for the market.	3.72	0.74	Accepted
3	SMES provide over 250 employees for unemployed youths.	3.42	0.68	Accepted
4	SMES provide good standard of living for ownership of business.	3.68	0.74	Accepted
5	SMES provide opportunity for diversification in the market.	3.49	0.79	Accepted
	Grand mean/ SD	3.53	0.72	Accepted

Table 4 calculated above shows respondents view to all the items asked in the questionnaire under research question 4 are the impact of small and medium enterprise to entrepreneurship growth in South-South region, from the table calculated a total grand mean of both male and female respondents is 3.53 with a standard deviation of 0.72 which is above mean rating score of 2.50 of decision rule. This shows that the respondents strongly agreed that small and medium enterprise have positive impact on entrepreneurship growth in South-South region of Nigeria.

Testing of hypotheses

H₀₁: There is a no significant difference between the mean response of male and female respondents and entrepreneurship growth in South-South region.

Table 5: Summary of t-test analysis between the mean ratings of male and female respondents on entrepreneurship growth in South-South region

Variable	No	X	Sd	Df	t-calculated	t-cr value	Level of significance	Decision
Male	40	3.41	0.92	118	0.04	1.98	0.05	Accepted
Female	80	3.62	0.71					

From the table 5 above, the mean for both male and female students is 3.42 and 3.53 and standard deviation also reveals 0.92 and 0.73, the T-calculated value of 0.04 is lower than the t-critical value of 1.98 of 0.05 level of significance. Therefore, the null hypotheses stated are accepted. This

implies that there is no significant difference between the mean score of male and female enterprise ownership on entrepreneurship growth in South-South region.

Ho₂: There is no significant difference between the mean response of male and female respondents and wealth inequality of small and medium enterprise in South-South region.

Table 6: Summary of t-test analysis between the mean ratings of male and female enterprise ownership on wealth inequality of small and medium enterprise in South-South region.

Variable	No	X	Sd	Df	t-calculated	t-critical value	Level of significance	Decision
Male	40	3.43	0.82	118	1.87	1.98	0.05	Accepted
Female	80	3.62	0.71					

From the table 6 above, the mean for both male and female respondents is 3.43 and 3.62 and standard deviation also reveals 0.82 and 0.71, the t-calculated value of 1.87 is lower than the t-critical value of 1.98 of 0.05 level of significance. Therefore, the null hypotheses stated is accepted. This implies that there is no significant difference between the mean score of male and female enterprise ownership on wealth inequality of small and medium enterprise in South-South region.

Ho₃: There is no significant difference between financial constraints and its effect on entrepreneurship growth in South-South region.

Table 7: Summary of t-test analysis between the mean ratings of male and female enterprise ownership on financial constraints and its effect on entrepreneurship growth in South-South region

Variable	No	X	Sd	Df	t-calculated	t-critical value	Level of significance	Decision
Male	40	3.43	0.82	118	0.16	1.98	0.05	Accepted
Female	80	3.75	0.56					

From the table 7 above, the mean for both male and female respondents is 3.43 and 3.75 and standard deviation also reveals 0.82 and 0.56, the t-calculated value of 0.16 is lower than the t-critical value of 1.98 of 0.05 level of significance. Therefore, the null hypotheses stated is accepted. This implies that there is no significant difference between the mean score of male and female enterprises ownership on financial constraints and its effect on entrepreneurship growth in South-South region

Ho₄: There is no significant difference between impact of small and medium enterprises and entrepreneurship growth in South-South region.

Table 8: Summary of t-test analysis between the mean ratings of male and female enterprise ownership on impact of small and medium enterprises and entrepreneurship growth in South-South region.

Variable	No	\bar{X}	S.D	df	t-cal value	t-critical value	Level of significance	Decision

Male	40	3.43	0.69	118	0.5	1.96	0.05	Accepted
Female	80	3.55	0.66					

From the table 8 above, the mean for both male and female respondents is 3.43 and 3.55 and standard deviation also reveals 0.69 and 0.66, the t-calculated value of 0.5 is lower than the t-critical value of 1.98 of 0.05 level of significance. Therefore, the null hypotheses stated is accepted. This implies that there is no significant difference between the mean score of male and female enterprises ownership on the impact of small and medium enterprises and entrepreneurship growth in South-South region.

4.4 Discussion of findings

The findings of this study were arranged and discussed based on the research questions and hypothesis that guided the study.

Entrepreneurship Growth in South-South Rejoin of Nigeria.

Result in table 1 shows that there is wealth inequality of small and medium enterprises in South-South region since item calculated shown no significant. The findings show that entrepreneurship contributes towards successful business organization. The findings shows that entrepreneurship creates opportunity for unemployed youths in south-south region, the findings indicates respondents agreement that entrepreneurship provides technical skill used in work place for young graduates. Respondents agreed that entrepreneurship creates mind set and skills for employees. The finding also shows that entrepreneurship inculcates new innovation business ideals to employers of labour that bring growth. The is inline with Akanni, (2020), who said that entrepreneurship is the process of building vocational skill that is useful in connection within the innovation of modern industrial business leader that explains the beginning of a profitable business orientation

Wealth inequality of small and medium enterprises in South-South region of Nigeria

Results in table 2, item calculated shows no significant to the questions asked in the questionnaire under research question 2 are wealth inequality of small and medium enterprises in South-South region. Therefore findings indicate that wealth inequality affects the growth of entrepreneurship in south-south region. Respondents agreed that small and medium enterprise lack growth due to wealth inequality. The findings shows that respondents strongly agreed that wealth inequality affects financial growth of entrepreneurship, respondents strongly shows that wealth inequality leads to financial discrimination among ownership of small and medium enterprise. The findings show that entrepreneurship lack production growth due to wealth inequality in south-south region. The result is in agreement with Adelowa (2020) who stated that wealth inequality is the distribution of income and resource to one particular person, while living the other persons with nothing.

Financial constraint affects entrepreneurship growth in South-South region of Nigeria

Result in table 3 showed all the items presented in table 3 have no significant difference in the mean responses of both male and female enterprises ownership are financial constraint affect entrepreneurship growth in South-South region. The findings show that financial constraints affect the growth of entrepreneurship in south-south region. Respondents agreed that small and medium enterprise lack adequate production of new product due to financial constraints. Respondents strongly agreed that SMES lack expansion of business due to financial constraints. The findings indicate that financial constraints discourage fresh start up of SMES in south-south region. Bases on the finding, respondents agreed that small and medium enterprises lack quality of labour force due to financial

constraints. The findings is inline with Yale, (2020) who said that financial constrain is a situation of having limited cash at hand to start up an enterprises at a regular time. These mean that without capital no man can establish small medium business as means of surviving the family.

Impact of small and medium enterprise to entrepreneurship growth in South-South region

Result in table 4 showed all the items presented in table 4 have no significant difference in the mean responses of both male and female enterprises ownership are the impact of small and medium enterprise to entrepreneurship growth in South-South region. The findings show that small and medium enterprise provides high quality of job opportunity for labour market. Respondents strongly agreed that SMES provide competitive and structural change for the market. Respondents agreed that SMES provide over 250 employees for unemployed youths. Findings show respondents agreement on how SMES provide good standard of living for ownership of business. The findings show that SMES provide opportunity for diversification in the market. The findings is inline with Uche (2022) who opined that small and medium enterprise as an industry that provides over 250 employees for unemployed youths in order to survive good standard living.

Conclusion

The study concludes that:

- Entrepreneurship always contributes towards successful business organization.
- Wealth inequality affects the growth of entrepreneurship in south-south region.
- Financial constraints always affect the growth of entrepreneurship in south-south region.
- Small and medium enterprise provides high quality of job opportunity for labour market.

Recommendations

The following recommendation are:

- Government should provide enable environment for Entrepreneurship in order to contribute towards successful business organization.
- Wealth inequality that affects the growth of entrepreneurship in south-south region should be put into consideration between government and private ownership of small medium enterprise in South-South region.
- Government should grand loan for entrepreneurship ownership in order to eliminate financial constraints that affect the growth of entrepreneurship in south-south region.
- More Small and medium enterprise should be established in order to provide high quality of job opportunity for labour market.

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