

Good Governance, Entrepreneurial Culture among Youths for Economic Growth: A Strategy for Economic Recovery in Jos, Plateau State, Nigeria

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Abstract

The main objective of the paper is to determine the influence of good governance, entrepreneurial culture among youths on economic growth and recovery in Jos metropolis, Plateau State, Nigeria. The paper adopts descriptive methods and employed two sampling techniques; purposive and random. Three hypotheses were formulated and tested. The Pearson coefficient correlation revealed that significant influence exists between good governance, entrepreneurial culture and economic growth respectively. The study concludes that good governance, entrepreneurial culture among youths in Jos metropolis of Plateau State, Nigeria is necessary for economic growth and recovery. The study recommended among others that government should practice good governance, enact laws that will jail corrupt public officers, create awareness among youths on the need to imbibe entrepreneurial culture. Also, entrepreneurship education be included in Nigerian curriculum and taught in secondary schools.

Keywords: Culture, Entrepreneurship, Economic Recovery, Good Governance, Youth.

JEL Code: O43, O16, L26, J13

Contribution/Originality:

The study has contributed to the existing literature on good governance, entrepreneurial culture and strategy for economic recovery. It calls for review of educational curriculum to include entrepreneurship study in secondary schools for youth development.

1.0 Introduction

The aspirations and ultimate desire of Nigerian youths is to be gainfully employed in either public or private sector organizations. If all that fails, youth desire to secure income generating activities in the economy so that they can cater for their immediate needs and that of their dependents. In line with that all nations aspire to attain macroeconomic goals that will ensure better living conditions for its citizens. Unfortunately, these goals and aspirations have not been achieved in Nigeria and other developing countries across the world. Adenuga (2013) posited that Nigerian society is bedevilled with bad governance which is associated with high rate of corruption. According to Proshare (2007) bad governance is characterized by arbitrary policy making, uncountable bureaucracies, un-enforced

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and unjust legal systems, the abuse of executive power, a civil society engaged in public life and widespread corruption. This has led the country to have record larger number of unemployed youths and the poverty level keeps increasing by day. According to National Bureau of Statistic (NBS) (2017) report published in Vanguard (2017) the country's unemployment rate rose from 14.2 per cent to 18.8 per cent in the third quarter of 2017. Similarly, the number of people who are in labour force but unemployed or underemployed increased from 13.6 million to 17.7 million respectively in the 2nd quarter of 2017 and further risen from 15.9 million and 18.0 million in the third quarter. The growing unemployment rate of the country have manifested into high crime rate due to inability in meeting up daily needs.

While Nigerian youths continue to suffer due to unemployment, the society also witnessed a decelerating economic growth in the second quarter of 2016 which culminated in an economic recession in second quarter of 2016 (NBS, 2016). Entrepreneurship which addresses the problem of wealth inequality, reconstruct the economy by engaging the youths to establish small scale businesses which employs a large number have not been given the desired attention due to absence of good governance. Yahaya (2016) opined that there is need for improving the business climate by upgrading corporate governance, promoting venture capital investment, re-designing policies for small and medium sized enterprises that will raise productivity is the only way for the economy to recover. Management Study Guide (2017) opined that there is need for creating an entrepreneurial spirit amongst youths through media campaigns, promoting youth programmes as well as youth entrepreneurship programmes among others. However, this could only be possible if there is good governance in Nigeria, as governance implies the process by which decisions are implemented or not implemented. According to Ohiomu and Dibie (2014) governance is the manner which power is exercised in management of a country's economic and social resources for development.

The persistent increase in unemployment rate among Nigerian youths and the economic recession the country finds itself due to few people holding the nation's wealth is a matter that desire urgent attention. Attributable is the growing rate of corruption necessitated by bad governance has made the country a dualistic economy as the country continued to witness growing inequality. According to Odunayo (2017) low income individuals in Nigeria have not been supported to display their human capital potentials, this has led to low economic growth. Coupled to these is the growing number of people in poverty in Plateau State Nigeria. With the challenges of bad governance, corruption and unemployment that have bedevilled Plateau State Nigeria, the paper sought to advocate for good governance and encouragement of youths to imbibe entrepreneurial culture so that the State and country at large can achieve economic growth.

The study seeks to establish the influences and relationship among the following:

- 1. Good governance and economic growth in Jos metropolis, Plateau State Nigeria.
- 2. Entrepreneurial culture among youths and economic growth in Jos metropolis, Plateau State, Nigeria.

3. Entrepreneurship education among youths and economic growth in Jos metropolis, Plateau State, Nigeria.

The following hypotheses will be tested for the study:

H₀1: There is no significant influence of good governance on economic growth in Plateau State, Nigeria.

 H_02 : Entrepreneurial culture among youths has no significant influence on economic growth in Plateau State, Nigeria.

H₀3: Entrepreneurship education for the youth does not influence economic growth in Plateau State, Nigeria.

2.0 Literature Review

2.1 Conceptual Issues

2.1.1 Good Governance

According to Adeosun (2012) good governance entails the capacity to manage a country's resources in a transparent; accountable equitable manner, in response to the needs of the people. Similarly, Adenuga (2013) posited that governance could be bad or good, but governance is an art of governing, involving the making of rules in a society such rules should be accepted as legitimate and should be in consonance with the values that are held by individuals and groups within the society. In another definition, the World Bank (2000) referred governance to mean how power is exercised in management of a nation's economic and social resources for developmental purposes. Also, Ohiomu and Dibie (2014) opined that good governance is seen as striving for rule of law, transparency, equity, effectiveness/efficiency, accountability and strategic vision in the exercise of political, economic, and administrative authority.

Good governance therefore is about leadership and people focused political institutions, working with people to empower them to reach the highest points of their productive and creative abilities with particular reference to Nigerian youths who desire to imbibe entrepreneurial culture. Good governance also includes the formulation of policy initiatives that will strengthen institutions and organizations with the main objective of making government responsible, more democratic responsive and accountable.

2.1.2 Entrepreneurial Culture

The concept entrepreneurial culture is a combination of the concepts of culture and entrepreneurship. The study shall therefore review the concept of culture and entrepreneurship separately and then discuss entrepreneurial culture.

The term 'culture' according to Hofstefe (1996) refers to a collecting programming of mind which distinguishes the members of one group or category of people from others. Similarly, Ajekwe (2017)

described culture as behaviour that could be learned, shared, compelling inter rerated set of symbols whose meaning provide a set of orientations for members of a society.

Entrepreneurship refers to the process of creating something new with value by devoting necessary time, putting in effort, sinking in funds, taking psychic and social risks as recovering the rewards of monetary, personal satisfaction and independence (Olugunwa & Itodo, 2017). Whereas it is entrepreneurs who seek ideas put them together so as to foster economic growth and development. In the process of generating ideas, entrepreneurs get involved in creating new value, devote their time and put effort, having assumed risks of committing their capital in anticipation of rewards which might be positive or negative.

Entrepreneurial culture therefore is seen as a set of values, beliefs and attitudes commonly held in society which support the notion that an entrepreneurial life system is desirable and that in their turn strongly support the search for effective entrepreneurial behaviour by individuals or groups (Gibbs, 1996). Akuegwu and Nwi-Ue (2016) posited that, entrepreneurship is an antidote to joblessness and youth restiveness. When youths develop entrepreneurial culture, wealth creation is possible, jobs are created among others. Buttressing this fact, Akuegwu and Nwi-Ue (2016) opined that entrepreneurship culture is inculcated in the mind of the individuals and is further supported through entrepreneurship education. Entrepreneurial culture is aimed at changing youths' state of behaviours and intentions so that they become entrepreneurs and finally resulting in the formation of new enterprises and new jobs. Contributing Galambos (2017) posited that, entrepreneurial culture encouraged people to take risks of exploring possibilities of innovation. Entrepreneurial culture therefore means accepting or embracing the art of innovativeness, creativity, pro-activeness, competitive autonomy and willingness to take risk.

2.1.3 Economic Recovery

Economic recovery has been viewed differently by scholars, but the key issue in all definitions is that the economy experienced negative growth or a rapid decline in growth where recession occurs. Economic recovery could be described as the phase of business activity following a recession; it is a period where the economy regains from a downturn. It is a period where some indicators in the economy such as employment and Gross Domestic Product are higher. During economic recovery process, business activities resume and activities in the economy continue to grow. According to Piana (2015) economic recovery is a period of acceleration of growth in the economy. Contributing, Salmon (2011) posited that economic recovery is the development of the economic wealth of countries, regions or communities for the wellbeing of their inhabitants. The recovery involves improvement in varieties of indicators among which are literacy rate, life expectancy and poverty rate. Economic recovery is a period that signals the end of recession which results in decline in unemployment, interest rate and consumer's confidence as inflation in reduced.

2.2 Empirical Review

The study reviewed empirical literature of other works. Meyer (2014) carried a study on perception of students regarding entrepreneurial culture, and unemployment among youths in Gauteng Province, South Africa with a sample of 400 students and using questionnaire, the results of z - test and t - test revealed that entrepreneurship development programmes provides employment, creates wealth and increases economic growth in the economy. Adewale (2011) investigated the crowding – out – effects of corruption due to bad governance in Nigeria, using time series 1996 – 2009. The econometric results show a statistically significant relationship between the models, and concluded that corruption due to bad governance retards economic growth in Nigeria.

Akuegwu and Nwi-Ue (2016) carried a survey design study and investigated the development of entrepreneurship culture for economic growth and global relevance among university students in South – South Nigeria. Using a sample of 340 students, the result revealed that university students, who develop entrepreneurship culture, have the opportunity of becoming gainfully employed and contribute to economic growth. Similarly, Udih and Odibo (2016) investigated the impact of good governance and entrepreneurship growth in the development of Nigerian economy in Warri, Ughelli, Delta State. The study revealed that good governance and entrepreneurial growth leads to wealth creation, employment generation and increase in Gross Domestic Product. Mwaura, Hiuhu, Nga'ang'a and Gathenya (2015) sought to establish the factors influencing the development of entrepreneurial culture among students in Kenya. The study employed a cross sectional descriptive research design and using SPSS in its analysis, the result indicated that few individuals but all inclusive, where teachers, private sector, family, community and government all play their specific roles to in still entrepreneurial traits and capabilities, as most teaching methods did not cover key entrepreneurial areas and methods used were less practical. Hassan (2013) carried a study on curbing bad governance and unemployment problem in Nigeria through entrepreneurial development, using primary data sample of 220 in Kogi State, Nigeria. Using chi - square technique, the results revealed that bad governance and unemployment problem could be solved through entrepreneurial development for youths with the support of government.

3.0 Methodology

3.1 Research Design

This study used descriptive design as a guide in the conduct of this research. The reason for the choice of this design is based on the fact that the study used a sample from the population of the study for generalization on the population.

3.2 Population and Sample

The study population is the entire object or element that is studied. The population for this study comprised of the entire youths in Jos Metropolis, Plateau State, Nigeria. However, a sample of 200 respondents was used for data collection and the findings from the sample size will be used as a basis for the generalization on the population.

3.3 Sampling Technique

The study used purposive and stratified sampling techniques in selecting the sample. Purposive sampling focuses on selecting a study population based on the main purpose of the study. Thus the respondents have something to do with good governance and entrepreneurial culture. Stratified sampling was used to ensure fair representation of youths in the study area, which includes both working and non-working class

3.4 Instrument for Data Collection

The study used structured questionnaire designed as Good Governance, Entrepreneurial Culture among Youths and Economic Growth (GGECYEGQ). Two point Likert scale of agree and disagree with 2 and 1 were the score value.

3.5 Validity and Reliability of the Instrument

The reliability of the instrument was obtained using Split – half method by administrating of the instrument items to 90 youths in Jos Metropolis, Plateau State, Nigeria, while splitting the test score into even and odd numbers and analysed using Pearson moment product coefficient it yielded 0.7 index. Similarly, Pearson moment product coefficient was used in analysing the three hypotheses stated at 0.05 level of significant.

3.6 Method of Data Collection

The study administered the structured questionnaires to the sample youths in Jos Metropolis, Plateau State Nigeria. The questionnaires were filled and returned to the researchers.

4.0 Results and Discussion

4.1 Results

The results of the study are presented here using the stated objectives of the study and discussed.

H₀1: There is no significant influence of good governance on economic growth in Jos metropolis, Plateau State, Nigeria.

Table 4.1: Good governance and economic growth in Plateau State, Nigeria

	g	Good governance	Economic Growth
Good governance	Pearson correlation	1	.388**
	Sig, (2 - tailed)		.000
	N	180	180
Economic. Growth	Pearson correlation	.388**	1
	Sig. (2 – tailed)	.000	
	N	180	180

^{**} Correlation is significant at 0.01 level (2 – tailed)

Source: Authors computation using SPSS, 2018.

The bivariate Pearson correlation produces a simple correlation coefficient r, which measures the strength and direction of linear relationships between pairs of continuous variables. For a two tailed significance test, Ho: p=0 (the population correlation coefficient is 0; there is no association). Correlation of good governance and economic growth r=0.388 based on N=180 and correlation is significant at 0.01. p=0.000 which is $<\alpha$ 0.05 implying a statistically significant relationship between good governance and economic growth in Jos, Plateau State Nigeria. Hence, the study rejected Ho1 at $\alpha=0.05$ and concluded that good governance has significant influence on economic growth in Jos metropolis, Nigeria. Therefore, good governance and economic growth have a statistically significant linear relationship. The relationship is positive, meaning that the variables tend to increase together, as the society experiences good governance, economic growth also increases in that direction. This finding is in line with Adewale (2011) who investigated the crowding – out – effects of corruption due to bad governance in Nigeria, using time series data, the results showed that corruption due to bad governance retards economic growth in Nigeria. Corruption and bad governance hinders entrepreneurial culture as the youths are not supported or encouraged to engage in entrepreneurial skills acquisition.

 H_02 : Entrepreneurial culture among youth has no significant influence on economic growth in Jos metropolis, Plateau State, Nigeria

Table 4.2: Entrepreneurial culture among youths and economic growth in Plateau State, Nigeria

	Entrep	preneurial culture	Economic Growth	
Entrepreneurial Culture	Pearson correlation	1	264**	
	Sig. (2 – tailed)		.000	
	N	180	180	
Economic Growth	Pearson correlation	264**	1	
	Sig. (2 – tailed)	.000		

N 180 180

From Table 4.2, correlation of entrepreneurial culture and economic growth r=-0.264 based on N=180 and correlation coefficient is significant at 0.01 level. P=0.000, <0.05 implying a statistically significant relationship between entrepreneurial culture and economic growth in Plateau State. Hence the study rejected Ho2 at $\alpha=0.05$ and concluded that entrepreneurial culture played significant role in economic growth in Jos Plateau State, Nigeria. The variable entrepreneurial culture and economic growth has a negative linear relationship. This means as economic growth increases in the society, the thirst for entrepreneurship culture decreases, hence the negative relationship between the variables. This finding is supported with that of Udih and Odibo (2016) that good governance and entrepreneurial growth leads to wealth creation, employment generation and increase in GDP. As the country GDP increases due to youth activities in entrepreneurship development, the society output

H₀3: Entrepreneurship education for the youths does not play a role in economic growth in Plateau State, Nigeria.

Table 4.3: Entrepreneurship education among the youths and economic growth in Nigeria

increases and hence the need for more youths in entrepreneurship development decreases.

		Entrepreneurial education	Economic growth
Entrepreneurial education	Pearson correlation	1	239**
	Sig. (2 – tailed)		.001
	N	180	
Economic growth	Pearson correlation	239**	1
	Sig. (2 – tailed)	.001	
	N	180	180

^{**}correlation is significant at 0.01 level (2 – tailed) *Source: Authors computation using SPSS*, 2018.

From Table 4.3, correlation of entrepreneurship education and economic growth r=-0.239 based on N=180 and correlation coefficient is significant at 0.01 level. The relationship between the variables is statistically significant. P=0.001<0.05 implying a statistically significant relationship between entrepreneurship education and economic growth in Plateau State, Nigeria. Hence the study rejected Ho3 at $\alpha=0.05$ and concluded that entrepreneurship education has significant influence on economic growth in Jos Plateau State, Nigeria. The variable entrepreneurship education and economic growth exhibits a negative linear relationship. Meaning an increase in economic growth leads to a decrease in entrepreneurship education and a decrease in economic growth leads to increase in the desire need for entrepreneurship education. This finding is in line with Akuegwu and Nwi-Ue (2016) that university students who study entrepreneurship and develops entrepreneurial culture, becomes gainfully employed and contribute to economic growth. Similarly, Meyer (2014) carried a study in Gauteng Province, South Africa, the result revealed that entrepreneurship development programmes provides employment, creates wealth and increases economic growth.

^{**}correlation is significant at a 0.01 level (2 – tailed) *Source: Authors computation using SPSS*, 2018.

The three hypotheses were rejected implying that good governance, entrepreneurial culture and entrepreneurship education has significant influence on economic growth in Jos metropolis, Plateau State, Nigeria.

4.2 Discussion of Findings

The findings revealed that there is significant influence of good governance, entrepreneurial culture among youths for economic growth in Jos Metropolis Plateau State Nigeria, this could be seen from the Pearson correlation result in Table 4.1, where r = 0.388, indicating a positive relationship that as Nigeria continue to experience good governance and increased number of youth in entrepreneurship, the rate of economic growth also increases. This finding agrees with the submission of Meyer (2014) that entrepreneurship is the cornerstone of economic growth and financial independence. Similarly, hypothesis two was rejected, implying that entrepreneurial culture among the youths has significant influence on economic growth in Jos metropolis, Plateau State, Nigeria. The value of r = -0.264 in Table 4.2 shows negative relationship between entrepreneurial culture among the youth and economic growth in Jos Metropolis Plateau State Nigeria. This therefore implies that increase in economic growth results to decrease in entrepreneurial culture among youths in Jos metropolis. Hypothesis three was also rejected, implying that entrepreneurship education among youths has significant influence on economic growth in Jos metropolis, Plateau State, Nigeria. The value r = -0.239 in Table 4.3 shows negative relationship between entrepreneurship education among youths and economic growth in Nigeria. An increase in economic growth leads to a decrease in the need for entrepreneurship for the youths in Jos metropolis, Plateau State, Nigeria.

5.0 Conclusion and Recommendations

Good governance, entrepreneurial culture among youths in Jos Metropolis is a necessity for economic growth. This study reveals that youths needs to developed entrepreneurial culture. They should get involve in entrepreneurship skills through learning any available skill doing that will equip them with knowledge which will enhance their capabilities and improve the economy. By so doing, Jos Metropolis of Plateau State and Nigerian society at large stand the chance of having increases in its Gross Domestic Product, thus economic growth. If Nigeria leaders will imbibe good governance and do the right thing at the right time, the country may not run into recession.

Based on the findings of the study, the following recommendations are vital: Government and Nigerian leaders should ensure provision of good governance in all endeavours. Laws should be enacted against corruption and public office abuse. Those found guilty of breaking the law should be prosecuted in accordance with the law. Corrupt public officers should be jailed and sent to prison no matter what position they occupied in the past; Nigerian youth should be re-orientated and awareness should be created for the youths either through workshops, seminars and youth entrepreneurial

programmes on the need for youths to imbibe entrepreneurial culture. Youths should be encouraged to acquire training through acquisition of skills that will make them self- employed, thereby contributing their own share in economic growth of Jos Plateau State Nigeria; there is need for the government to create an enabling environment and policies that will support entrepreneurial skills development. Doing this will encourage youths to develop interest in skills acquisition thus developing entrepreneurial culture and contribute in economic growth; Entrepreneurship education should be taught in schools in Jos Metropolis, Plateau State Nigeria so that youths will become self-employed and contribute in economic growth.

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