Determinants of Entrepreneurship: The Role of Entrepreneurship Development Initiatives

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Determinants of Entrepreneurship: The Role of Entrepreneurship Development Initiatives

Adewale A. Adeyemi

A thesis submitted to The Open University in fulfilment of the requirements for the degree of Doctor of Philosophy

The Open University Business School
Department of Public Leadership and Social Enterprise
September 2021
Abstract

Micro, Small, and Medium Enterprises (MSMEs) development challenges remain important to all stakeholders because of the wider impact on the economy and society. In a developing economy such as Nigeria, a significant challenge is the early mortality of MSMEs despite decades of financing and other business support initiatives at national and regional levels. This thesis demonstrates how and to what extent entrepreneurship development initiatives can sustain MSMEs and address this significant challenge.

Based on empirical investigation, the determinants of entrepreneurship were explored through analysis of the role of entrepreneurship development initiatives (EDIs) in entrepreneurial activities at different stages of the enterprise life cycle in Nigeria. EDIs being programmes and organisations that serve as policy vehicles through which public, private and philanthropic institutions implement entrepreneurship development agendas. This conceptualises an EDI as a form of institutional intermediation that influences entrepreneurs’ capacity to address factors that contribute to early mortality or otherwise through enabling or inhibiting tendencies. Specifically, this thesis argues that understanding and tackling the causes of mortality of MSMEs in a developing economy such as Nigeria requires unpacking the structures and operations of EDIs and the interactions with entrepreneurs as owner-managers of MSMEs.

This study contributes to the debate on entrepreneurship development by developing and critically exploring an integrated theoretical framework for uncovering the determinants of entrepreneurship, focusing on the role of EDIs. The framework synthesises the literature on dimensions of entrepreneurship, context, stages of entrepreneurship, entrepreneurial behaviour, and institutional intermediaries into a fresh perspective, which was then applied within the research setting of Nigeria. A qualitative method was adopted, consisting of analysis of interviews, participant observations, and documents from the executors of EDIs.
The key findings from this thesis are that early enterprise mortality results from inhibiting effects of contextual and individual factors, with the individual factor playing a significant role but not given due attention because of the dominant narratives about entrepreneurship determinants which rarely highlight the elements of the individual factor. Also that, entrepreneurs’ significant dependence on EDIs and their proximity to EDI executors make EDIs adequately situated to address the challenge of early enterprise mortality. However, the biases and limited collaboration currently evident among EDI initiators and executors are impediments.

The implication of these findings for policy is the reconsideration of the current entrepreneurship support model by incorporating a more collaborative approach through partnerships between private/philanthropic-led EDIs and the federal agencies tasked with entrepreneurship policy design and implementation to harness all the players’ competencies. For practice, first for the EDI initiators/executors is to align their biases and strengths to focus on their support area of expertise while they collaborate on other areas. Also, to consider tailoring all interventions to the stages of development in the enterprise lifecycle to ensure consistent enabling impact. To entrepreneurs, regardless of the stage of development, there is the need to develop capabilities to continually conduct position analysis to enable them to determine appropriate needs and to know the best source of support to meet these needs. Also, to be able to manage their business more effectively.
Dedication

To:

My wife, Joy Adeyemi

And

My children
Timi and Tobi

For their prayers, love, and support
Acknowledgement

I want to acknowledge that achieving this is not by my power but by the grace of God, and I am forever grateful for every opportunity He affords me.

I thank my supervisors. Dr Michael Ngoasong, for trusting me with the opportunity to conduct this study. His guidance through the discussions at the monthly supervision meetings and his exhaustive comments were invaluable. His support enabled me to achieve this goal. Prof. Edoardo Ongaro, for his constructive critique and always offering directions by recommending valuable materials and regularly probing to get me to think about effective ways to communicate my thesis. I am blessed to have them as my supervision team, and my sincere appreciation goes to them.

Many thanks to my examiners, Prof. Jay Mitra, Director of the Venture Academy, Essex Business School, University of Essex (external examiner), and Dr Aqueel Wahga (internal examiner) from the Faculty of Business and Law at the Open University for their invaluable comments. I am also grateful to Dr Abiodun Osiyemi, Mr Fatai Olayemi, and Itoro Udo for helping me to make contacts, initiate conversations, and secure access to the study participants during my fieldwork and data collection. Also, my gratitude goes to friends that took my calls, supported me, encouraged me, and remained consistent throughout the journey.

Finally, to my wife and children for their understanding and for allowing me to continue working though they needed me, especially when I had to travel abroad for fieldwork. I am sincerely thankful.
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<td>AGM</td>
<td>Annual General Meeting</td>
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<td>AMEN</td>
<td>Association of Micro Entrepreneurs of Nigeria</td>
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<td>ANDE</td>
<td>Aspen Network of Development Entrepreneurs</td>
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<tr>
<td>ASBON</td>
<td>Association of Small Business Organisation of Nigeria</td>
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<tr>
<td>BDSP</td>
<td>Business Development Service Providers</td>
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<td>BMO</td>
<td>Business Membership Organisations</td>
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<tr>
<td>BOI</td>
<td>Bank of Industry</td>
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<tr>
<td>CBN</td>
<td>Central Bank of Nigeria</td>
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<tr>
<td>CE</td>
<td>Comma Era</td>
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<tr>
<td>CIA</td>
<td>Central Intelligence Agency</td>
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<tr>
<td>DFI</td>
<td>Development Finance Institutions</td>
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<tr>
<td>ECOWAS</td>
<td>Economies of West African States</td>
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<tr>
<td>EDI</td>
<td>Entrepreneurship Development Initiatives</td>
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<td>EEP</td>
<td>Entrepreneurship Education Programme</td>
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<td>EFC</td>
<td>Entrepreneurship Framework Conditions</td>
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<td>ESE</td>
<td>Entrepreneur Self-Efficacy</td>
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<td>ETLS</td>
<td>Economic Trade Liberalization Scheme</td>
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<tr>
<td>FIRS</td>
<td>Federal Inland Revenue Service</td>
</tr>
<tr>
<td>FMITI</td>
<td>Federal Ministry of Industry Trade and Investment</td>
</tr>
<tr>
<td>FOREX</td>
<td>Foreign Exchange</td>
</tr>
<tr>
<td>FRN</td>
<td>Federal Republic of Nigeria</td>
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<tr>
<td>GEDI</td>
<td>Global Entrepreneurship and Development Index</td>
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<td>GEM</td>
<td>Global Entrepreneurship Monitor</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>HREC</td>
<td>Human Research Ethics Committee</td>
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<tr>
<td>IE</td>
<td>Institutional Entrepreneurship</td>
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<tr>
<td>ITF</td>
<td>Industrial Training Fund</td>
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<tr>
<td>KE</td>
<td>Knowledge and Experience</td>
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<tr>
<td>M&amp;E</td>
<td>Monitoring and Evaluation’</td>
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<tr>
<td>MAN</td>
<td>Manufacturers Association of Nigeria</td>
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<tr>
<td>MSME</td>
<td>Micro, Small and Medium Enterprise</td>
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<tr>
<td>NAFDAC</td>
<td>National Agency for Food and Drug Administration</td>
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<td>NASME</td>
<td>National Association of Small and Medium</td>
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<td>NASSI</td>
<td>National Association of Small-Scale Industrialists</td>
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<tr>
<td>NEDEP</td>
<td>National Enterprise Development Programme</td>
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<tr>
<td>NESG</td>
<td>Nigerian Economic Summit Group</td>
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<tr>
<td>NGO</td>
<td>Non-governmental Organization</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>OU</td>
<td>Open University</td>
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<td>PSE</td>
<td>Public Sector Entrepreneurship</td>
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<td>RO</td>
<td>Research Objective</td>
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<tr>
<td>SMEDAN</td>
<td>Small and Medium Enterprises Development Agency of Nigeria</td>
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<td>SMME</td>
<td>Small to Micro and Medium Enterprises</td>
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<td>SON</td>
<td>Standard Organization of Nigeria</td>
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<tr>
<td>TEF</td>
<td>Tony Elumelu Foundation</td>
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<tr>
<td>TIN</td>
<td>Tax Identification Number</td>
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<td>VC</td>
<td>Venture Capitalist</td>
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CHAPTER 1

Introduction

This chapter sets the background for this research by presenting the context, rationale, and approach within this thesis. It draws on academic literature to present a brief discussion of the theoretical issues and draws on practitioner reports to highlight policy and practice issues, thereby establishing the research problem and the key focus of the study. A concise outline of the aims and objectives of the research is provided to show how the research proceeded to address the research problem. Key contributions of the research are highlighted, followed by a brief description of how this thesis is organised.

1.1 Background

There is a growing recognition of entrepreneurship as a means for economic development and job creation. This has engendered policymakers, practitioners, and academics/scholars to continue to explore opportunities for a better understanding of entrepreneurship development. The challenge, however, is that despite the efforts, cases of early enterprise mortality and stagnation persist in developing economies such as Nigeria. This thesis develops a framework that explores the determinants of entrepreneurship development, and the framework is applied in the research setting of Nigeria to generate findings on enablers and inhibitors of entrepreneurship, thereby furthering our understanding of the causes of early enterprise mortality.

The notion that there is a challenge with the general characterisation of entrepreneurship because of its multidimensional nature (Mann and Shideler, 2015) begs for the definition of the scope of this study at this outset. Evidence from the literature review shows multiple ways to approach entrepreneurship study, but this thesis focuses on the determinants of entrepreneurship with emphasis on the influences of development support activities provided to private
entrepreneurs by entities conceptualised in this study as ‘Entrepreneurship development initiative’ (elaborated in subsection 2.5.2).

Further on defining the scope, private entrepreneurship (as shown in Figure 2.2) has different sub-dimensions, out of which this study explores individual/collaborative sub-dimension that are for-profit orientation (commercial). This dimension of entrepreneurship is selected because the research problem revolves around the national-level development of private enterprises as means of contributing to economic development. According to Kropp and Zolin (2008), this has seen many governments actively seeking ways to promote and encourage entrepreneurship among their citizens to realise economic growth and accelerate the generation and application of innovative ideas. According to many scientific works in the entrepreneurship literature, this is done by creating incentives such as enabling regulatory environment and improved access to affordable finance driven by policies such as entrepreneurship policies (Gilbert, Audretsch, and McDougall 2004; Balkiene and Jagminas, 2011; Smallbone, 2016). It is also done by promoting clusters, facilitating business support services, and creating demand for Micro, Small, and Medium Enterprises (MSMEs) products and services.

The incentives identified above are situated in the institutional and economic context within which the entrepreneurs operate, indicating that context matters in entrepreneurship development, an argument supported by many scholars. Also important to entrepreneurship development are individual factors such as management skills and the entrepreneur’s character that impact how the entrepreneurs address the contextual influences. These contextual and individual factors are seen to enable/inhibit entrepreneurial activities depending on the stage in the enterprise lifecycle. To ensure entrepreneurs are enabled to address these factors, institutional intermediaries carry out intermediation activities through Entrepreneurship Development Initiatives (EDI). However, where EDIs are government-related interventions, entrepreneurship development efforts tend
to achieve less than anticipated outcomes. This is because institutional incentives as motivations for entrepreneurial endeavour, though positively intended, could have detrimental effects if not effectively implemented. This notion is supported by Kumar and Borbora (2016) that if institutional incentives are directed towards increasing entrepreneurship through maximising the number of start-ups, this may stimulate individuals to start businesses for the wrong reasons.

This raises questions about the role of the entrepreneurs' motivation and orientation. Such is the case of the Nigerian setting, where despite significant government intervention, evidence from the National Bureau of Statistics (NBS) and other grey literature indicated that outcomes in terms of the number of created businesses that effectively contribute to economic development are not commensurate with the level of government efforts. This becomes evident when assessed based on indicators such as contribution to GDP, employment creation, mortality rate of new businesses, transitioning from informal to formal economy, and the transition rate of micro to small, and small to medium enterprises. This is further expatiated in policy and practice problems later in this chapter.

Furthermore, having worked in financial services supporting businesses in Nigeria and being an entrepreneur with a business background in Nigeria, my experience allowed me to identify potential enablers and inhibits of entrepreneurship development within the setting. As an entrepreneur during my undergraduate studies till a few years post-graduation, I struggled to progressively transition my business, so I jettisoned entrepreneurship for paid employment, thereby denying the country (Nigeria) potential contribution to economic development and adding my business to the statistics of failed start-ups that suffered early mortality. In paid employment as a financial advisor to MSMEs, I saw early-stage businesses suffer the same fate as mine. This kept me puzzled about how the situations challenge the enterprises to the point of stagnation and mortality in Nigeria. This keeps me wondering: How could I have been better supported to succeed as a nascent entrepreneur? This contributed to my decision
to use Nigeria setting to explore the role of intermediation in entrepreneurship development.

Moreover, my experience in business consulting within Nigeria also exposed me to the scale of government interventions targeted at entrepreneurship development but without commensurate results. Although my experience corroborates Global Entrepreneurship Monitor’s claim about “entrepreneurship enthusiasm\(^1\) in Nigeria being among the top in the world” (GEM, 2012), it has also been highlighted that stories like mine and other failed businesses are rampant in Nigeria. A notion affirmed by the Fate foundation (2016), which reported that 80% of start-ups in Nigeria suffer early mortality, compared to 47-55% 5years survival rate in Europe and America according to the Organisation for Economic Co-operation and Development (OECD). Raising the question: *Why is there such a significant gap between government efforts through interventions and the level of entrepreneurship development outcome in Nigeria?*

Apart from questions arising from my experiences above, my interaction with start-ups led me to realise many nascent entrepreneurs dabbled into entrepreneurship or, at best, decided to become an entrepreneur based on inconsistent motives affirming the theory of "positive" and "negative" entrepreneurial motivations (Dawson and Henley, 2012) which ultimately impact the outcome of the enterprise. This highlights the potential of the individual’s (entrepreneur) contribution to the enablers and inhibitors of the enterprise as an important addition to a meaningful study of entrepreneurship determinants. These interactions and experiences within the Nigerian setting inspired my desire to understand the factors that influence not just successful start-ups but other stages of entrepreneurship development. Therefore, this study approaches entrepreneurship and explores the determinants across three stages of

\(^1\) (proportion of the population who believe they have the skills to run a business; almost 90% of Nigerian adults think they have the ability to become entrepreneurs)
development - business identification and exploration, business execution, and business growth (Griffin-EL and Olabisi, 2018; Moore, 1986).

The study started with defining theoretical and empirical problems based on the identified issues discussed above, and two research questions concerning entrepreneurship determinants and the impact of EDIs were put forward. To answer these questions, one main objective and three sub-objectives were set. To implement these objectives, a case of ‘EDI in Nigeria’ was defined with embedded units of analysis in case study research, and through purposive sampling, EDI executors and the entrepreneurs they support were sought to provide data which was collected using semi-structured interviews. Data source triangulation was employed by collecting additional data from four other sources, including observation, autoethnography, published documents, and informal discussion. This was done to corroborate the primary data collected and further contribute to trustworthiness. Upon completion of thematic analysis of the data, the study was concluded by establishing EDI as an important determinant of entrepreneurship development, having demonstrated through the findings that EDIs have both enabling and inhibiting tendencies.

1.2 Research Problem

Many studies on institutional intermediaries take for granted that institutional intermediation would always have positive effects. However, studies like Dutt, Hawn, Vidal, Chatterji, McGahan, and Mitchell (2016), Oriaifo, Torres de Oliveira, and Ellis (2019), and Eberhart and Eesley (2018) suggest the need to understand motivation, impact, and potential inhibiting tendencies of intermediaries and therefore called for further research. When viewed through the lens of the second research question (see Section 1.3), these calls indicate a significant theoretical gap (elaborated in Section 2.5) in understanding the broader scope of the effects of intermediation. Establishing the potential of intermediation to inhibit as well as enable entrepreneurs is a gap filled by this study.
Furthermore, many works that explore determinants tend to focus on start-ups to understand how various factors influence entrepreneurial actions. This could be deemed to limit our understanding because entrepreneurship development is in stages, and the needs/challenges are expected to vary across stages. When viewed through the lenses of both research questions, this indicates a gap in our understanding of how determinants influence entrepreneurs’ decisions at different stages and how entrepreneurs at different stages can be supported.

From a practice perspective, many newly created enterprises fail within the first few years of life (OECD, 2017:86). This enterprise failure situation in Nigerian has been highlighted by Fate Foundation’s (2016:15) 'Mapping Study of Nigeria’s Entrepreneurship Ecosystem', which reported that survival rate of new business in Nigeria stands at 20% compared to 47-55% five years survival rate in Europe and America according to the OECD. This survival and growth rate is not commensurate with the billions of Naira (Nigerian currency) in funding committed by both public and private organisations toward entrepreneurship development and its contribution to economic growth in Nigeria.

The observations above raise two concerns (elaborated further in Section 3.6). First, at the support level is that the high mortality rate of MSMEs, despite billions of funds and support, suggests that existing support initiatives might be poorly conceptualised/implemented. Hence a practice gap in understanding a better way to decipher entrepreneurs’ needs/problems and approaches to support provision. Second, at the entrepreneur level is that the low survival rate and the fact that many firms fail within about five years indicate a gap in better understanding of enablers and inhibitors at specific stages of the enterprise in order to ensure that support can be targeted to align with the stage-specific needs.

To resolve these problems, this study integrated theoretical perspectives from institutional intermediary theory and stages of entrepreneurship, in addition to contextual and individual level determining factors, to develop an integrated
theoretical framework. This framework was critically explored for uncovering how institutional intermediation conceptualised in this study as entrepreneurship development initiatives which are ‘interventions designed and executed through programmes or organisations to address institutional void/socio-economic need’, serve as entrepreneurship determinants. The framework explores the relationship among the components to uncover enabling and inhibiting influences at different stages of development. This way, the effects of identified determinants are uncovered through the choices made by entrepreneurs and the enterprises from the opportunity identification stage through to the business growth stage. Thus, creating a model that ensures adequate knowledge is available to stakeholders in planning and implementing targeted intervention, thereby increasing the chances of achieving the desired entrepreneurship development goals.

1.3. Research Questions and Objectives

Though not collectively exhaustive of the challenges of entrepreneurship development in Nigeria, the problems highlighted above adequately cover pertinent current developmental issues faced. If thoroughly investigated, particularly by exploring determinants and their influences across stages of entrepreneurship development, it will not only offer new insight into how different players can effectively engage in entrepreneurship development but also open up opportunities for enriching discussion and broader study of the peculiarities of how entrepreneurship evolves in Nigeria and similar settings hence the following research questions:

1. How do individual and contextual factors inhibit/enable entrepreneurship development?

2. How do entrepreneurship development initiatives influence the creation and operation of micro, small and medium-sized enterprises in Nigeria?

Specifically, this study sets out one main objective and three sub-objectives as follows:
Research objectives

RO_{(Main)}. To investigate the determinants of entrepreneurship development, with a focus on entrepreneurship development initiatives.

RO_{1(secondary)}. To identify factors that inhibit or enable the different stages of entrepreneurship development.

RO_{2(secondary)}. To examine the effects of identified factors on entrepreneurs’ decisions at different stages of the enterprise life cycle.

RO_{3(secondary)}. To analyse how the structures and operations of EDIs enable entrepreneurs to navigate inhibiting influences and harness enabling influences emanating from individual and contextual factors.

1.4. Research Approach

To answer these research questions and address the research objectives, this thesis adopts an approach that requires theory development from qualitative case studies following Miles, Huberman, and Saldaña (2014) and Yin (2018). This approach allows for the emergence of new perspectives and enables adaptation to fresh analytical insight.

To conduct this study, various theoretical approaches were considered having reviewed copious literature on entrepreneurship. Theoretically, while most extant works on determinants in the Nigerian setting have improved our understanding of various determining factors, they have done so by focusing on sets of contextual influences (Ogunsade and Obembe, 2016; Madichie, Nkamnebe, and Idemobi, 2008; Mordi, Simpson, Singh, and Okafor 2010; Olatunji, 2017), individual factors (Arogundade, 2011; Oluwasanya, 2016), or by looking at support agencies, their state and contributions (Abioye, Adeniyi, and Mustapha 2017; Akinbola, Sanni, Akinbola 2019). These current siloed approaches to the
Nigeria-focused studies create an opportunity to introduce a framework that integrates the key categorisations (of factors) and incorporates the stages of entrepreneurship to develop an integrated tool that complements current approaches to understanding entrepreneurship development in this and potentially in similar settings.

Therefore, an integrated approach was adopted, incorporating different theoretical perspectives, including theories on dimensions of entrepreneurship (Mann and Shideler, 2015; Szabo, 2017), context (Welter, 2011), stages of entrepreneurship (Ardichvili, Cardozo, and Ray, 2003), institutional intermediaries (Dutt et al., 2016), and entrepreneurial behaviour (Mahto and McDowell, 2018). The literature review showed that each perspective is useful in studying entrepreneurship on its own merit. However, the direction of this thesis requires more than what is offered by each perspective. Answering the research questions and carrying out the objectives presented in the research setting of Nigeria requires that the merits of all theoretical perspectives above are integrated to cater to the multidimensional nature of entrepreneurship in Nigeria.

Qualitative research based on case studies was employed to explore the subjective meanings motivating the actions of the actors in the study. A case of ‘EDI in Nigeria’ was defined with embedded units of analysis, and perspectives emerging from the subunit of analysis were thematically analysed by implementing phases suggested by Braun and Clarke (2006) and presented in separate empirical Chapters 5 and 6, respectively, and these further cross-synthesised to generate the thesis findings. The literature review demonstrates that similar studies (Abe, Troilo, and Batsaikhan, 2015; Ngoasong, 2017) have proven the appropriateness of the chosen methodology.

1.5. Key Contribution

Through its application to the Nigerian context, empirical findings derived in this study show that the framework developed contributes to our understanding of the relationship between the contextual factor, individual-level factor, and
intermediation factor, and the implication of how they enable/inhibit entrepreneurs at the different stages of entrepreneurship development. Accordingly, this thesis makes one significant contribution to the entrepreneurship literature.

This contribution features two unique traits. First, the thesis contributes to the theory of entrepreneurial process (Shane 2003; Cuervo, 2005) by introducing another category of determinant, ‘intermediation factor’, as a new construct that complements the categorisation of determinants of entrepreneurship development in these extant works. Second, by introducing the notion of stages of entrepreneurship into the theoretical framework, it offers an opportunity to better understand how the three levels of factors (contextual, individual, and intermediation) impact entrepreneurs’ decisions on the development continuum comprising exploration, execution, and growth stages. This feature is further enhanced by incorporating identified categorisations of enabling and inhibiting effects which can be investigated and analysed as pre-or post-entry (Autio, Kenney, Mustar, Siegel, and Wright, 2014) influences.

This study also contributes to practice in Nigeria and potentially other developing economies of West Africa with a similar cultural, institutional and economic setting by showing that there are two aspects of practice that could contribute to alleviating early mortality but have not been lauded as best practices. The first is mentoring, and the second is support designed according to need as per stages of development.

1.6. Thesis Structure and Outline

This thesis is divided into seven chapters.

Chapter 1 sets the background for the research by presenting the context within which Entrepreneurship was studied. It examines relevant literature and current issues in Nigeria to highlight the research problems and outlines the research aims and objectives. This is followed by a brief on the research approach.
The chapter continues with summaries of the key contributions and concludes with the thesis structure.

Chapter 2 presents the critical review of streams of literature that served as the building blocks for the theoretical framing of this study. These concepts include dimensions of entrepreneurship, dimensions of context, entrepreneurial behaviour, stages of entrepreneurship development, and institutional intermediaries. The building blocks were followed by discussing the research gaps and how they are being addressed through the conceptualisation of EDI and positioning it as a critical component of the framework to understand entrepreneurship determinants. Finally, all these reviews culminated in a conceptual framework that depicts the theoretical arguments and positions that need to be carried forward to empirically investigate and understand the determinants of entrepreneurship in Nigeria.

Chapter 3 presents the Nigerian context to set the backdrop for the investigation. It begins with the historical context to shed some light on how the emergence of Nigeria as a federation and current developments make it a suitable setting to investigate the determinant of entrepreneurship development. This is followed by the development of entrepreneurship in the setting, offering a historical perspective highlighting the evolution and successive policies and the impact on entrepreneurship development. It also presents a brief outlook on entrepreneurship determinants in Nigeria as identified by scholars and practitioners, and this is followed by understanding entrepreneurship development initiatives in Nigeria to fully situate this study in the Nigerian setting. The chapter ends with policy and practice problems identified.

Chapter 4 is the methodology chapter which presents the research design and approach, detailing the research philosophy and justifying the selection of a qualitative case study. It goes on to present the sampling, introducing the outcome of the exploratory pilot study and how it influenced the fieldwork. This leads to
my data collection method and data analysis method. The chapter concludes with the ethical considerations of the study.

Chapters 5 and 6 present the evidence that emerged from the analysis of empirical data collected on the respondent’s perspectives across the cases of EDIs. Evidence on the influence of identified factors on stages of entrepreneurship and the role of EDI was presented. First from the EDI support providers’ perspective as emerging from the contributions of EDI executors, and second from the EDI beneficiaries’ perspective as emerging from the contributions of the entrepreneurs. These perspectives are presented in Chapters 5 and 6, respectively. Both chapters concluded with key findings from the analysis.

Chapter 7 is the discussion chapter. It discusses and explains findings using within-case analysis, enhanced with a cross synthesis of perspectives from the findings emanating across both data sets. This is followed by the research contribution and then the study’s limitations and recommendations for future research.
CHAPTER 2

Understanding Determinants of Entrepreneurship: A Review of Key Literature

2.1 Introduction

This chapter aims to review entrepreneurship theories to develop a theoretical framework to be applied to the research setting of Nigeria to uncover the factors that enable entrepreneurship development. To conduct this review, two categories of literature were used, comprising journal articles and textbooks. While journal articles were used significantly, textbooks were sparingly used. Although textbooks give comprehensive overview and introduction to a subject, they characteristically seldom offer the details of original research but provide summaries and synthesis of key areas, findings, and theories within a subject. Therefore, the in-depth studies and methodological issues relating to researching the subject may not be covered at the level that will help guide the intended framing for this study in the same manner as journal articles do. Hence limited inclusion of textbooks and reference books on entrepreneurship and development in this literature review. Although various subgenres of journal articles were used in this review, case studies, thematic studies, theoretical articles, and review articles were mostly used. These choices were based on three key reasons: first is the similarity of research agendas to mine, second is the research methods suitable to my study, and lastly, focus on concepts suitable as building blocks for my study.

The building blocks became essential because, although using a single framework to investigate determinants of entrepreneurship is doable, there are gaps in the individual theoretical perspectives that might make them inadequate to address the research problem. The nature of the research problem relates to business stagnation and early mortality despite the proliferation of new businesses, business support organisations, and government funding, requiring
that different theoretical perspectives are integrated to develop a framework to answer the research questions arising from this problem.

In conducting the review, different theoretical perspectives on entrepreneurship development were incorporated, and these include dimensions of entrepreneurship (Dhliwayo, 2017; Mann and Shideler, 2015; Letaifa and Primard, 2016; Szabo, 2017), the role of context in understanding entrepreneurship (Zahra, Wright, and Abdelgawad, 2014; Autio et al., 2014; Welter, 2011), entrepreneurial behaviour focusing on motivation and character (Kerr, Kerr and Xu, 2017; Mitchell, Buzenitz, Lant, McDouglas, Morse, Smith, 2002; Mahto and McDowell, 2018; Chen, Greene, and Crick, 1998), stage theory of entrepreneurship (Griffin-EL and Olabisi, 2018; Moore, 1986; Ardichvili et al., 2003), and institutional theory as applied to intermediation (Dutt et al., 2016; Armanios, Eeesley, Li, and Eisenhardt 2016, Sutter, Webb, Kistruck, Ketchen, and Ireland 2017; Mair, Marti, and Ventresca, 2012; Kerlin, Lall, Peng, and Cui, 2021; Eberhart and Eesley, 2018). Each of these theoretical perspectives can effectively explain different aspects of entrepreneurship development. However, they are used in this thesis as building blocks to help understand the determinants of entrepreneurship development at a conceptual level and to clarify how the determinants can be uncovered through an investigation into the structure and operations of entrepreneurship development initiatives in a particular context.

This review starts by exploring the rationale behind approaches to entrepreneurship, and it emerged that while there are generic macro-level determinants of aggregate entrepreneurship (Arin, Huang, Minniti, Nandialath, and Reich, 2015), there are also peculiar determinants that can be better understood by investigating the different dimensions of entrepreneurship. Although most literature on dimensions of entrepreneurship discussed influencing factors as the rationale for choices without explicitly relating them to context, the review continues with theories on dimensions of context following the notion that economic behaviour or entrepreneurial actions are influenced by
determinants that are set within the context (Autio et al., 2014; Garud, Gehman, and Giuliani, 2014). It also aligns with Zahra et al. (2014), that highlighted that there are contextual variables that are believed to pervade and influence the micro-processes that give entrepreneurial actions their substance and potency.

In the review of context as a second building block to further explore determinants of entrepreneurship conceptually, the interaction between the entrepreneurs and their context (Zahra et al., 2014) emerged as important therefore prompting a review of the entrepreneurial behaviour focusing on their motivation and characters as a third building block to contribute to the theoretical framework from individual factor perspective. Furthermore, contextual and individual factors emerged to have varying effects on entrepreneurs depending on the phase of development, hence the need for a further review of theories on stages of entrepreneurship development as a fourth building block. The reviews culminate with institutional theories as applied to institutional intermediation to address research questions relating to the role of EDIs. Entrepreneurs at different stages encounter different institutional challenges that call for different intermediation services. Therefore, reviewing institutional intermediation and gaining the perspective of EDI executors becomes necessary to adequately frame this investigation because intermediation efforts are created to make the context attractive and supportive for entrepreneurs.

Following the introduction is Section 2.2, which explores entrepreneurship determinants by providing a conceptual explanation of the dimensions of entrepreneurship, examining six dimensions of context, and exploring entrepreneurial behaviour to identify how these concepts influence entrepreneurship development. Section 2.3 examines the stages of entrepreneurship development to help determine the impact of determinants according to stages. Section 2.4 examines institutional intermediation and how it addresses the determinants of entrepreneurship. Section 2.5 presents identified research gaps and how the gaps are addressed through the conceptualisation of
entrepreneurship development initiative. Finally, the chapter culminates with the emerging theoretical framework in Section 2.6, showing three principal features and theoretical linkages, and Section 2.7 concludes the chapter.
Figure 2.1 The approach to my literature review.

**APPROACH TO LITERATURE REVIEW**

To understand Determinants of Entrepreneurship

- Dimension of entrepreneurship
- Dimension of entrepreneurial context
- Entrepreneurial Behaviour
- Determinants of entrepreneurship (Contextual & Individual-level factors)
- Stages of entrepreneurship
- Institutional intermediation
- Conceptualizing Entrepreneurship Development Initiatives

**Theoretical Framework**

*Source:* Autor’s illustration
2.2 Entrepreneurship Determinants: Contextual and Individual-level Factors

Different terminologies and expressions are used to describe conditions that foster entrepreneurship when studying intention, execution and other issues related to entrepreneurship development. Some of the terms and expressions include ‘factors that affect business creation’ (Garcia, 2014); factors that influence entrepreneurship intention (Ohanu and Ogbonnaya, 2018); and motivations and inhibitions linked to entrepreneurial act' (Touzani, Jlassi, Maâlaoui, and Hassine, 2015). The findings from this review suggest that these influencing conditions, also referred to as ‘determinants of entrepreneurship’ by works such as Kuckertz et al. (2015) and Balkiene and Jagminas (2011), can be categorised into two broad levels, namely contextual and individual level determinants which are taken forward in this study. This was found to be suitable because other works such as Kuckertz et al. (2015) and Balkiene and Jagminas (2011) that studied drivers of entrepreneurship activity (in general) and implications of an understanding of determinants on policy respectively, used the same expression.

Furthermore, the sources of these conditions (that foster entrepreneurship) are diverse, with many works highlighting them to include external, internal, systemic, and institutional sources, to mention a few. Likewise, the motives for engaging in entrepreneurship are diverse, thereby resulting in different approaches and dimensions of entrepreneurship (social, institutional, public sector, and individual). The issues of different factors, sources of factors, motives and approaches and expression seen across literature affirm the complexity of entrepreneurship study. These multifaceted perspectives on entrepreneurship suggest that adequately identifying influencing factors from various perspectives will significantly help our understanding of the role of EDIs in entrepreneurship development. This section presents a review of some issues through which entrepreneurship determinants are identified and categorised for this study's theoretical framing, starting with entrepreneurship dimensions.
2.2.1 Dimensions of entrepreneurship

To begin exploring extant notions about entrepreneurship determinants, it is critical that perspectives on determinants, identified by works that focused on different dimensions of entrepreneurship, were sought as a starting point. This helped to identify a diverse and exhaustive list which also indicates the complexities associated with entrepreneurship and its influences. Also, it helped define how this study approached investigating entrepreneurship determinants in terms of scope. This is important because there is a challenge with the general characterisation of entrepreneurship because of its multidimensional nature (Mann and Shideler, 2015). Therefore, it begs for different ways of looking at entrepreneurship, depending on what one aims to achieve. Entrepreneurship as the pursuit of opportunity without regard to resources currently controlled (Stevenson, 1983) is something that occurs in the private sector, the public sector, and civil society (Kropp and Zolin, 2008). This pursuit can occur for-profit or not-for-profit (Austin, Stevenson, and Wei-Skillern, 2006); it is done by individuals or teams (Letaifa and Primard, 2016) or organisations (Pinchot, 1985; Hisrich, 1990). This subsection presents a review of entrepreneurship dimensions and the determinants thereof.

To review the dimensions of entrepreneurship, articles were selected and reviewed thematically, starting broadly from ‘entrepreneurship’ and narrowing down to specific dimensions as they emerge in the study. The review was further narrowed down to works on Nigeria to get a sense of extant works within the setting. Figure 2.2 illustrates the conceptual map of entrepreneurship dimensions that emerged from this review, highlighting primary and sub-dimensions and presenting the basis for defining the scope of dimensions deemed relevant to this study.
Figure 2.2 Conceptual map of the dimensions of entrepreneurship

Source: Author's illustration from Kropp and Zolin, 2008; Dhlwayo, 2017; Holcombe, 2002; Galvin and Innaoiti, 2015; Letafa and Primard, 2016; Sharma and Chrisman, 1999; Szabo, 2017.
Kropp and Zolin (2008) defined entrepreneurship generically as the activity of creating new ventures. That though this is largely associated with the private sector (private entrepreneurship), it also occurs in the public sector (public entrepreneurship). Although the public sector is often perceived to be synonymous with bureaucratisation (Bernier and Hafsi (2007) and it is associated with routine behaviours, risk avoidance, and lack of initiatives, this organisational culture in many public offices across the world is being replaced with promotion of virtues of private enterprise (Bellone and Goerl, 1992), leaner government, and entrepreneurial budgets. Thereby introducing highly positive changes such as holding executives accountable for performance goals and establishing new processes for measuring productivity and effectiveness (Dhliwayo 2017). The works above highlight two fundamental dimensions of entrepreneurship (private and public) under which every other categorisation aligns when critically analysed.

As illustrated in Figure 2.2, other categorisations begin with six sub-dimensions that are almost mutually exclusive of one another in characteristics. The first and most peculiar is ‘Institutional Entrepreneurship’, which is hybrid in characteristic due to its ability to take on private and public (entrepreneurship) expression depending on determinants that informed its establishment. It is primarily characterised by creating, maintaining, and disrupting institutions (Szabo, 2017). The five other sub-dimensions emerging from this review are Public Sector, Social, Corporate, Individual and Collaborative Entrepreneurship. These are collectively exhaustive of all possible further classifications of entrepreneurship as every further sub-dimension emerging from the copious body of literature could easily fit under one or the other of these six sub-dimensions.

The following are brief characterisations of these sub-dimensions according to entrepreneurship literature. Public Sector Entrepreneurship (PSE), according to Dhliwayo (2017), is governments bringing a flexible, dynamic, and innovative approach to the process by which problems are collectively solved, and society's
needs are met. Social Entrepreneurship (SE), according to Galvin and Innaotti (2015), focuses on the concept of pursuing innovative solutions to social problems. Albeit social problem is also a feature in PSE, the characteristic difference between PSE and SE relates to the actors involved. PSE’s leading actor is government, but those of SE are individual citizens or corporate organisations (for-profit/not-for-profit). Corporate entrepreneurship refers to the process whereby an organisation creates new business units or instigates renewal within that organisation (Sharma and Chrisman, 1999). Individual and Collaborative Entrepreneurship is when similar activity as corporate entrepreneurship is carried out by unincorporated venture, typically by an individual or collaboratively (Letaifa and Primard, 2016) by friends or family.

Due to the complexity of the sub-domain introduced by many scholars in an attempt to clarify entrepreneurship by applying various adjectives (Karodia and Soni, 2014) to depict entrepreneurs' character, needs, location, tradition, situation, demographic etc., the conceptual map developed and presented here is limited to first and second level sub-dimensions of entrepreneurship to reflect the scope adopted for this review. The rationale for this is that from the second-level sub-dimensions, the adjectives are merely for differentiation purposes. For example, an 'opportunity entrepreneur' or 'necessity entrepreneur' will be an individual or collaborative entrepreneur, a sub-dimension of private entrepreneurship. 'Productive and unproductive' entrepreneurship are choices and outcomes of entrepreneurial activity within the private entrepreneurship domain informed by the institutional environment. A 'subsistence entrepreneur' will typically be an individual entrepreneur, while 'transformational entrepreneurs' could be individual or corporate entrepreneurs. Also, policy, political, and executive entrepreneurs are all within the PSE sub-dimension. Public-sector, individual, collaborative, institutional, and social dimensions of entrepreneurship emerged to be most relevant to this study and are discussed.
Public Sector Entrepreneurship is the main sub-dimension of public entrepreneurship. Like most new subjects, it suffers differences in definition and inadequacies in concept construction (Dhliwayo, 2017). This diversity is informed by differences in factors that influence the different focuses in PSE. Therefore, Dhliwayo (2017) attempted to generically define PSE as governments bringing a flexible, dynamic and innovative approach to the process by which problems are collectively solved, and society’s needs are met. The flexible, dynamic, and innovative approach employed, however, differs for the players in accordance with their motives. These differences are captured in various definitions through which various influencing factors were identified. For example, Morris and Jones (1999) defined PSE as the process of creating value for citizens by bringing together unique combinations of public and private resources to exploit social opportunities. Schneider and Teske (1992) presented PSE as engaging in the act of creative discovery by taking advantage of newly discovered or newly created possibilities in order to earn entrepreneurial profits.

The definitions above showed exploitation of opportunity and profit maximisation as the influencing factors affirming Bellone and Goerl's (1992) assertion that public sector’s risk avoidance and lack of initiatives are being replaced with the promotion of virtues of private enterprises. A notion criticised by some in the PSE domain as reckless, rule-breaking (Terry, 1998), erosion of democratic values (Bellone and Goerl, 1992), and ethical lapse. However, Borins (2000) highlighted that public entrepreneurs are enterprise leaders that take astute initiative in the face of internal problems and macro-environmental opportunities or threats. This argument points to the need for creative disruptions as another key influencing factor where internal construct does not align with external realities, impeding performance. Similarly, Schneider and Teske (1992) highlighted that opportunity in the market for public goods is a condition that leads to political entrepreneurs’ emergence. Furthermore, a review of PSE presents additional sub-dimensions and influencing factors. For example, executive entrepreneurship (Bernier and Hafsi, 2007) is influenced by the need
for social stability, transparency, political inputs, multi-actor participation, stewardship, and public value (Berman et al., 2019). Political and policy entrepreneurship influenced the exploitation of political opportunities for political profit (Holcombe, 2002; Schnellenbach, 2007).

Although these perspectives revealed various influencing factors, they can all be aggregated into economic and social determinants. Also, though PSE presents a broad range of interesting issues, the most relevant area to this study is the role of public managers in executive entrepreneurship as it relates to private enterprise development policy implementation, referred to by Dhliwayo (2017) as Economic Facilitation and Regulation (EFR). This is the concept of establishing an environment conducive to innovative and entrepreneurial development through policy administration and enacting appropriate legislation and regulations. Two important items emerged from the review of PSE and were taken forward in the study. First were the influencing factors (economic and social) identified, and second, PSE’s role in establishing a conducive environment for entrepreneurship development. Both items addressed the research questions and contributed to the elements of the theoretical framework of this study.

*Individual and collaborative entrepreneurship* are sub-dimensions of private entrepreneurship. According to Miller (1983), they are 'Simple Firms’ characterised as small firms operating in homogenous environments and generally run by owner-managers. They typically have little or no technostructure (e.g., planning and control personnel), few support staffers, and minimal differentiation among its units. This occurs when similar activity as corporate entrepreneurship is carried out by an unincorporated venture (without separate legal identity), typically by an individual or collaboratively (Letaifa and Primard, 2016) by friends or family. While Miller (1983) proposed the leadership imperative theory to explain individual entrepreneurship, Reich (1987), among others, argued based on the collective entrepreneurship theory. Leadership imperative theory (Miller, 1983) argued that entrepreneurs are the main, if not the only,
drivers of innovative activities in small businesses and the coordination is largely by direct supervision.

The positions above indicate that the capabilities of the entrepreneur(s) are critical influencing factors. According to Yan and Yan (2016), numerous studies provided empirical support to theories that point to determinants of individual entrepreneurship with findings that entrepreneurs' knowledge, personal traits, decision-making styles, social networks, and other personal resources contribute directly to or have a direct impact on innovation in small businesses. Kearney, Hisrich, and Roche (2009) discussed some of the characterisations of individual entrepreneurship in their comparative study of public and private entrepreneurship, including features such as objectives, authority, decision-making, reward/motivation, innovation, risk-taking, and proactivity. According to Kearney et al. (2009), individual entrepreneurship typically involves clearly defined goals and objectives; it features autonomy in the decision-making process, calculated risk-taking and investment of personal capital.

The factors and characterisation highlighted above showed individual-level factors that align with classifications suggested by Johns (2006) which included knowledge of the entrepreneur, risk-taking propensity, personal traits of the entrepreneur, decision-making style, social network, and definition of business goal. These notions deepened our understanding of determinants by incorporating the character of the entrepreneurs, and this became a very useful contribution to the framing of this study.

Institutional Entrepreneurship (IE) is hybrid in characteristic due to its overlay between private and public entrepreneurship, and it is characterised by creating, maintaining, and disrupting institutions (Szabo, 2017). The term ‘institutions’ here, like most entrepreneurship and institutions research, was adopted in line with North (1994), who describes institutions as "the rules of the game in the society" and constraints that structure human interaction made up of formal constraints. Moreover, 'institutions' also refer to informal constraints as
affirmed by many works such as Chowdhury et al. (2015), North (1994), Gohmann et al. (2016) and Campbell and Mitchell (2012), which examine institutions broadly from the perspective of establishments that affect the choice of entrepreneurial activity as an enabler or inhibitor.

IE, therefore, relates to new orders/institutions (Weik, 2011) that arise when organised actors with sufficient resources (institutional entrepreneurs) see in them (new institutions) an opportunity to realise interests that they value highly. To capture the full essence of IE, Szabo (2017) presented an extended version of Lawrence and Suddaby’s (2006) definition that “institutional entrepreneurship may be characterised by the purposive action of individuals or groups operating in (or outside the scope of) market and organisations, which action is aimed at the establishment of new institutions (substantial restructuring, and abolition of old institutions, in order words, institutional innovators)”. One could argue, therefore, that the need to replace institutions could be triggered by the desire for a different effect from that created by the current institution, thereby making the institutions determinants of IE.

A pertinent feature in IE, either in public or private entrepreneurship, is the need to overcome entry barriers. In the case of the market or industry, it could be monopolisation, while in the government sphere, it could be artificial constraints created by government. In both cases, the power of incumbents makes it difficult to overcome barriers hence the need for disruption of the existing institutional framework. Since institutions could be formal, such as laws, court rulings, written regulations and public programs, the determinants of IE could therefore be seen at the policy level, such as in national policy other than entrepreneurship development policies and legal framework. Likewise, since institutions could also be informal, such as social norms, general expectations of personal conduct, and how we do business in this part, the determinants of IE could also be seen in market-related constraints such as market entry barriers, social constructions, and societal norms. This study approached institutions from the two perspectives
above and therefore adopted formal and informal institutional factors as components of the framing of the investigation of entrepreneurship determinants.

Social entrepreneurship (SE) has emerged as a new label for describing the work of community, voluntary and public organisations, as well as private firms working for social rather than for-profit objectives. (Shaw and Carter, 2007). SE, according to Galvin and Innaotti (2015), focuses on the concept of pursuing innovative solutions to social problems. Through this entrepreneurial spirit, social entrepreneurs often act boldly regardless of the resources available to create social values. According to Nicholls (2008), social enterprises are generally understood to be organisations that apply business strategies to achieve philanthropic ends. Therefore, social entrepreneurs do not measure their success based on monetary profit but rather by their capacity to affect social change (Galvin and Innaotti, 2015).

Unlike profit orientation in commercial entrepreneurship, social entrepreneurs are driven by a focus on meeting social objectives. SE has been identified as an innovative way of tackling unmet socio-economic needs in an environment where traditional providers, including charitable and voluntary sector organisations, have been criticised as bureaucratic and resistant to change and the public sector has become overstretched (Shaw and Carter, 2007). Although the views so far seem to present SE from a corporate perspective, it could also be initiated by individuals who may or may not leverage their corporate relations to achieve the same goal. Waddock and Post (1991) define social entrepreneurs as private-sector citizens who play critical roles in bringing about “catalytic changes” in the public-sector agenda and the perception of certain social issues.

Furthermore, Waddock and Post (1991) suggested three leadership characteristics of a social entrepreneur through which one could infer factors that could influence this dimension of entrepreneurship. First is visionary leadership, which is the ability to reframe the public problem in a new way and develop a
temporary structure for increased public awareness through his or her vision. Second is personal credibility which is an attribute through which many resources such as career contacts, status and excellent reputation can be pulled together. The third is the ability to generate followership which is the ability to gain trust and followers' commitment by framing the project in terms of important social value.

The views emanating from this review point to an array of factors that influence the emergence of SE. Interestingly, some of these factors echo the ones earlier identified under other dimensions considered, indicating the generic nature of these factors in entrepreneurship development. For example, socio-economic need indicated by Shaw and Carter (2007) was earlier identified as important in PSE. Likewise, the need to bring about catalytic changes indicated by Waddock and Post (1991) was identified earlier as a driver for IE. Furthermore, the availability of resources and possession of social networks (followership) indicated by Waddock and Post (1991) was also identified earlier under individual entrepreneurship. These emerging factors under SE affirmed factors identified so far and therefore further contributed to the theoretical framework used to conduct this study.

To conclude, it is important to note that though the authors referenced in this brief review of dimensions of entrepreneurship did not refer to the impact of environmental factors they highlighted as contextual influences despite being context-dependent, interestingly, these influencing factors are highlighted in another stream of entrepreneurship literature on the role of context in entrepreneurship. Therefore, to further the investigation of determinants theoretically, this study reviewed literature on context and explored these influencing factors from the perspective of entrepreneurial context. The following section presents a review of the dimensions of context.
2.2.2 Dimensions of context in entrepreneurship

‘Context’ has its root in the Latin word ‘contextere’, which means weaving together or to make a connection. This root meaning explains the application of the word ‘context’ as used today. It denotes relationship, interconnectedness, and interdependence. This section explores dimensions of context, their interdependencies, and their role in understanding entrepreneurship. According to Zahra et al. (2014), researchers are yet to agree on the dimensions of context. Welter (2011) highlighted social, spatial, and institutional; Zahra et al. (2014) categorised them as temporal, industry and market, spatial, social, and organisational, ownership and governance, and Autio et al. (2014) suggested social, temporal, spatial, ‘industrial and technological’, organisational, and ‘institutional and policy’. Although literature on various dimensions was reviewed, many of the dimensions are interlinked. Therefore, the study adopts Temporal, Industrial/Market, Organisational, Social, Spatial, and Institutional contexts as bases to examine contextual influence included in the framing of this study.

Furthermore, although context is introduced in this thesis as a theoretical perspective, it is important to note that while context is not a distinctive theory, many works have used it as a lens for understanding entrepreneurs’ rationale, decisions, and actions and therefore approached it from various perspectives. Welter (2011) views it as environment that is external to the respective phenomenon. Ferlie and Ongaro (2015) elaborated that contextual environment could be the 'immediate' business environment or the 'broader' context incorporating the wider environment, history, and transitions. Garud et al. (2014) viewed it as moderator of success or failure; Autio et al. (2014) suggested that it is a regulator of choices and outcomes. Context, as highlighted above, will typically constrain or proffer opportunities to the entrepreneur (Welter, 2011; Ngoasong, 2018; Johns, 2006; Schillo, 2016). These show contextual factors as having enabling/inhibiting effects, and their identification is therefore important in framing this investigation. This study approaches context from the broader perspective suggested by Ferlie and Ongaro (2015), allowing for a general
investigation of determinants of entrepreneurship development. The reviews of the dimensions of context are presented.

Spatial dimension of context concerns the geographical locus of entrepreneurial firms in terms of their global, national, regional and local distribution (Autio, 2014). According to Zahra et al. (2014), space is an important dimension of the entrepreneurial context. The effect could be highlighted in the role of geography and location in which new ventures develop and grow, the relationships they establish with their key stakeholders, their participation in different networks, and where and how they assemble resources. In a previous review, Zahra et al. (2014) concluded that geography serves as a proxy for several important variables that determine the vigour of entrepreneurial activities. This, they suggested, is because some countries are well placed geographically and thus, benefit from location-specific advantages while others are located in less attractive regions with no advantages. Although there are arguments about technological advancement making physical distance less relevant, Drori, Honig, and Wright’s (2009) argument that opportunities still often reside in some physically distant locations makes it essential to consider the costs, challenges, and advantages that arise from locating operations in those markets.

Furthermore, apart from location-specific advantages relating to factors of production or international markets, a regional advantage that concerns the concentration of entrepreneurial activities makes the region have rich resource bases. This is due to diverse economic resources, a supply of talented and educated entrepreneurs, and capable human resources, as Saxenian (1994) suggested. These advantages or lack thereof are factors that influence entrepreneurial decisions and therefore contributed to this study’s theoretical framework.

Social context in entrepreneurship research, according to Welter (2011), refers to social network approaches and how they can provide financial capital, information, potential employees, or access to clients. It also refers to the
emotional understanding, encouragement, and support that family and friends are able to offer. The elements of the social dimension of context listed are factors that influence entrepreneurship. According to Welter (2011), they enable entrepreneurs to overcome the liabilities of newness and smallness when starting a business. Zahra et al. (2014) posited that network membership is determined by historical factors (being in the right place at the right time), capabilities, reputation, business connections, etc. Membership in these networks tends to be stable over time, bonding companies within them. Furthermore, the elements and benefits of these network memberships enable entrepreneurs to reduce transaction costs and serve as a key source of information, resources, and access to markets (Stuart and Sorenson, 2007). It also provides knowledge spillover that helps develop and sustain a vibrant ecosystem.

An example of a network setting is the industry park setting which fosters relationships among regional institutions such as universities, research centres, and local industries in a semi-formal network. They support the generation of new ventures, offering them the services needed to develop and commercialise new technologies and license or patent their innovation (Zahra et al., 2014). A less formal setting is the household and family context suggested by Welter (2011), which operates through the concept of socio-economic hybrid systems called household-enterprise systems, where the wider family can influence opportunity emergence and recognition, the decision to set up a new venture, and access to resources. The support mechanism that entails all the elements highlighted by these works is a very important factor, especially in the individual dimension of entrepreneurship. This was taken as a critical contextual factor and included in the framing of this study.

*Industrial/market dimension of context* concerns the external micro and macro levels of a business environment and the economic opportunities that arise depending on the phase in the industry lifecycle. Autio et al. (2014) noted that industry lifecycle models typically maintain that entrepreneurial activity is most likely encountered during the early stages of an industry lifecycle. This is because,
at the early stage (developmental and growth) of a lifecycle, there is usually increased adoption of products and services, coupled with low entry barriers making the market attractive to new entrants (Johnson, Whittington, and Scholes, 2011:65). These create market opportunities for prospective entrepreneurs and inform entrepreneurial activities. The industry/market factors have varying influences on industry lifecycle changes. This means enabling factors at the developmental stage, for example, may become inhibitors at the maturity stage. This shows the connectedness of the industry context with the temporal context (discussed in 2.3.6).

For example, maturing market indicators are that there are more actors in the market and suppliers get less concentrated, lowering switching costs, reducing differentiation of products and services, thereby increasing buyer power in the market and resulting in an intense competitive rivalry (Porter, 1980). At this point, while these determinants may be favourable to established entrepreneurs with good market share and stable business operations, they are inhibitors to nascent entrepreneurs and make the industry unattractive for prospecting entrepreneurs because of high entry barriers. Therefore, the varying effects of the industry factors in the industry context prove critical in terms of entrepreneurs’ timing of market entrance, hence the inclusion in the theoretical framework to explore the impact in the Nigerian setting.

Organisational context concerns the internal construct of a business and how this impacts the organisation's perspectives, decisions, engagement, and performance. There are many features to this dimension of context, as posited by many works, making it very important when investigating its influences on entrepreneurship, especially because of the possibility of different effects at different phases in the life of the business. Doolen, Hacker, and Van Aken (2003) defined organisational context as the management processes, organisational culture, and organisational systems that exist within a parent organisation. Porter and McLaughlin (2006) presented further categorisation by listing the outcome of their examination of several relevant sources, including culture/climate,
goals/purposes, people/composition, processes, state/condition, structure, and time. All the listed elements present contextual influences that shape entrepreneurial actions.

Organisational context elements such as management process, which include strategic planning, goal setting, resource allocation and organisational culture, are defined as the set of values, beliefs, and behavioural norms that guide how members of the organisation get work done (Doolen et al., 2003). These are significant for creating and operating micro, small and medium-sized enterprises. Interestingly, supporting Welter's (2011) argument that contexts are intertwined, organisational culture overlays societal/cultural components of informal institutional context (discussed in 2.3.5) with significant relatedness. According to Zahra et al. (2014), some organisations culturally espouse and support innovativeness, thereby creating opportunities for intrapreneurship that could lead to spinoff enterprises. When on the contrary, frustrated and dissatisfied employees exit and start their own businesses. The elements of organisational context made it an important factor hence the inclusion in the theoretical framing of this investigation.

Institutional context draws on the concept of formal and informal institutions as “rules of the game,” introduced by Douglass C. North (1990). According to Salimath and Cullen (2010), on the one hand, institutions may be formally devised, such as laws, regulations, policies, and other codified procedures, while on the other, they may have developed informally over time, embodied in cultural norms, belief systems, practices, and customs. Salimath and Cullen (2010) affirmed that international entrepreneurship researchers have argued that a country’s culture, values, beliefs, and norms affect the entrepreneurial orientation of its residents. Like both works above, Welter (2011) affirms that formal institutions are political and economy-related rules which create or restrict opportunity fields for entrepreneurship, and informal institutions, which include the norms and attitudes of a society, influence opportunity recognition of (potential) entrepreneurs as well as opportunity
exploitation and access to resources. All the assertions above point to various institutional contextual components (from both formal and informal perspectives) that influence entrepreneurship.

The various roles of the institutional environment in facilitating entrepreneurship were presented by Kumar and Borbora (2016) to include opportunity-related, security-related, efficiency-related, and social and political environment-related influences. Opportunity-related factors include market size, government size and openness, which all contribute to developing an institutional environment for entrepreneurship. Autio et al. (2014) listed some salient formal institutional influences, including property protection, regulatory of entry, the rule of law, and rules regarding competition, supporting Kumar and Borbora's (2016) Securities-related influences, which include property rights and the rule of law. Property rights and security allow the investors and the innovators to receive rewards for their efforts (Bardhan, 2005), thereby creating incentives to invest and innovate. The two other categories of influences are efficiency-related and 'political and social'-related influences. 'Efficiency-related' concerns education quality, credit/funding, and availability of information, and 'political and social'-related concerns political stability, which gives entrepreneurs comfort that there will be consistency in governance to ensure commitments are fulfilled. These issues and other similar ones were aggregated into informal and formal institutional factors and included in the theoretical framework.

**Temporal context** refers to the impact of change in time or period as a dimension of context. Unlike contextual influences from other dimensions of context, temporal contextual influences are seen to arise through the overlay of other dimensions of context. This aligns with Johns (2006), which emphasises that context manifestations are related rather than independent. This subsection briefly discusses temporal context based on the overlay of other dimensions of context.
Autio et al. (2014) noted that industrial/technical, organisational, institutional, and social contexts change over time. These changes occur at different phases of the business and therefore enable or inhibit the business in various ways depending on various other factors such as resources, competence, and age/experience of the business. In other instances, various temporal issues have been highlighted by various works to affirm the importance of these overlays. For example, organisational contexts may evolve (Wright, Siegel, Keasey, and Filatotchev, 2013), and so does industry in its lifecycle (Autio et al., 2014). Also, Zahra et al. (2014) and Short et al. (2010) highlighted opportunity exploitation as being time-based, stressing industry clock’s influence. Autio et al. (2014) and Zahra et al. (2014) highlighted that the spatial context also includes the spatial concentration of institutions, policies, and even social norms, giving examples of the physical location of Brazil, China, and the institutional component of Silicon Valley development.

Although the ideas of these overlays were taken forward as a guide in this study, for clarity in presentation, temporal factor was excluded from the theoretical framework, and therefore, the effects of the identified changes in the various dimension of context were addressed in the primary dimension. For instance, contextual factors arising due to changes in industry lifecycle (e.g., technological) were investigated under industrial factor rather than temporal factor.

The reviews in this subsection show that context matters, and the effects mirror the impact of environmental factors that emerged in the dimension of entrepreneurship (subsection 2.2.1), which could be enabling/inhibiting. Also, the reviews show that contextual factors (as adopted in this study) are not the only things that shape entrepreneurship. Zahra et al. (2014) argue that while many researchers take context as given, it is important to note the part played by the entrepreneurial actions. They hinted at the importance of examining this interaction between the entrepreneurs and their context because rather than being entirely exogenous, there could be important endogenous perspectives. To
ensure a more rounded framing of this study, entrepreneurial behaviour as an influencing factor is reviewed in the following subsection.

2.2.3 Individual factors that influence entrepreneurship

The factors that emerged in the review of individual and collaborative entrepreneurship dimensions (subsection 2.2.2) support Zahra’s (2014) argument about the importance of entrepreneurs’ actions, and Ács, Autio, and Szerb’s (2014) argument that opportunity discovery does not necessarily trigger immediate action. They posited that individual actions are regulated by personal attributes such as motivation, perception, cognition, and judgement. This highlights the individual-level drivers as important to having a holistic understanding of determinants of entrepreneurship. These drivers have been explored in developing various entrepreneurship theories, one of which was Shane’s (2003) individual-opportunity nexus (central to this study), which elaborated on the importance of individual-level factors at every stage of engaging entrepreneurial opportunity (presented in the last two sections as contextual factors). The theory highlighted life experiences, prior knowledge, cognitive processes, belief, and ‘education and experience’ perception of value (monetary/non-monetary) as important individual factors at play in entrepreneurial discovery, exploitation, and execution of business ideas. These issues, as presented in copious literature, were reviewed to deepen our understanding of the individual-level factors and drawn upon to contribute to the theoretical framing of this study, aggregating them under three dimensions: personality traits, entrepreneurial cognition, and entrepreneurial motivation.

*Personality traits*’ role in entrepreneurship development continues to generate interest among scholars, with more recent personality literature focusing on exploring what personality traits increase the likelihood of becoming an entrepreneur and which ones increase the likelihood of entrepreneurial success. Different frameworks have emerged, the most prominent being the big-5 factors personality model (openness to experience, conscientiousness, extraversion,
agreeableness, and neuroticism). However, this study aligned with the multidimensional personality framework Kerr et al. (2017) described to include self-efficacy, locus of control, and need for achievement.

Self-efficacy, a personal belief in own ability to fulfil tasks and achieve results, is an important driver for entrepreneurship. It has been described in this sense as 'Entrepreneur Self-Efficacy' (ESE). While there are different measures/expressions of ESE as suggested by works like Chen et al. (1998) and Utsch and Rauch (2000), innovation and risk-taking propensity stood out as valuable entrepreneurial traits and therefore were adopted and considered in this study. Kerr et al. (2017) also affirmed ESE increase the likelihood of being a nascent entrepreneur as well as successful in founding and operating a business. Furthermore, internal locus of control, described as the belief in own ability, effort, or skills, to influence outcomes rather than external forces, has been linked to entrepreneurial activity in works such Shapero (1975) and Shaver and Scott (1991). This was considered very important in addressing contextual factors and, therefore, a useful addition.

Finally, the need for achievement is described as an individual's desire for significant accomplishment, mastering of skills, or attaining challenging goals. According to Kerr et al. (2017), many researchers have found that this predicts entry into entrepreneurship, although this finding is sometimes challenged in specific contexts. Therefore, exploring how this contributes to the individual-level influence on entrepreneurship development in the Nigerian setting was useful. Although there are many measures/expressions of the various dimension of traits explored by many works, this section aimed to highlight the role of personality traits as a component of the individual-level factor and how it featured in the theoretical framework of this study. These three dimensions were taken forward and tested empirically in this study. Beyond the notion of personality traits is entrepreneurial cognition.
Entrepreneurial cognition has emerged as another individual-level driver critical to entrepreneurship development. To address some of the limitations of the trait theory in the context of entrepreneurship development, scholars have explored the implication of cognitive theory in relation to entrepreneurial activity. Without delving into the full scope of cognitive theory, this subsection draws on the notion of entrepreneurial cognition (Mitchell et al., 2002) and presents how this study approached entrepreneurs' cognitive dimension (Schillo, Persaud, and Jin, 2016) in entrepreneurship development.

Entrepreneurial cognition is the knowledge structure people use to make assessments, judgement, or decisions involving opportunity evaluation, venture creation and growth (Mitchell et al., 2002). According to Schillo et al. (2016), cognitive structures are shaped by the nature and quality of business education and skills, thereby influencing entrepreneurs' confidence. From an entrepreneurial readiness perspective, a low level of business knowledge and skills could inhibit an individual's propensity to create a business, while a higher level may enable it (Arenius and Minniti, 2005). As a component of non-psychological determinants, Cuervo (2005) described education and previous experience in terms of training and formation of an individual as an enabler of belief in own ability to achieve desired outcomes. Business knowledge, skill, and experience (functional/industrial) enable not only enterprise creation but also effective operation and growth.

Schillo et al. (2016) highlighted that cognitive resources are embodied in an individual's entrepreneurial capability. To understand the role of entrepreneurs' cognitive dimension, the level of education and the impact of entrepreneurial capability was incorporated into the framing of this study to get a broader sense of how the individual-level factors influences entrepreneurship development.
Entrepreneurial motivation is the key antecedent to entrepreneurial behaviour (Mahto and McDowell, 2018). This notion is espoused by other works such as Jayawarna, Rouse, and Kitching (2011) and Schjoedt and Shaver (2020) and adopted by the study as fundamental to further understanding individual-level factors in entrepreneurship development. Different types of entrepreneurial motivations have been suggested across entrepreneurship literature, citing incentives such as economic, social status, personal development, contribution to the community, emulation of role models, and life courses. While the motivations listed depict important individual-level drivers, Jayawarna et al. (2011) conceptualisation of the interactive development of life course and motivation presents a unique perspective whereby the life course proposed could be taken as an antecedent to the other motivations. This study, therefore, approached entrepreneurial motivation from this perspective, as presented in this subsection.

According to Jayawarna et al. (2011), entrepreneur motivations are dynamically interrelated with social circumstances usefully conceived of as life course domains. They proposed that career, household, and business as life courses within which various components and experiences are embedded shape entrepreneurial motivation. For example, frustrating employment experiences may lead to a desire for independence through entrepreneurship within the career life course. Likewise, gaining new social status within the business life course may increase an entrepreneur’s resolve despite inhibitions from contextual factors. Moreover, within the household life course, the need to change the family’s fortunes or address external perceptions of the family, among other family-related influences, may result in choosing entrepreneurship. The motivated actions are aimed at transforming the life course context of the actors to enhance or reconstruct a new identity to match their ‘ideal self’ (Mahto and McDowell, 2018). Identity here is taken as the bridging concept between self and the social. “It can have an important impact not only on the way we feel, think and behave (present), but also on what we aim to achieve (future)” (Leitch and Harrison, 2016).
Drawing on the fundamentals of identity theory (Stryker 1980), as it has been applied in entrepreneurship identity formation at the pre-launch stage, Mahto and McDowell (2018) observed that most studies available on entrepreneur or founder identity assumes the identity of a nascent entrepreneur is stable. They argued that the conversion of non-entrepreneurs to entrepreneurs occurs due to a change in identity and therefore proposed that "an individual's desire to seek a higher social identity or establish a new identity are the primary factors influencing the formation of entrepreneurial motivation in individuals". The life course concept and the self-social interaction notions of identity provide an important basis for understanding entrepreneurial motivation as a critical component of the individual-level factor in entrepreneurship development. Thus, entrepreneurial motivation was included in the theoretical framework for this study.

2.2.4 Summary

This section summarises the above considerations from studies on entrepreneurship dimension, context, and individual level factors to highlight salient factors that emanated and were taken forward in the framing of this study. Although the consideration of these issues is secondary to the focus of this study (the role of EDI), establishing a broad list of factors from these entrepreneurship perspectives does not only help to identify possible determinants of entrepreneurship (according to extant work) but also help us to investigate how EDIs construct addresses the factors identified and the issues raised in various studies. This will help address and answer the research question - “How do entrepreneurship development initiatives influence the creation and operation of micro, small and medium-sized enterprises in Nigeria?”

Findings that emerged from the review of dimensions of entrepreneurship showed that there are determinants that are generic factors that influence most dimensions of entrepreneurship. These include institutional barriers and economic and social factors, which are important because they are the trigger for the initiators of most dimensions of entrepreneurship. However, there are others,
such as knowledge, personal traits, and social network, that uniquely impact the individual sub-dimension of entrepreneurship. The context-dependent nature of these sub-factors and issues necessitated further investigation of determinants theoretically from contextual influence perspective. The integration of the findings thereof with factors identified through dimensions of entrepreneurship created a credible theoretical list of entrepreneurship determinants categorised and taken forward on the theoretical framework and tested empirically.

The review of context dimensions showed that context matters, and the effects could be enabling/inhibiting. The contextual influences that emerged from this review are aggregated into formal institutions, informal institutions, geographical location, economic, industrial, organisational, and funding/financing factors. It is worthy to note here that though one could argue that financing/funding could be categorised as a component of formal institutions, the central role of the effect of financing as touted by many, and the need to understand why it is not yielding anticipated result in the Nigerian setting as highlighted in the research problem beg for keen attention to be given to it in this study. Hence, financing is unbundled and carried forward (separately) in addition to other sub-factors to contribute to the theoretical framework for this study. Furthermore, the idea of exploring the intricacies of overlay of context was approached sparingly. Thus, the theoretical framework does not explicitly feature temporal and geographical context. Instead, they are embedded where they have overlays, as explored in the empirical analysis presented in Chapters 5 and 6 and the theory development in Chapter 7.

The review of individual-level factors showed that awareness of the importance of how entrepreneurs address contextual influences helps to understand determinants of entrepreneurship better. Acs et al. (2014) argued that central to the entrepreneurial process is not whether or not opportunities exist but rather what is done about them and by whom. Therefore, by investigating personality traits, entrepreneurs' cognitive dimension and entrepreneurial motivation as approached by this study, the two dimensions of determinants of
entrepreneurship (contextual and individual) suggested by Acs et al. (2014) are adequately covered. Although extant works, like Acs et al. (2014), Cuervo (2005), and Schillo et al. (2016) highlighted these two components as important to understanding entrepreneurship process, only Cuervo’s (2005) work was fully dedicated to exploring determinants of entrepreneurship. According to Kuckertz et al. (2015), despite explanations in the academic literature, complete depiction of macro-determinants from the different disciplines affecting entrepreneurial activities compared across countries is still scarce. Many other studies on determinants simply mixed and matched drivers across the two dimensions as suitable to the studies creating a gap being filled by this study. A further summary of these works is presented to highlight this gap.

Over past decades, determinants have been presented from different perspectives and settings. For example, Shapero (1975) categorised determinants to include economic, psychological, sociological and contextual factors. In a later work, Shapero and Sokol (1982) introduced further categorisation to include displacement event, perceived desirability and perceived feasibility. In their examples, Touzani et al. (2015) were more specific by using positive and negative effects to identify determinants. They listed financial agreements, finding associates, inheriting a patrimony, and finding key customers as positive, and the negative include unemployment and job loss. The negative ones are the same as displacement events by Shapero and Sokol (1982), and the positive ones fall within Shapero’s (1975) earlier categorisation.

Furthermore, Garcia (2014) considered other factors and listed determinants to include city, tertiary education, and rate of self-employment in an argument that self-employment is a step in the direction of business creation and that the higher the rate of self-employment, the higher likelihood of entrepreneurship. In a more psychological and sociological consideration, Kuckterz et al. (2015) listed economic freedom, well-being, and culture as determinants of entrepreneurship. Aligning with determinants listed so far and
more. Balkiene and Jagminas (2011) also identified regulatory framework, R&D and technology, culture, access to finance, market condition, and entrepreneurial capability. When aggregated, the determinants identified across these works reflect Cuervo’s (2005) model of explanation of entrepreneurial activity, categorised into personal characteristics, economic environment, and institutional environment.

Albeit to ensure a detailed study of the environmental determinants, Cuervo’s (2005) work separated the economic and institutional environment; this study (through literature reviewed) classified both as contextual factors. Cuervo's model was adapted to Shane's (2003) 'model of the entrepreneurial process', which has two dimensions (individual attribute and environment) of entrepreneurship determinants. For the purpose of this study, the succinct categories presented by Cuervo (2005) and Shane (2003) were taken forward as primary determinants of entrepreneurship, as illustrated in Figure 2.3.

The effects of the determinants that emerged from this review are used to investigate the role of institutional intermediation in influencing the creation and operation of micro, small and medium-sized enterprises in Nigeria by exploring how it supports entrepreneurs in navigating these effects. Using the entrepreneurship dimension map earlier presented (Figure 2.2), this study views the activities of the institutional intermediaries from an entrepreneurship perspective and therefore categorises them broadly into ‘Pure-public’, ‘Private-social’, ‘Private-institutional’, and ‘Pure-private’ intermediaries. All but pure-private intermediaries were selected in this study sample because of their organisational context, scope of activities, age and relationship with policy-level players, as elaborated further in Chapter 3.

Theoretically, the determinants identified above have causative linkages to entrepreneurial activities. These have been characterised by Autio et al. (2014) through selection and strategic choice effects manifesting in pre-and post-entry behaviour/choices of entrepreneurs in their entrepreneurial pursuit. The notion
of pre- and post-entry situations introduced an important aspect (stages) of entrepreneurship development that provides further insight. According to Autio et al. (2014), pre-entry selection effects can be traced back directly to the character of the individual that self-selects to the entrepreneurial behaviour, while post-entry strategic choice effects are driven by perceived desirability and feasibility (Shapero and Sokol, 1982) associated with alternative entrepreneurial actions. The differences highlighted between pre- and post-entry suggest that there may be inconsistencies in how determinants influence entrepreneurial actions at different stages of the process and therefore begs for better understanding. The stages of entrepreneurship development were therefore incorporated in this framing, and the next section reviews extant works on stages and the most suitable approach adopted and taken forward.

2.3 Stages of Entrepreneurship

The temporal context of business ventures is important in understanding the determinants of entrepreneurship. Zaheer et al. (1999) highlighted that opportunity exploitation is time-based. Therefore, organisation emergence, evolution, and life cycle are important because new firms undergo major changes over the course of their lives in their characteristics, operations, organisational structures, and the role that managers and entrepreneurs play. These changes take them through stages which manifest a bundle of influences which, according to Vohora, Wright, and Lockett (2004), serve as internal and external triggers that change over time from one phase to the next within a non-linear process. It is therefore important to understand the stages of entrepreneurship development, and this section aims to show stages of development and highlight the need for understanding stage-specific enablers/inhibitors.

Different entrepreneurship scholars suggest two to five stages in entrepreneurship development. Ardichvili et al. (2003) suggested five stages from market need identification to successful enterprise; Griffin-EL and Olabisi (2018) suggested three stages: opportunity identification, business exploration, and business execution. Costa, Santos, and Caetano (2013) focused on business
opportunity recognition and the decision to launch a venture; Moore (1986) suggested three stages to include innovation, implementation, and growth; Bygrave and Hofer (1991) suggested that the process begins with entrepreneurial alertness, which then leads to the recognition of an opportunity, innovation, and exploitation of the opportunity. While most of these positions stopped at the growth stage, Pryor, Webb, Ireland, and Ketchen (2016) suggested opportunity conceptualisation, followed by solution conceptualisation and venture capabilities, but went further to suggest venture termination, which other works refer to as decline, as stages of entrepreneurship process.

A consistent view in all the suggestions above is that there are three very critical stages to consider in understanding the determinants of entrepreneurship. These include exploration, execution, and growth stages. Furthermore, as discussed earlier, the research problem centres around early mortality and the lack of transition of micro and small businesses. Therefore, it is suitable to adopt and focus on the three stages as a continuum (rather than in isolation). This way, data is adequately explored to fulfil the research goal. While Griffin-EL and Olabisi (2018) considered opportunity identification and business exploration as two stages, their discussion showed that these are still pre-implementation/execution stages, as presented by other work. To ensure effective coverage of all aspects required, this study adopts opportunity identification and business exploration as stage one; and business execution as stage two and complements this with business growth (Moore, 1986) as stage three, as shown in Figure 2.3.

In an ideal world, one would expect a nascent entrepreneur to identify opportunities and exploit them to create and operate an enterprise without inhibition. However, as highlighted in earlier sections, there are inhibiting contextual factors at play embedded within various 'commercial institutions' (Dutt et al., 2016) defined here as formal and informal institutions (North, 1994) that support business activity. Entrepreneurs at different stages of development encounter different institutional challenges because of the void created by the weak commercial institutions. For example, void in terms of sources of financing
due to lack of information means an entrepreneur that has identified an opportunity, launched a business and aspired to grow may struggle at the growth stage for lack of information and not necessarily financing. This may be different at the exploration stage because of the proliferation of start-up support programmes. This situation begs for mediation to bridge the gap, hence the importance of institutional intermediation. One could therefore expect that to fully understand entrepreneurship development, the role of intermediation in entrepreneurial support at all stages of development is a critical element to explore. This next section reviews works on the concept of institutional intermediation and provides a broader perspective that contributes to the theoretical framework.

2.4 Institutional Intermediation and Entrepreneurship Development

Many researchers have followed North’s (1990) definition of institutions as "humanly devised constraints that structure political, economic and social interactions" in their study of entrepreneurship determinants. They highlight formal and informal rules as dimensions of institutions, and from a business perspective, these institutions are mechanisms through which market agents gain complete information, thus decreasing transaction costs (Oriaifo et al., 2019). Transaction cost is what it costs the business to overcome institutional constraint challenges. Where properly designed and implemented, institutions provide the rules of the game that support the formation of ideal typical markets (Mair et al., 2012). However, many emerging economy firms operate in an environment characterised by weak formal institutions and work around poor institutional conditions (Oriaifo et al., 2019). When institutions are absent or weak, institutional voids are said to have occurred, warranting a compensatory structure to fill the gap. This section reviews institutional intermediation and the actors (intermediaries) as the compensatory structure and identifies gaps in how institutional intermediation is perceived to justify the inclusion in this framing.
There is a need for institutional intermediation to make markets more efficient, thereby reducing opportunistic tendencies and information asymmetries in entrepreneurship development as this becomes necessary in the light of institutional void. Moreover, it is noteworthy that in environments with limited institutional support for business enterprise, even firms with intrinsically strong managers struggle (Dutt et al., 2016). Therefore, overcoming institutional constraints through intermediaries that function as substitutes for institutions is a critical part of the entrepreneurship development process. Generically defined, intermediaries mediate interaction and exchange between two or more parties that might otherwise interact directly but find it difficult to do (Kerlin et al., 2021). When viewed from their institution creation and development building activities, they are referred to as 'institutional intermediaries' (Dutt et al., 2016).

Although there is fair consensus among researchers that mediation is the fundamental role of institutional intermediaries, a single definition of institutional intermediaries is debatable, and the descriptions varied in line with the subjects/aims of the various studies. For example, Armanios et al. (2016) describe them as tools for bridging the void between ventures and public funding. To Sutter et al. (2017), they are institutional entrepreneurs that facilitate private entrepreneurs’ transition from the informal to the formal sector. Mair et al. (2012) see them as organisations that redefine market architecture and legitimise new actors. Likewise, Kerlin et al. (2021) describe them as legitimising agents. Eberhart and Eesley (2018) describe them as organisations that channel resources, knowledge, and legitimacy to new firms. Although these viewpoints on institutional intermediaries are acceptable in the context of individual studies, the siloed perspectives become problematic and limiting when generically exploring the role of intermediation in entrepreneurship development.

Intermediation activities comprise the parties involved and, more importantly, the purpose of the intermediation. This partly may explain the emphasis on the activity (bridging gap and legitimation) in the descriptions across
literature because these studies were focused on intermediation targeted at a specific institutional void. However, the emphasis on the activities alone presents an incomplete perspective on the construct of institutional mediations. To highlight the need for wider perspectives, this study draws on Dutt et al. (2016) investigation of the influence of sponsors and the implications of general assumptions of the virtues of institutional intermediaries highlighted by Eberhart and Eesley (2018). Three gaps identified are as follows:

1. Sponsorship activities, as presented by Dutt et al. (2016) using incubators and bridging activities described in other literature, emphasise capacity development targeted at hatching start-up businesses and stabilising them at an early stage. Very limited evidence of post-start-up sponsorship support was provided in the various studies suggesting an important gap in our understanding of institutional intermediation beyond the early stage of entrepreneurship development. This calls for an approach where the impact of institutional intermediation can be explored using the stages of entrepreneurship development (as adopted in Section 2.6) for broader understanding.

2. Furthermore, Dutt et al. (2016) comparison of sponsor’s tendency to offer different types of services using the four types of sponsors (academic institutions, governments, non-profit NGOs, and for-profit private organisations) revealed that the sponsors have varying tendencies depending on the type of services (capital, physical space, training or consulting) required in the intermediation. This suggests that understanding the sponsors’ background as an initiator is critical to understanding the mediation provided. This gap is supported by Oriaifo’s (2019) call for consideration of the different actors’ motivations and how that influences their involvement in various facets of the process. This begs for a robust framework that incorporates these components as part of the analysis of entrepreneurship development.

3. The third gap relates to positive expectations ascribed to institutional intermediation. In their work on the dark side of institutional intermediaries,
Eberhart and Eesley (2018) argue that institutional intermediaries established to foster the creation of new firms might hinder new firm growth instead. Using the second research question of this study as a lens, the possibility of institutional intermediation having adverse effects on entrepreneurship development becomes an important area of investigation, especially the possibility that this could vary across the stages of development.

Furthermore, the notion that institutional intermediation has a positive impact on entrepreneurship development and consequently on economic development is popular. While it is partly responsible for the proliferation of institutional intermediaries and their support by policymakers, it is deemed questionable according to many scholars that Hessels and Naude (2019) noted are “grudgingly acknowledging, entrepreneurship is no magic bullet for economic development”. Works that are either dedicated to or touch on the intersection between entrepreneurship and economic development allude to limited direct positive impact. For example, Acs et al. (2016) highlighted that public policies that encourage individuals to become entrepreneurs generally lack a demonstrable economic rationale. They imply that entrepreneurship policies waste taxpayers’ money and mostly generate one-employee businesses with low growth intentions.

Also, Hessels and Naude (2019) argued that the positive impact of entrepreneurship is overestimated, echoing Shane (2009), which posited that entrepreneurship should not be overestimated because the typical start-up is not innovative, creates few jobs, and generate little wealth. Although these sentiments support the policy and practice problems presented earlier (subsection 1.2.2), Mitra (2020) noted that this causal relationship “varies from country to country and even from region to region” and to understand the role of entrepreneurship in economic development, the connection of certain factors (stage of economic development, level and nature of entrepreneurial activity, institutional structures, and cultural and social factors) ought to be considered as important in exploring this desired effect. These factors are constituents of context in entrepreneurship (reviewed in subsection 2.2.2), and their impacts can be seen in limited capital
(physical, financial, and human) accumulation, which in part is informed by institutional void (Dutt et al., 2016), especially in a developing economy such as Nigeria. The positions discussed above further necessitate the need to investigate the role of institutional intermediation, the structure, and how it is executed by intermediaries, and ascertain its contributions to the outcomes (limited positive impact) highlighted above.

To conclude, the gaps identified in these studies show that to gain a holistic understanding of the impact of intermediation and how it contributes to the entrepreneurs’ capabilities, it needs to be approached from a broader perspective where the construct is thoroughly investigated, starting with the institutional intermediaries and the entrepreneurs and their contexts. This investigation will require an integrated framework that captures all components as developed and illustrated in Figure 2.3 in Section 2.9. The following section presents the gaps identified and presents how this study approached intermediation and situates the institutional intermediary components within the framework to illustrate how these gaps will be addressed.

2.5 Research Gaps

2.5.1 Identified gaps

Many extant entrepreneurship literature on factors that determine entrepreneurship have approached their studies from two perspectives. Firstly, an indirect study of determinants by exploring the successes and failures of small businesses (Bushe, 2019; Everett and Watson, 1998; Hunter, 2011). These studies attribute business failure to a complex mixture of factors categorised into firm-specific, industry-specific, macro-economic, and spatial or geographic factors. Secondly, a direct approach (Mrozewski, 2014; Hartwell, 2014; Williamson, 2013; Powell and Rodet, 2012; Arin, Huang, Minniti, Nandialath, and Reich, 2015; Shapero, 1975; Cuervo, 2005; Balkiene and Jagminas, 2011; Garcia, 2014; Kuckertz, Berger, Allmendinger 2015) which categorised determinants into external environment-specific factors and entrepreneur-specific factors. The
former comprises political, socio-cultural, and economic, while the latter comprises psychological and non-psychological factors. While both approaches have significantly contributed to our understanding of entrepreneurship, there are still methodological problems that limit how they can help (especially practitioners in developing economies) fully understand and navigate determinants of entrepreneurship. This subsection highlights methodological gaps addressed by my research.

First, many works have established that there are individual-level and contextual-level factors that influence entrepreneurship, and two separate streams of literature have been dedicated to studying and improving our understanding of these categories of determinants. However, while these streams have yielded useful findings, they do not fully capture all categories of entrepreneurship determinants. This is because the concept of *intermediation* as explored by institutional intermediary literature is typically presented as an antidote to institutional void and therefore is usually studied in relation to how it addresses different institutions depending on the focus of the study. This approach takes for granted that institutional intermediation would always have positive effects, therefore creating a gap in our understanding of the existence of potential adverse effects. If viewed not only as an alternative to institutions but from potential wider implications (good/bad), the effects of institutional intermediation activities on entrepreneurship development are capable of having enabling and inhibiting characteristics like individual-level and contextual-level factors. Therefore, institutional intermediation could be potentially presented as a category of determinant when considered generically, incorporating other intermediation activities such as knowledge and resource support in addition to the typical bridging of formal institutional voids.

Second, many works that explore determinants tend to focus on start-ups to understand how various factors influence entrepreneurial actions. While this is a good start, it is limiting in developing our understanding because
entrepreneurship development is in stages, and the needs/challenges are expected to vary across stages. Therefore, rather than studying influences focused on the start-up stage (or single stage in isolation), studying them across stages to see variations in impact (if any) will deepen our understanding of determinants on a wider scale than currently is within most studies. Furthermore, this will help further establish whether the impact of institutional intermediation is enabling or inhibiting and whether the effects are stage-specific and (or) transition related. Therefore, introducing the stages of entrepreneurship (Ardichvili et al., 2003) into the framing of a study helps to see better evidence of the determinants in the decisions made by entrepreneurs from stage to stage.

Although there are no explicit calls for considering institutional intermediation as a determinant of entrepreneurship in the copious literature reviewed on determinants and institutional intermediaries in this study, some suggestions indicate that the influence of intermediation on entrepreneurship development should be critically examined. These calls affirm these gaps when viewed through the lens of this study's second research question (see Section 1.3). For example, Dutt et al. (2016), in their study of open system intermediaries, suggested that further research is needed to understand the nature and impact of intermediation activities (market infrastructure development and business capability development). Also, Oriaifo et al. (2019), in their study on how intermediaries enhance change in emerging economy institutions, called for future research to consider different actors' motivations and how that influences their involvement in various facets of the process.

Furthermore, though Eberhart and Eesley's (2018) work on the dark side of intermediation explicitly raised the inhibitive tendency of intermediation, it limits our understanding of intermediation’s inhibiting tendencies because the study focused only on financial capacity development support activities approach and effects. Since other studies consider intermediation to be more than financial capacity development, this indicates there is a theoretical gap in determining
whether their argument is supported in other areas of intermediation activities. This way, the notion that intermediation activities have inhibiting (as well as enabling) tendencies can be generalised about institutional intermediation, thereby adequately situating it as a determinant of entrepreneurship development, especially when examined across stages of entrepreneurship development.

2.5.2 Addressing the gap: Conceptualising entrepreneurship development initiative EDI

To address the gaps identified in 2.5.1 above. This study conceptualises EDI as a suitable construct through which the inhibiting and enabling tendencies of institutional intermediaries could be studied to extend and compliment the categorisations of entrepreneurship determinants as currently identified by extant works. This involves identifying EDI support activities and their effects on entrepreneurship development. Also, stages of entrepreneurship are included to create an adequate scope to investigate the role of EDI in addressing these gaps. These and other conceptual themes are incorporated into the theoretical framing discussed and presented in the next section (2.6). This subsection elaborates how EDI is conceptualised and adopted to address the research gaps identified.

The terms ‘entrepreneurship development’ and ‘entrepreneurship initiatives’ have been used in many entrepreneurship literature to depict activities involved in implementing enterprise-related policies by institutions. On the one hand, most studies that incorporate ‘entrepreneurship development’ in their title follow the three phases suggested in Lundstroom and Stevenson’s (2005) definition of entrepreneurship policy. This includes the pre-start, start-up, and post-start-up phases of the entrepreneurial process. On the other hand, works that incorporate entrepreneurship ‘initiative’ in the title typically adopts ‘initiative' in its literal sense. "An act or strategy intended to resolve a difficulty or improve a situation; a fresh approach to something." as defined by the oxford dictionary. Therefore, it could be assumed that entrepreneurship initiative (which is seldom explicitly defined in most literature) means new ways of engaging an
entrepreneurial activity. This study considered both perspectives above as mutually complementary and therefore draws upon them to depict ‘Entrepreneurship Development Initiative’ as how this study approached intermediation.

According to Balkiene and Jabminas (2011), entrepreneurship policy is more directed toward entrepreneurial development of society, distinguishing it from SME policy which Lundstrom and Stevenson (2005) pointed out as almost exclusively targeted at existing businesses. They argued that "without the effort to foster development of positive attitude, motivated individual, start-ups, and young emerging firms, the foundation for an efficient SME policy is limited". This suggests that if intermediation is about implementing entrepreneurship policy, the impact would be best explored by investigating the contribution to entrepreneurship development (pre-start, start-up, and post-start-up phases). Furthermore, while creative/innovative ways of providing financing, training and physical space are typically termed entrepreneurship initiatives, they are components of entrepreneurship development. Therefore, understanding the innovativeness depicted in ‘initiative’ literature at the different stages of entrepreneurship development should be a component of how the impact of intermediation is explored in any study.

Furthermore, the bias tendencies for start-up stage intermediation services seen across institutional intermediaries-related literature and the notion of sponsors’ influence make the understanding of intermediation go beyond the mediating activities alone. This study, therefore, approached institutional intermediation by complementing perspectives (three phases of development) from entrepreneurship development literature with the innovativeness perspective in the ‘initiative’ literature and incorporating the sponsor’s influence to propose EDI as an intermediation vehicle. An entity not just comprising the intermediation activities but also the institutional intermediaries (players) and their approaches (direct/indirect). To address the gaps identified and highlighted in this study, the institutional intermediaries’ activities serve as a third component through which
Determinants of entrepreneurship are investigated, complementing contextual and individual-level factors established in extant entrepreneurship literature.

Apart from conceptualising as presented above, introducing EDI as a construct to depict intermediation is further deemed appropriate because few works that have adopted the terminology in their title (e.g., Abdo and Kerbage, 2012 and Abdullah and Muhammad, 2008) all looked at developmental initiative from the perspective of targeted activities by institutional intermediaries across different phases of the entrepreneurship development. Drawing from the issues emerging from the review of the different streams of literature, this study characterises EDIs as

‘Interventions designed by public, private, social or institutional entrepreneurs and executed through programmes inaugurated, or organisations incorporated solely for the purpose of addressing institutional void/socio-economic need that informed its establishment.’

As conceptualised, EDIs are engaged in implementing policy priorities such as developing entrepreneurial culture, networking and collaboration, favourable environment for starting and doing business, access to financing, favourable regulatory framework, and innovation and technology (Balkiene and Jabminas, 2011). Through these activities, the EDIs activities help entrepreneurs navigate various influences and mitigate the risk of failure, thereby supporting Robinson’s (1982) suggestion that help from outside consultants is essential to the success of new and small businesses. Also, Ostgaard and Birley’s (1996) suggestion that the inclusion of professional advisors, such as consultants, bankers, accountants, and lawyers (as done indirectly by institutional intermediaries), in the entrepreneur’s support network positively impacts venture growth. Using the second research question as a lens, these activities can be viewed as having enabling and inhibiting effects and therefore situates the institutional
intermediaries (and their activities) as factors to include in the conceptual framework for this study as presented in the next section.
2.6 Conceptual Themes and Inter-linkages for Uncovering the Determinants of Entrepreneurship

Figure 2.3 The Integrated model of influencing factors and stages of entrepreneurship

Source: Autor’s illustration based on literature from different streams of entrepreneurship studies
This conceptual framework (Figure 2.3) comprises three key components. It presents the theoretical linkages that emerged from the literature review for investigating determinants of entrepreneurship, with a focus on the role of entrepreneurship development initiatives. The first component comprises two categories of determinants: individual-level and contextual factors. The second component is the institutional intermediaries, and the third relates to the entrepreneur, their enterprise, and stages of entrepreneurship development. The overarching narrative of the theoretical relationship in this framework is that there are three categories of factors with enabling/inhibiting influences on entrepreneurial action and outcomes. These inhibiting and enabling effects are evidenced through choices at individual and organisational levels (Autio et al. 2014; Schillo et al. 2016; Acs et al. 2014), both within the institutional, intermediary setup and the entrepreneurs’ venture across stages of entrepreneurship development (Griffin-EL and Olabisi, 2018).

The theoretical framing (as adopted by this study) and depicted above presents a more holistic approach to how we investigate entrepreneurship determinants by extending the framework conditions offered in extant works. Some of our earlier understanding include Gartner’s (1985) framework for describing new ventures, which presented the interaction of individuals, organisations, processes, and environment as a basis for understanding the complexities of venture creation. Further development by Gnyawali and Fogel (1994) though limited in identified variables, elaborated on the entrepreneurial environment and identified conditions grouped into five dimensions. These dimensions comprise government policies and procedures, socioeconomic conditions, entrepreneurial and business skills, financial support to businesses, and non-financial support to businesses. In their 2020 report, “GEM presents the social, cultural, and economic context of a business in terms of carefully defined Entrepreneurship Framework Conditions (EFCs)” (GEM, 2020:77) and identified nine factors. These include access to entrepreneurial finance, government policy and support, government entrepreneurship programme, entrepreneurial
education, research and development transfer, commercial and professional infrastructure, ease of entry (market), physical infrastructure, and ‘social and cultural’ norms (GEM, 2020:78).

One could argue that the conditions enumerated by these works could be aligned under three levels of conditions comprising external environment, organisational, and individual, which other scholars (Shane, 2003; Cuervo, 2005; Schillo et al., 2016; Acs et al., 2014) have adopted in various studies. Although these conditions have been maintained to be valid by many scholars, there are two limitations arising from this manner of framing. First is that these conditions were explored within the context of venture creation, thereby suggesting a focus on the start-up stage of entrepreneurship which various scholars (Shane, 2009; Acs et al., 2016; Hessels and Naude, 2019) have argued to mostly generate one employee businesses with low growth intentions and little wealth. This gap necessitates the inclusion of the other stages of entrepreneurship as part of this study’s framework conditions developed. This approach is captured in the framework through the ‘stages of entrepreneurship’ component.

Secondly, although these works attempt to clarify ‘environment’ in different ways to suit their approaches to framing, there is still the inherent challenge of ambiguity and misperception (on what should constitute environment-external/internal; immediate/wider), and the challenge of proper contextualisation of the enumerated conditions. In the study reviewed above, Gartner’s (1985) elaboration on environment presented an aggregation of conditions across various extant works that depict a mix of drivers across external environment, organisational, and individual levels. Likewise, Gnyawali and Fogel (1994) presented five dimensions of environmental conditions at these three levels. This need for clarity could be problematic, especially for practitioners and policymakers, because it will affect their ability to target their interventions effectively.
Although GEM (2020) attempted to present the nine factors in their EFCs, under some dimensions of contexts, it neither fully addresses the mix-up relating to environment as a component of framework condition development nor considers other factors outside of environment. Rather, it only shows an inclination toward adopting contextual categorisation as the basis for incorporating environment into the framing. By adopting context as a building block and incorporating dimensions of context (Welter, 2011; Zahra et al., 2014; Autio et al., 2014) in the development of the framework for this study, the challenge discussed above is addressed through the categorisation of the various conditions identified in extant works under dimensions of context, to ensure a high degree of distinction that clarifies ambiguity and misperception and helps to properly investigate, analysis and conclude on the determinants of entrepreneurship. This approach is captured in the framework through the ‘contextual factor’ component. Having adopted dimensions of context as the way to approach the environment, institutional intermediaries’ activities are untangled to allow for an appropriate depiction of intermediation as a critical framework condition. This is captured in the framework through the ‘institutional intermediaries’ component.

The introduction of stages of entrepreneurship, contextual factors, and institutional intermediaries in developing this framework differentiates it from extant ones. It makes it very suitable for investigating determinants of entrepreneurship in Nigeria and similar settings. The emerging theoretical arguments from the framework are as follows: 1) The three factors identified inhibit/enable the entrepreneur and the enterprise actions differently at different stages of entrepreneurship. Consequently, they also influence the enterprise’s ability to transition along the stages of development. 2) Contextual factors influence institutional intermediaries and activities; 3) the support provided by institutional intermediaries inhibits/enables entrepreneurship at different stages. These theoretical arguments were drawn upon to establish the empirics of this study and define the research outcomes. The theoretical linkages are discussed.
The three theoretical linkages ‘a’, ‘b’, & ‘c’ depict enabling/inhibiting influences of individual and contextual factors at the three stages of development. These effects are identifiable at the pre-start-up/exploration stage (Lundstroom and Stevenson, 2005), through entry choices at exploration and execution stage, and post-entry strategic choices at the growth stage (Autio et al. (2014) of the entrepreneurship process. For example, while the urban setting (geographical factor) offers more opportunities as an enabler, the choice to remain in the rural setting by a prospective rural entrepreneur may be informed by his/her experience and risk-taking propensity. This shows inhibiting effect of individual factor in entry choice. Moreover, while funding access could be an enabler, eligibility could be an inhibitor because of the organisational context (e.g., poor accounting records) resulting from entrepreneurial cognition at the growth stage.

The single linkage ‘d’ shows how interpretation, understanding and value assessment of individual and contextual factors influence how institutional intermediaries approach intermediation in the sense of intervention design and support activities provided. For example, a private citizen highly placed in the society may be driven by macroeconomic determinants such as unemployment to create an intervention that operates as a social enterprise limited by guarantee. This provides capacity development support for nascent entrepreneurs for free rather than for equity stake as practised in most private-led incubation programmes. Likewise, a government agency may respond to the lack of business financing by setting up a funding department to cater to growth stage entrepreneurs' financing needs.

In the remaining linkages ‘e’, ‘f’, & ‘g’, institutional intermediaries provide developmental support for entrepreneurs across stages of entrepreneurship. These developmental supports represent solutions to the different needs at every stage of entrepreneurship. These solutions are conceived based on the intermediaries’ interpretation and understanding of the influencing factors’ impact on the stages of entrepreneurship. These supports are provided through a
variety of mechanisms depending on the preferences of the institutional intermediaries.

To conclude, the examples of activities and influences illustrated in the theoretical links discussed above show how this conceptual framework is applied in investigating determinants of entrepreneurship in the Nigerian setting. The application of this framework is aimed at generating three research outcome explanations. First is an explanation of the influencing factors at play in entrepreneurship development at each of the three stages adopted in the study to better understand determinants of small business failure and early mortality in the Nigerian context. The second is an explanation of how these factors influence the transition of enterprises from stage to stage on the continuum to better understand the determinant of stagnation. Finally, an explanation of the intermediation role of EDIs and how the EDIs’ perspectives on the determinants influence how they design and action the support provided to ascertain whether they are enabling or inhibiting.

2.7 Conclusion

This chapter elaborates an argument about why, by integrating the dimensions of entrepreneurship, context, entrepreneurial behaviour, institutional intermediaries, and the stages of entrepreneurship development, it is possible to work out a theoretical framework that can be applied to explain entrepreneurship development or the lack thereof. Also, to uncover why business stagnation and early mortality is prevalent in a setting despite the proliferation of new businesses, business support organisation and government funding, as it is in the Nigerian setting currently. The chapter also reviewed the current state of knowledge on determinants of entrepreneurship and the role of institutional intermediation, detecting three research gaps. The first research gap is about understanding the role of institutional intermediation (EDI) as an enabling/inhibiting factor in entrepreneurship development alongside contextual and individual-level factors identified across many extant works. The second gap relates to understanding the
implications of post-start-up/later-stage sponsorship services offered by institutional intermediaries as a determinant of entrepreneurship. The third gap relates to understanding how institutional intermediaries’ background as an initiator of intervention is critical to understanding the construct of the intermediation (EDI) provided and the potential impact on the beneficiaries.

To fill these knowledge gaps by applying this theoretical framework, data from EDI executors and entrepreneurs (beneficiaries of EDIs) are required. Therefore, to attain these research outcomes, the empiric of this study revolves around two sub-units of analysis. The first is support activities provided by multiple cases of EDIs of different entrepreneurship orientations. The second is the decisions of a group of entrepreneurs (EDI beneficiaries) at different stages of the entrepreneurship process. These two groups are selected and engaged in Nigeria because Nigeria provides an exciting setting for the application of this study’s conceptual framework, owing to the high entrepreneurship enthusiasm, significant government intervention, and proliferation of entrepreneurship support (local and international). The next chapter reviews the research setting of Nigeria for the study focusing on entrepreneurship development environment and institutional intermediation approaches.
CHAPTER 3

The Historical Context of Entrepreneurship Development in Nigeria

3.1 Introduction

This chapter seeks to argue why the entrepreneurship development context of Nigeria is a suitable research setting for investigating entrepreneurship determinants, focusing on the role of entrepreneurship development initiatives (EDIs). The Global Entrepreneurship Monitor reports that Nigeria leads the world in the proportion of the population who believe they have the skills to run a business. While this is interesting and coupled with indicators that factors and market conditions in the country present numerous opportunities for enterprise development, entrepreneurship towards economic development continues to be a challenge as reports from the Nation Bureau of Statistics (2017) showed that 99.8% of businesses are micro-businesses with limited significant contribution to economic development as anticipated. To justify the choice of research setting of Nigeria, this chapter will expound on three key reasons that make Nigeria a rich environment and source of data to investigate the determinants of entrepreneurship and the pivotal role of entrepreneurship development initiatives.

First, the contrasting outlook of the entrepreneurship development situation whereby the survival and growth rate of MSMEs is not commensurate with the profound interest generated and billions of funding committed to entrepreneurship development. This suggests that existing interventions/initiatives might be poorly conceptualised/implemented considering the proliferation of initiatives by public, private and philanthropic agencies involved. Digging deeper into the context may show Nigeria’s unique characteristics that need to be interrogated for a deeper understanding of determinants of entrepreneurship in similar settings. Furthermore, the issue of federalism (illustrated in the later part of this chapter) contributes to the poor implementation of government intervention at the national level. One of the
country’s founding fathers alluded to a deep division that continues to affect the country’s government and economic development efforts.

“Nigeria is not a nation. It is a mere geographical expression. There are no ‘Nigerians’ in the same sense as there are ‘English,’ ‘Welsh,’ or ‘French.’ The word ‘Nigerian’ is merely a distinctive appellation to distinguish those who live within the boundaries of Nigeria and those who do not” (Obafemi Awolowo)

Consequently, there are inconsistent entrepreneurship development efforts across regions in the country, such that decades-long and continuous central/federal government provision of funding through successive administrations have yielded incommensurate contributions to economic growth. According to CIA (2020), over 80% of budgetary revenue and foreign exchange earnings come from the oil sector. A situation described as inhibiting to the country’s development by the country’s Noble Prize winner:

“I am convinced that Nigeria would have been a more highly developed country without oil; I wished we’d never smell the fumes of petroleum” (Wole Soyinka)

Secondly, being a developing economy, Nigeria is not without the institutional void that has historically plagued such economies. Challenges of poor physical infrastructure, leadership and management, corruption, bureaucratisation, and weak law enforcement are national-level issues that affect the trajectory of Nigeria in terms of political and economic development, both of which impact policies that enable/inhibit entrepreneurship development. Unfortunately, a conundrum is that Nigerians seem to thrive in chaotic situations, as highlighted by an award-winning Nigerian writer and novelist:

“Resilience is another big part of the Nigerian identity. A special case of lack of infrastructure [in Nigeria] engenders in us real creativity, so
where others might see chaos, Nigerians see opportunity” (Chibundu Onuzo)

Looking into these institutional issues will begin to provide a deeper understanding of how the context influences entrepreneurship, especially across the stages of development because of the varied needs of enterprises at different stages. Furthermore, despite the proliferation of initiatives by institutional intermediaries (private and philanthropic agencies alike) to address the issues, the contrasting outlook is still very evident. According to Global Entrepreneurship and Development Index GEDI (2020) reports, the quality of entrepreneurship and the extent and depth of the support in Nigeria are inadequate, ranking at 101 of 137 in the world and 12th in Africa at 20% despite the vast potential. This also adequately situates this study in the Nigerian setting because of the need for a deeper understanding of how the factors at play enable/inhibit the actors.

Thirdly, although Nigeria has a very robust National MSME policy, major implementation challenges exist that affect the extent to which the policies have resulted in an effective ecosystem for MSMEs to thrive. The motives for setting up the various initiatives vary, resulting in varied offerings, targets, and approaches. Also, these initiatives vary in capabilities/expertise, forms, and structure because they are set up by various initiators whose interests/purposes vary. Although the sole purpose of these initiatives ought to be the furtherance of private enterprise development, these diversities in form, purpose, target, and structure introduce more competition and less cooperation among players resulting in weak and inadequate support reported by the GEDI (2020). The potential for inhibiting entrepreneurship development rather than enabling it because of this diversity makes understanding the dynamics of the Nigerian EDIs and how they operate a valuable source of understanding determinants of entrepreneurship. More on the EDI categories are discussed later in this chapter.

The rest of this chapter is presented in four sections. Section 3.2 summarises the relevant history of Nigeria as a federation depicting how
institutions were set up over time to enable/inhibit private enterprise development. Section 3.3 explores the development of entrepreneurship from a historical perspective to show how institutions are being set up. Section 3.4 reviews the entrepreneurship development initiatives landscape in Nigeria, presenting EDI categorisation and description of selected EDIs for this study. Finally, 3.5 summarises and concludes the chapter.

3.2 The Emergence of Nigeria as a Federal Government

3.2.1 Historical context: Pre-colonial and colonial Nigeria

In this subsection, a review of ‘A history of Nigeria’ in Falola and Heaton (2008) is drawn upon to illustrate contextual influences and entrepreneurship development in Nigeria. Historically, post introduction of Islam into the savannah and Sahelian states of northern between 1100-1400 CE, trans-Saharan trade emerged as the major commercial activity in Nigeria, involving gold, slave, and other commodities. This was done from northern Nigeria across the Sahara Desert to the north African states, Europe, and the Middle east. The introduction of Islam at this point was significant because the spread of Islam and growth of the trans-Sahara trade were linked. This is because Islam provided a way for traders to identify with each other and established common values and rules upon which trade was conducted. This informal institutional context (religion) remained important to the economies of the savannah and Sahelian states till the twentieth century. It is worthy of note that during the period, some formal institutional contextual factors began to emerge as the Hausa ruler (northern Nigeria) began to exact tolls from traders that passed through their territories and collect taxes on goods sold therein. This way, the Hausa states became rich and powerful. Furthermore, evidence of institutional intermediation in entrepreneurship development was seen between 1770 and 1804, lobbied for systems transformation to favour traders. One of which was for the Sultan of Gobir to overturn the excessive taxes (Falola and Heaton (2008:64).
By 1600 CE, the trans-Saharan trade declined due to the activities of the Europeans along the coast. At that time, while gold remained an important trade commodity, slaves were fast becoming an important article of trade, especially in the central savanna region and becoming the backbone of the politics and economies of southern Nigeria. The arrival of Europeans on the coasts from the late fifteenth century created a significant shift in commerce, and by the 1700s, slaves had become the dominant commodity traded on the coast. This trans-Atlantic trade reshaped societies in the south around commercial activities, and this reorientation of commercial activity set the stage for more transformative changes in the nineteenth century. This involved the strong establishment of Christianity and its influence on the economic and political context. (Falola and Heaton, 2008).

The Portuguese traders’ quest to propagate Christianity shifted the region from slave trade to legitimate commerce and prompted the invitation of the support of the British military power. This and the activities of British traders led to a deeper involvement of the British in the politics of the indigenous states of Nigeria. By 1851 missionaries sought British military power to unseat the reigning king of Lagos and made it a base for colonisation operations, which was fully accomplished over the next 40 years. (Falola and Heaton, 2008).

Colonised Nigeria remained under British rule until independence on October 1, 1960 and became a republic in 1963. A significant feature of Nigerian history is the pronounced regionalisation of commerce which was a result of traders’ exploration and reinforced by regional economies created by the colonialist. First, the annexation of Lagos in the southwest in 1861; second, the establishment of the oil river protectorate in the southeast in 1885; third, the establishment of the British protectorate of Yoruba territories in the southwest in 1893; and fourth, the creation of the protectorate of the northern Nigeria in 1900 (Falola and Heaton, 2008). By amalgamation of the north and the south in 1914 and further enactment of central legislation and division of Nigeria into three regions (north, west, and east) by 1946, a federal system was established to
administer the protectorates. According to Alkali (2017), this became a federal polity shortly before independence to provide a framework for national development in multi-ethnic and multi-religious society in terms of interethnic and religious accommodation and peaceful coexistence. However, the regions are significantly autonomous, that regional agendas became significantly influential in the design of policy and entrepreneurship development.

To summarise, these history extracts showed Nigerian contexts that continue to influence entrepreneurship development. Religion as evidence of informal institutional context influences business decisions/choices in Nigeria, as seen in the introduction of Islam and Christianity in the northern and southern regions of Nigeria. This dovetails into the influence of geographical context, which plays a significant role in the approach to business, choice of commodity and availability of physical infrastructure and other factor conditions, as seen in the case of the trans-Atlantic trade becoming favourable over trans-Sahara trade. Furthermore, the concentration of competent human resources in certain regions seen in the case of the adoption of western education in the south impacts trade positively, further highlighting the spatial contextual influence on entrepreneurship. Religion as a basis for networking opportunities points to the social context. Likewise, the introduction of the collection of tolls and taxes from traders showed the influence of formal institutions. Furthermore, increased trade in certain regions resulted in market attraction, influencing entrepreneurial choices. All these factors align with features of this study’s theoretical framework, making Nigeria a suitable setting to empirically apply the framework.

3.2.2 Historical context: Post-colonial Nigeria

In pursuing independence, Nnamdi Azikiwe (native of the east) formed the National Council of Nigeria and the Cameroon NCNC in 1944, Tafawa Balewa et al. (natives of the north) founded the Northern People’s Congress NPC in 1949; and Obafemi Awolowo (native of the west) founded Action Group AG in 1951. Although these political parties cooperated to achieve independence, regional agendas that existed in the federated entity continue to take priority post-
independence. These political challenges continue to influence entrepreneurship development in modern-day Nigeria in two main ways. First, the implementation of national-level entrepreneurship development efforts tends to be skewed toward the region of the leaders of the ruling party. Secondly, Nigeria’s three regions have been further broken into 36 autonomous states and a federal capital territory (see Figures 3.1a and b). This means that even when national-level entrepreneurship development interventions are intended, there is usually limited alignment in the implementation at the state level because Nigeria is a federation of states, and autonomous state-level political agenda may inform priorities at state levels leading to inconsistent entrepreneurship development across the country.

More context on the challenge of federalism is presented. Table 3.1 illustrates a summary of the country profile depicting the diversity of modern-day Nigeria. Various works (Riker 1964; Dent 1995; Babalola 2013) have highlighted that Nigeria's federalism challenges have impacted the economy's development and, consequently, entrepreneurship. According to Wheare (1964), Federalism refers to a constitutional device for dividing powers between the general and regional government, such that each within a sphere is coordinated and independent. Other than this constitutional view of federalism, Alkali (2017) stresses the ideological view of federalism which relates to conflict in a plural society due to diverse interests, thereby echoing socio-cultural and political factors as distinguishing characteristics of a federal system. Watts (1970) opined that "inter-governmental relations in the federation have always involved not only cooperation but also bargaining, rivalry, and conflict", This ideological view is very important in how federalism impacts economic development and entrepreneurship development in present-day Nigeria.
<table>
<thead>
<tr>
<th>Country name (long)</th>
<th>Federal Republic of Nigeria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country name (short)</td>
<td>Nigeria</td>
</tr>
<tr>
<td>Government type</td>
<td>Federal Republic</td>
</tr>
<tr>
<td>Branches of Government</td>
<td>The Executive branch: Chief of state; Head of Government; Federal executive council (36 Ministers minimum one from each state). The Legislative branch: National Assembly (109 members senate and 360 member House of representative); and The judicial branch: Highest court (supreme court) and subordinate courts.</td>
</tr>
<tr>
<td>Federal capital</td>
<td>Abuja</td>
</tr>
<tr>
<td>Total area</td>
<td>923,768 sq. km, including 13,000 of water</td>
</tr>
<tr>
<td>Population</td>
<td>214,028,302 (July 2020 est)</td>
</tr>
<tr>
<td>Number of states</td>
<td>36</td>
</tr>
<tr>
<td>Number of local governments</td>
<td>774</td>
</tr>
<tr>
<td>Official language</td>
<td>English</td>
</tr>
<tr>
<td>Ethnic groups</td>
<td>Over 250 ethnic groups with dominant ones being Hausa 30%, Yoruba 15.5%, Igbo (Ibo) 15.2%, Fulani 6%, Tiv 2.4%, Kanuri/Beriberi 2.4%, Ibibio 1.8%, Ijaw/Izon 1.8%, other 24.7% (2018 est.)</td>
</tr>
<tr>
<td>Age structure</td>
<td>0-14 years: 41.7% (male 45,571,738/female 43,674,769) 15-24 years: 20.27% (male 22,022,660/female 21,358,753) 25-54 years: 30.6% (male 32,808,913/female 32,686,474) 55-64 years: 4.13% (male 4,327,847/female 4,514,264) 65 years and over: 3.3% (male 3,329,083/female 3,733,801) (2020 est.)</td>
</tr>
<tr>
<td>Urbanisation</td>
<td>urban population: 52% of total population (2020) rate of urbanisation: 4.23% annual rate of change (2015-20 est.)</td>
</tr>
<tr>
<td>--------------------</td>
<td>-----------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Religions</td>
<td>Population split into Muslim 53.5%, Roman Catholic 10.6%, other Christian 35.3%, other .6% (2018 est.)</td>
</tr>
</tbody>
</table>

Source: Author’s illustration from the CIA World Factbook (2020)
Figure 3.1a Map of Nigeria (dominant ethnic groups)

Source: Author’s illustration from Pinterest, (2020) and Globalsecurity (2020)

Figure 3.1b Map of Nigeria (states and geo-political zones)

Source: Author’s illustration from Pinterest (2020) and Researchgate (2020)
To summarise, the distributive federalism in Nigeria (Alkali, 2017) has implications for entrepreneurship development because most states and localities lack viable sources of revenue of their own (Suberu, 2001). Funding of state activities, including state-level entrepreneurship initiatives, is dependent on revenue allocation from the central government, which is partly based on population. This implies that priorities in state spending are determined by the priorities of the sitting administrator/governor. Where entrepreneurship development is not prioritised, entrepreneurs may not have the support from the state, even if entrepreneurship development is a major policy issue at the national level of government. Consequently, entrepreneurs in such states may be forced to seek support through national-level programmes driven by federal government agencies or emigrate to other states that offer better support. This, however, puts them in steep competition for support.

3.2.3 Nigeria as a developing economy

The United Nations’ assessment of Nigeria’s per capita gross national income places it as middle low income and therefore classified as a developing economy (WESP2020). Nigeria thus is characterised by low per capita income, high unemployment, high population rate and heavy dependence on importation. Though these economic drivers could generally be inhibiting, they typically result in extensive adoption of entrepreneurship as an antidote to the economic situation. At the individual level, it is an opportunity for self-employment, and at the state level, it is seen as a means of economic development. This partly explains why 99.8% of businesses in Nigeria are micro businesses; Global entrepreneurship monitor’s claim of high entrepreneurship enthusiasm among Nigerians and significant government funding channeled toward entrepreneurship development at the national level. The economic context and the level of entrepreneurship-related activities make Nigeria a rich setting for this study.

Nigeria is Africa’s largest and most populous economy. According to CIA (2020), it relies heavily on oil as its primary source of foreign exchange and
government revenue, such that its economy is described based on 'oil and non-oil'. Although some sectors in the non-oil economy category have contributed significantly to its growth in recent years, the growth is yet to translate to a significant decline in poverty as over 40% of Nigerians still live in extreme poverty (World Bank, 2020). In Nigeria, growth is constrained by a weak macroeconomic framework with persistently high inflation, multiple exchange rate windows and foreign exchange (FOREX) restrictions, and distortionary activities by the Central Bank (World Bank, 2020). Furthermore, rising public debt and increasingly complex policy interventions by the Central Bank constrain private sector credit growth. All of these have implications for entrepreneurship development because they result in significant selection and strategic choice effects (Autio et al. (2014) for prospective and active entrepreneurs, respectively.

Also, according to CIA (2020), a protectionist approach is employed by the government, favouring domestic producers but is detrimental to the consumers. This may also contribute to low inward foreign direct investment because of the high trade barrier. All of which impact entrepreneurship and are evidence of a developing economy. Although some non-oil sectors have contributed to growth, employment creation remains weak and insufficient to absorb the fast-growing labour force, resulting in a high unemployment rate (23% in 2018), with another 20% of the labour force underemployed (World Bank, 2020). The implication of this could be a proliferation of push-entrepreneurship, which consequently impacts the quality of enterprises established across the country.

Other significant developing economy attributes of Nigeria, as reported by CIA (2020), include inadequate power supply, lack of infrastructure, and an inefficient property registration system. Also, an inconsistent regulatory environment, a slow and ineffective judicial system, and insecurity. According to Zahra et al. (2014), these issues relate to institutional context and the availability of public goods. Both of which are critical to entrepreneurship. Availability and accessibility of public goods such as regular electricity supply, especially for businesses such as manufacturing and food processing, result in significant cost
implications when self-generated, as in the case of Nigeria. Likewise, accessible roads and alternative means of travel enhance logistics, thereby improving the cost of transportation and overall cost of production and consequently business profitability. Table 3.2 illustrates some of these economic indicators. The institutional context-related issues listed also have significant implications for entrepreneurship, especially nascent entrepreneurs.

**Table 3.2 Nigeria, economy indicators**

<table>
<thead>
<tr>
<th>indicator</th>
<th>description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployment</td>
<td>16.5% (2017 est.); 13.9% (2016 est.) country comparison to the world: 178</td>
</tr>
<tr>
<td>Population below the poverty line</td>
<td>70% (2010 est.)</td>
</tr>
<tr>
<td>Electrification</td>
<td>total population: 59.3% (2016) population without electricity: 77 million (2017)</td>
</tr>
<tr>
<td>Electricity - from</td>
<td>fossil fuels: 80% of total installed capacity (2016 est.) nuclear fuels: 0% of total installed capacity other renewable sources: 0% of total installed capacity</td>
</tr>
<tr>
<td>Roadways</td>
<td>total: 195,000 km (2017); paved: 60,000 km (2017) unpaved: 135,000 km (2017)</td>
</tr>
<tr>
<td>Exchange rate</td>
<td>Nairas (NGN) per US dollar - 323.5 (2017 est.); 253 (2016 est.) Weak currency</td>
</tr>
</tbody>
</table>

Source: Author’s illustration from the CIA World Factbook (2020)

### 3.3 The Development of Entrepreneurship in Historical Perspective

#### 3.3.1 Evolution of entrepreneurship development in Nigeria

Entrepreneurship in Nigeria has gone through phases over the past decades. Historically, according to Agboli and Ukaegbu (2006), upon independence in 1960, Nigeria was meant to graduate from import-substitution to export-led industrialisation. At that time, the government proactively invested in major sectors of the economy to fill the gaps created by the incapacities of an embryonic entrepreneurial class with its fragile capital base (Agboli and Ukaegbu, 2006). This
was done in an effort to implement the policy of ‘walking on two legs’, which found expression in government and private investment in manufacturing and service enterprises. However, since being prompted by the world bank and its sister agencies, the Nigerian government has turned its policy attention to private sector development. It limited its direct participation in economic activities, focusing on providing enabling environment for the successful operation of businesses because Nigeria could not make a successful industrial development out of state capitalism.

This reduction in government commercial market participation (Dhliwayo, 2017) led to a decrease in employment creation. Consequently, entrepreneurship development became a sought-after solution in the government's effort to combat unemployment. This situation has partly been responsible for the Nigerian government's continuous formulation of various policies and initiation of many entrepreneurship support programmes (listed in the next paragraph and section 3.3.2). Unfortunately, many of these programmes have been aborted over the decades, and some still running have limited impact. This could be partly due to the capability of policy developers and implementers, as highlighted by Smallbone (2016), that policies fall short of expectation because of three key reasons, 1. Policy formed without consideration for implementation issues, 2. Insufficient consultation with the target group, and 3. Insufficiently clear policy goals and the lack of skill on the part of people responsible for policy implementation. In the case of Nigeria, though there is evidence of entrepreneurship development in some areas, especially in the past decade, the outcomes are still not at a level significant enough to tangibly improve unemployment and poverty in the country despite these policy programmes.

In their study of socio-cultural issues in entrepreneurship development among some groups in Nigeria, Abimbola, Adekeye, Ajayi, and Idowu (2012) listed nine entrepreneurship enabling macro policy programmes (Agricultural Development Project, National Directorate of Employment, National Economic
Reconstruction Fund, Family Economic Advancement Programme, People’s Bank and Community Bank Programmes, Better Life Programme, National Poverty Eradication Programme, National Empowerment Economic Development Strategy, and Small and Medium Enterprise Agency of Nigeria) implemented over a number of years, that were claimed to encourage entrepreneurship. However, as argued by Chukwuemeka (2011), the complex system of public administrative agencies in Nigeria impedes effective policy implementation, as evidenced by the untimely closure of most of these programmes. He elaborated that this is due to the priorities of different interest groups and individuals that typically become aware of new policies at the implementation stage and therefore try to push for either its modification or total rejection.

Apart from the complex system issue cited above, one could assume that there has been a misconception about entrepreneurship determinants among policymakers who typically consider funding as the only key constraint to entrepreneurship, emphasising funding support policies and programmes. According to Abimbola et al. (2012), the aggregate goal of these policies and programmes includes, among others, poverty reduction and employment generation. However, the persistence of unemployment and poverty in Nigeria despite implemented policies and programmes may indicate a general misunderstanding of the fundamental determinants of entrepreneurship in the setting.

The approaches of most of the programmes implemented by the government further buttress this misconception because financing seemed to be the primary objective with little or no commensurate attention to other contextual factors that influence entrepreneurship development. Also, for a long time, the effort to engage at the grass-root level meant programmes targeted mostly people who ended up in the informal economy, thereby making it difficult to achieve desired economic growth. This policymakers’ paradigm could be said to be reflective of the setting because most of the research works emanating from the Nigerian setting,
especially the grey literature, emphasise lack of funding as a major inhibitor to entrepreneurship. However, while lack of finance could be an inhibitor, there are several other determinants noted by Okpara (2011), such as administrative constraints, operating constraints, strategic constraints, and exogenous constraints, which I will discuss further in the next section.

According to Okpara (2011), although previous studies have shown that lack of capital or financial resources is critical to small businesses, the degree to which limited financial resources alone constitute a significant obstacle to business development is still controversial. He further argued that additional capital is often not required to carry out a successful business activity. That lack of capital can be compensated through creativity and initiative. This paradigm is the more recent reality of entrepreneurship in Nigeria, especially with the service industry’s growth and technological development. More developmental programmes have sprung up in the past decade, attempting to have a broader view of the determinants of entrepreneurship within the government agencies and the private establishment. This is evidenced by the proliferation of EDIs and their approaches (see Section 3.5). These EDIs are vehicles involved in implementing the National MSME policy. To get a sense of the specifics of governments' efforts, the following subsection reviews MSME policies developed and implemented.

3.3.2 Review of MSME general policies and plan

In 2013, the Nigerian government revised its 2007 first national policy on MSMEs developed by the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN). MSMEs in this policy are defined as illustrated in Table 3.3. The emphasis of the revised policy is to create flourishing MSMEs that would spread the benefits of economic growth more evenly. Table 3.4 lists the focus of the new policy agenda.
Table 3.3 MSME definition in Nigeria

<table>
<thead>
<tr>
<th>Enterprise Category</th>
<th>Number of Employees</th>
<th>Total Asset (₦’Million)</th>
<th>Annual Turnover (₦’Million)</th>
<th>Loan Amounts (₦’Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medium</td>
<td>&gt; 51 ≤ 200</td>
<td>&gt; 100 ≤ 500</td>
<td>≤ 500</td>
<td>&gt; 100 ≤ 500</td>
</tr>
<tr>
<td>Small</td>
<td>&gt; 11 ≤ 50</td>
<td>&gt; 5 ≤ 100</td>
<td>≤ 100</td>
<td>&gt; 10 ≤ 100</td>
</tr>
<tr>
<td>Micro</td>
<td>≤ 10</td>
<td>≤ 5</td>
<td>≤ 20</td>
<td>≤ 10</td>
</tr>
</tbody>
</table>

Source: SMEDAN

Table 3.4 MSME general policy areas

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2</td>
<td>Institutional, Legal and Regulatory Framework</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Skills Development</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Technology, Research and Development</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Extension and Support Services</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Marketing</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>Infrastructure and Cost of Doing Business</td>
</tr>
</tbody>
</table>

Source: FRN (2013)

These policy agendas and their impact on entrepreneurship are briefly discussed.

- **Finance:** According to Agusto & Co report (2015) prepared for Fate Foundation in 2015, the Nigerian Government has implemented various policies and programmes on access to finance to influence entrepreneurial behaviour in the country, some of which are listed below.
  - Agricultural Credit Guarantee Scheme Fund (ACGSF)
  - Small and Medium Enterprises Equity Investment Scheme (SMEEIS)
  - Central Bank’s ₦200 billion Refinancing and Rediscounting Scheme (RRF)
  - Agricultural Credit Support Scheme (ACSS)
  - Commercial Agricultural Credit Scheme Fund (CACS)
o Central Bank’s ₦235 billion Small and Medium Enterprises Credit Guarantee Scheme (SMECGS)
o The Nigerian Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL)
o Central Bank’s ₦220 billion Micro, Small and Medium Enterprise Development Fund (MSMEDF)
o Fund for Agricultural Finance in Nigeria (FAFIN)
o ₦300 Billion Real Sector Support Facility (RSSF)

However, according to the report, the definition of MSME, though based on international best practices that classify MSMEs based on the dual criteria of employment and assets (excluding land and buildings), has created a loophole where big corporates now stand a better chance of accessing the various funds (listed above) than the real MSMEs because of the parameters for classification. This affirms GEM (2015:50) report that only 9.4% of business financing for young entrepreneurs in Nigeria comes from banks and financial institutions as compared to 84.3% from own/family/friends. The result from Okpara's, (2011) study on factors constraining the growth of SMEs revealed that the inability to raise needed capital impacts small business development negatively, and this is due to the lack of required collateral for secured loans. The study also highlighted corruption of agency officials as a challenge in situations where federal offices of small business advocacy are set up to administer small business loans; unscrupulous officials divert the money to other programmes that profit them personally (Okpara, 2011).

• **Institutional, Legal and Regulatory Framework:** Although Fate Foundation (2016) recorded that "it is difficult to ascertain the overall impact of the MSME policy to date as entrepreneurs and stakeholders still consider many of the issues the policy seeks to address as challenges", some notable changes are seen in aspects of the legal and regulatory framework. For example, the Corporate Affairs Commission’s 50% reduction of filing fees, the use of proxies to file company registration no more mandatory and an attempt to reduce the number of days it
takes to register a business to one day. Though a step in the right direction, but far from ideal because issues highlighted by Raymond (2014) that the laws governing private enterprise, especially business registration and taxation systems, are still believed to be overly complex and difficult to understand. Contract and private property laws are often poorly designed and/or enforced. He also highlighted added expenses that arise due to corruption and bribery experienced by Nigerian entrepreneurs who reported that they were frequently harassed by government officials who extorted money from their businesses. These challenges cause many nascent entrepreneurs to prefer to operate in the informal sector, affirming GEM (2015:57) report highlighting that most economic activity in sub-Saharan Africa takes place in the informal sector, which accounts for more than half of GDP and provides employment for more than 80% of the population.

The world bank 'doing business' measuring business regulation reports some institutional reforms in the past years that highlight some of the efforts of the Nigerian government to improve business regulation. For example, making starting a business easier and faster by reducing the time needed to register a company at the corporate affairs commission through the introduction of an online platform to pay stamp duty, allowing electronic stamping of registration documents; improving access to credit information by distributing credit information from retail companies to enhance getting credit; making transferring property easier and more transparent by removing the sworn affidavit for certified copies of the land ownership records, introducing a specific and independent complaint mechanism, and by publishing statistics on land transfers, reducing fees for property transactions and publishing the list documents, fee schedule and service standards for property transactions (World Bank, 2020).

Furthermore, Nigeria has embarked on making payment of taxes easier by introducing new channels for payment of taxes and mandating taxpayers to file tax returns at the nearest "Federal Inland Revenue Service (FIRS)" office. It is making enforcement of contracts easier by introducing a pretrial conference as
part of the case management techniques used in court. Also, by issuing new rules of civil procedure for small claims courts, which limit adjournments to unforeseen and exceptional circumstances (World Bank, 2020). Other interesting issues in this policy area are the size of the Nigerian government and the financing of its activities, trade restrictions, and urbanisation policies. Nigeria's 2020 budget stood at $30 billion (FRN, 2020), and an overview of the revenue framework indicated that a significant portion of the budget would be financed through various taxes, tariffs and customs duties which will all significantly impact entrepreneurship. Trade restriction by protectionism (CIA, 2020) meant a ban on the importation of certain items while some others are licensed to selected big corporate. Also, the concentration of infrastructural development in certain cities results in entrepreneurship migration creating inconsistent levels of commerce across the country.

- **Skills Development:** Also referred to as capacity building in the Nigerian national policy for MSME, entails creating a critical mass of entrepreneurial, managerial, and technological skills for the growth and competitiveness of Nigeria's MSMEs. This concerns efficiency-related determinant (education) and is pursued through skill development programmes targeted at secondary school leavers, university graduates and existing MSMEs/business owners. Through SMEDAN, the Nigerian government has established Business Support Centers in all the States in collaboration with State Governments, Business Membership Organisations (BMOs) and established Business Information Centers in all the Local Government Councils in collaboration with the Local Government authorities, business communities, faith-based organisations, and apex cooperatives. These centres are set up to champion the implementation of this policy area through various skill acquisition programmes driven internally and through consultants.

At the tertiary education levels, entrepreneurship concepts are infused into the curriculum to foster entrepreneurship intention, and this is meant to be supported by Youth Entrepreneur Scheme to include competitions,
entrepreneurship clubs, funding and mentoring targeted at new graduates backed up with funding that is maintained and disbursed through the Bank of Industry. Also, many tertiary institutions have adopted internship/industrial attachment for students to gain real business experience. Some even set up enterprise hubs and business incubation programmes within their universities to support their graduates in the journey into entrepreneurship. Some examples of such include ‘The Enterprise and employability centre’ at the University of Lagos, ‘Hebron Start-up Lab’ at Covenant University, and ‘Roar Nigeria Hub’ at the University of Nigeria Nsukka.

- **Technology, Research and Development**: This concerns the promotion of technological infrastructure and research and development system for the growth of MSME competitiveness. The government proposed to pursue this by providing support for producing prototypes and local fabrication for more efficient production by MSMEs through grants and capacity building. However, most of the progress seen in this area is championed by the private sector through strategic alliances with foreign organisations and financiers such as the world bank and technology giants such as Facebook and Microsoft. The government has been supportive of the partnerships through regulatory means and infrastructural development. An example of this is seen in the creation of technology hubs in Lagos state, close to the University of Lagos, where a lot of technology start-ups are being supported and in partnership with the academic institution where need be. While this is commendable, it is not a consistent effort across the country, and overall, MSME technological development is still far from ideal as Nigeria is still rated among the lowest countries in tech and data skills (HBR, 2019).

- **Extension and Support Services**: To address business management skill shortcomings in entrepreneurs in Nigeria, the government institutionalised the formation of private-sector Business Development Service Providers (BDSPs) to provide business development support to MSMEs across the country. This was done through accreditation and training process to ensure data for planning and quality control/standards on services delivered to MSMEs. One of such is the
onboarding of BDSPs or SME consultants as commonly referred to by the Bank of Industry (BOI). According to BOI (2020), in a bid to address the challenge of access to credit by SMEs and to hasten the credit delivery process, BOI has appointed 324 SME Consultants as BDSPs. This strategic partnership with SME Consultants furthers the Bank’s core mandate "of providing long-term financial and business support services to micro, small and medium projects". These consultants are appointed across all the country’s geo-political zones, and most have regional-specific mandates, while some can operate nationally. An empirical establishment here would help better understand the impact of the BDSPs on entrepreneurship because, as earlier mentioned, GEM (2015) reported that only 9.4% of business financing for young entrepreneurs in Nigeria comes from banks and financial institutions.

- **Market participation (referred to in the policy document as ‘Marketing’)**: Nigerian government is committed to ensuring that MSMEs share of local markets is enhanced through competitive production processes, building tendering capacities, improved share of public sector procurement, strategic alliances, and greater cooperation between MSMEs and the large enterprises. This was pursued by adopting the 'local content policy', which is a policy that addresses a switch from import dependency to local patronage for supply or the demand for intermediate products and services. However, while this has been successfully implemented in oil and gas, cement manufacturing, and some food processing, imports are still the dominant source of inputs into food, beverages and tobacco in Nigeria, accounting for more than 70% of all raw materials. Although there are further potential sectors where similar value from the local content policy could be created for MSME, these industries still depend on imports because of structural barriers and problems in the investment climate. According to the Nigerian Economic Summit Group (NESG), this disincentivises companies from sourcing local inputs from Nigeria. These include poor infrastructure, high costs of finance, low standards for intermediate and finished goods, security concerns
and pervasive corruption and bureaucracy, which raises business costs (NESG, 2017).

- **Infrastructure and Cost of Doing Business:** As part of formally addressing issues of a conducive environment for enterprise development, policies on infrastructural facilities development included those on the building of accessible roads, transportation facilities, power supply, water supply and other utilities to qualifying MSME locations and Clusters. Also, to reduce electricity tariffs for qualifying MSMEs and MSME clusters and enter into partnerships with relevant institutions through SMEDAN to create MSME-focused free trade zones and business parks. While the government is succeeding in establishing free trade zone, as illustrated in Table 3.5, the success of other infrastructural development remains a challenge.

**Table 3.5 Functional free trade zones in Nigeria**

<table>
<thead>
<tr>
<th>Name</th>
<th>Location</th>
<th>Developer</th>
<th>Land Size (ha)</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calabar Free Trade Zone (CFTZ)</td>
<td>Cross River</td>
<td>Federal Government</td>
<td>229</td>
<td>Operational</td>
</tr>
<tr>
<td>Kano Free Trade Zone (KFTZ)</td>
<td>Kano</td>
<td>Federal Government</td>
<td>463</td>
<td>Operational</td>
</tr>
<tr>
<td>Tinapa Free Trade Zone</td>
<td>Cross River</td>
<td>PPP</td>
<td>265</td>
<td>Operational</td>
</tr>
<tr>
<td>Lekki Free Trade Zone</td>
<td>Lagos</td>
<td>PPP</td>
<td>About 16500</td>
<td>Operational</td>
</tr>
<tr>
<td>Malagari Border Free Trade Zone</td>
<td>Jigawa</td>
<td>State Government</td>
<td>214</td>
<td>Operational</td>
</tr>
<tr>
<td>Snake Island Free Trade Zone</td>
<td>Lagos</td>
<td>Nigerdock Plc.</td>
<td>59.42</td>
<td>Operational</td>
</tr>
<tr>
<td>Ladoi Free Zone</td>
<td>Lagos</td>
<td>GRML</td>
<td>n/a</td>
<td>Operational</td>
</tr>
<tr>
<td>Ogun-Guangdong Free Trade Zone</td>
<td>Ogun</td>
<td>PPP</td>
<td>10,000</td>
<td>Operational</td>
</tr>
<tr>
<td>Airline Services EPZ</td>
<td>Lagos</td>
<td>Private</td>
<td>n/a</td>
<td>Operational</td>
</tr>
<tr>
<td>Sebore Farms EPZ</td>
<td>Adamawa</td>
<td>Private</td>
<td>2,000</td>
<td>Operational</td>
</tr>
<tr>
<td>Nahco free trade zone</td>
<td>Lagos</td>
<td>Private</td>
<td>n/a</td>
<td>Operational</td>
</tr>
</tbody>
</table>

Source: Babatunde (2019)

For example, out of the total 195,000 km of road in Nigeria, 135,000 km remain unpaved, thereby increasing logistic costs for entrepreneurs, especially those whose products need to be transported into the inner city like agricultural products. Also, this increases the risk of loss of goods in transit which consequently increases the cost of obtaining insurance, heightening the unit cost of goods sold and possibly making the entrepreneur less competitive in the market. Also, 77 million of the Nigerian population still live without electricity.
(CIA, 2020). The ones with electricity from the national grid experience very erratic supply, typically for only a few hours per day at best, all over the country. This has resulted in 80% of the total installed capacity being self-generated using fossil fuel (CIA, 2020), resulting in a significant hike in production cost and increased noise pollution.

### 3.4 Current Outlook on Entrepreneurship Determinants in the Nigerian Context

There have been various theoretical perspectives on determining factors of entrepreneurship in different settings. Central to most of the studies is approaching determinants from understanding contexts even though most works do not explicitly mention context, as earlier highlighted in Chapter 2. Therefore, there is no consensus on the list of determinants of entrepreneurship that cut across settings, but there are various perspectives depending on traditions, settings, interests, and other drivers for the studies. In this section, I will draw on some academic and practitioner studies highlighting entrepreneurship determinants in Nigeria to present an outlook on determinants within the Nigerian setting to explore how perception impacts engagement by various players.

In a study of determinants of entrepreneurship intention adopting the push pull mooring migration model, Ojiaku, Nkamnebe, and Nwaizugbo (2018) concluded that pull factors such as ‘independence/autonomy, and opportunity exploitation’; mooring variables such as ‘government support and personal attitude/self-efficacy’ are most influential on entrepreneurship intentions. Another useful scholarly perspective was on the role of psychological capital investigated by Umukoro and Okurame (2017), where they affirmed the nexus between the economics and psychology of entrepreneurship and concluded that "absence of career adaptability, ambiguity tolerance and mentoring support among nascent entrepreneurs may result in business failure". They highlighted these three and the need for achievement as a psychological construct that informs entrepreneurial intuition. It is worthy to note that methodologically, these two studies were done on a sample that effectively represents prospective
entrepreneurs in Nigeria because participants in the study were national youth service corps comprising recent university graduates from all states of the country. It is, therefore, rational to take the determinants identified by these studies as a core part of the empirical establishment to be pursued in my study, particularly to explore the effects on the execution and growth stages of the entrepreneurship process.

Other notable academic inferences include four factors listed by Okpara (2011). First, ‘administrative constraints’ which focus on the organisational structure and its capability to obtain and develop necessary resources, which comprise personal and financial resources. Second, ‘Operating constraints’ that deal with the allocation of resources in an efficient manner. Third, ‘Strategic constraints’ that involve the business' capability to achieve competitive advantage to ensure the business longevity. Fourth, ‘Exogenous constraints’ which border on external macro. This perspective becomes useful to explore because it brings a different dimension to sources of determinants, which is the internal construct of an organisation. Although this is more relevant to execution and growth stages, investigating these further from the opportunity identification and business exploration stage will help to better understand how prospective entrepreneurs’ preparation are determinants of transition to later stages of the process. Another set of determinants that impact entrepreneurship irrespective of the stage of entrepreneurship process in Nigeria emerged in Igwe, Madichie, and Newbery’s (2018) study of artisanal entrepreneurship. These were presented in their order of severity to include ‘poor access to credit’, ‘inadequate and lack of electricity’, ‘corruption in the public services’, ‘lack of access to information’ and ‘cultural barriers including gender issues’.

The determinants identified by the studies mentioned above highlighted three categories of factors. First, factors external to the business such as poor access to credit, inadequate and lack of electricity, and corruption in the public services. Second, factors internal to the organisation such as administrative constraints, operating constraints, and strategic constraints. Third, factors that
are neither directly related to the external nor internal of the organisation, but specifically to the entrepreneur, such as independence/autonomy, personal attitude/self-efficacy, and ambiguity tolerance. These three categories cover systemic and individual level determinants that emanate from dimensions of context and psychological construct (of entrepreneurs), and they influence entrepreneurial choices through selection effect and strategic effects (Autio et al., 2014). Another interesting determinant emanating from outside dimensions of context and psychological construct is the role of institutional intermediaries (Armanios et al., 2016). An example that Adekunle (2011) gave as "independent societies", and one could also infer from Abioye et al. (2017) study of entrepreneurship support agencies in Lagos state. Both will be further discussed in a later section in this chapter.

Similarly, determinants of entrepreneurship in Nigeria have been investigated and reported through various practitioner works. Most of them identify similar determinants as those highlighted above from dimensions of context under academic works but with significant emphasis on funding and then institutional factors. For example, the Abuja and Lagos entrepreneurship ecosystem snapshot study done by Aspen Network of Development Entrepreneurs (ANDE) West Africa on types of support available to small and growing businesses highlighted key issues that one could infer as the ecosystem’s general perception of determinants of entrepreneurship. These included financial, infrastructure, business development, policy, professional services, and network support. Similarly, KPMG Nigeria studied the top challenges MSMEs in Nigeria face, and they listed determinants in order of severity, as illustrated in Figure 3.2. The determinants identified from the ANDE reports and KPMG are similar and better captured and explained in Fate Foundation’s (2016) report on mapping study on the Nigerian entrepreneurship ecosystem developed in partnership with KPMG. Fate Foundation is the number one local entrepreneurship research and policy organisation that also engage in entrepreneurship capability development
through education and support services in partnership with developmental agencies, financial institution, and consultancy organisations.

**Figure 3.2 Top challenges MSMEs in Nigeria face**

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inconsistent government policies</td>
<td>80%</td>
</tr>
<tr>
<td>Access to finance/insufficient capital</td>
<td>56%</td>
</tr>
<tr>
<td>Cost of production</td>
<td>45%</td>
</tr>
<tr>
<td>Lack of skilled staff/experienced managers</td>
<td>25%</td>
</tr>
<tr>
<td>Unfair competition</td>
<td>23%</td>
</tr>
<tr>
<td>Lack of business support services</td>
<td>23%</td>
</tr>
<tr>
<td>Lack of access to information</td>
<td>19%</td>
</tr>
<tr>
<td>Others</td>
<td>7%</td>
</tr>
<tr>
<td>Others</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: KPMG 2014:14 MSME Banking study

Fate Foundation (2016) proposed eight determinants of entrepreneurship within the Nigerian ecosystem to include *policy & regulation, capacity building, access to market, access to resources, business support, research & development, and culture*. They described *policy and regulation* determinant as institutions set up by the Nigerian government to foster an enabling and competitive environment for doing business through policy and regulatory frameworks; *capacity building* determinant as entrepreneurship programmes and skill acquisition activities; *access to finance* determinant as institutions and structures to provide direct and indirect funding for entrepreneurs via grants, loans and equity; and *access to market* determinant as structures that link entrepreneurs with distribution networks and facilitate trade, linking customers, distributor channels, suppliers and lager organisations. Also, they described *access to resource* determinant as access to data, information, tools and infrastructural resources such as technology and workspace; *business support* determinants as availability of
opportunities for entrepreneurs to be nurtured through mentoring, coaching, consulting and support services; research & development determinant as environment that foster a culture of innovation by supporting various investigative activities through knowledge and skills creation, new process and method innovation; and culture as determinants emanating from instituted norms, orientation and attributes that could enable or hinder entrepreneurship growth.

Although one could argue that reports based on technical research such as those presented in Fate Foundation (2016) above could be biased, proposed determinants from the three technical sources above are similar. To a great extent, they are consistent with the determinants suggested by academic research in the region except for psychological factors, which according to various studies, play a significant role in entrepreneurship. These identified determinants signify that Nigeria is a suitable setting for the empirical application of my theoretical framework to better understand the theoretical relationships that have emerged in this study on determinants of entrepreneurship. Furthermore, apart from the similar determinants identifiable in Nigeria, the role of EDIs as determinants emerging from this study is not a common feature in the studies on Nigeria. This further justifies the suitability of the Nigerian setting because including this will allow my study to fully explore all critical categories of determinants (psychological/individual level, contextual and EDI) based on my theoretical framing.

In concluding on perspective on entrepreneurship determinants in Nigeria, it is evident that while significant emphasis is placed on access to funding and formal institutional factors as topmost determinants by players, the sentiments are extending to cover other contextual factors making the current setting richer to explore than when the public sector led the identification of determinants and limited it to funding access. My study aims to extend this further by exploring two other factors, including psychological/individual-level factors and the EDIs’ role, to better understand entrepreneurship determinants in the Nigerian setting.
Furthermore, an interesting perspective was highlighted by Adekunle (2011) about the importance of independent societies, later discussed in this chapter as private-institutional initiatives (Section 3.5.3). These societies and their likes as institutional intermediaries fit this study’s conceptualisation of EDI. They are worthy of investigation because of their role, especially in helping entrepreneurs navigate various determining factors of entrepreneurship. The following section presents some insight into EDIs in the Nigerian setting.

### 3.5 Understanding EDIs in a Nigeria Context

In 2013, the Nigerian government, through the Federal Ministry of Industry, Trade, and Investment, developed the National Enterprise Development Programme (NEDEP), led by SMEDAN, BOI and Industrial Training Fund (ITF). NEDEP serves as one of the most comprehensive MSME programmes to date and covers various factors relevant to enterprise development (Fate Foundation, 2016). The agenda for the programme includes:

- Strengthening institutional framework
- Developing a revised national policy on MSME
- Implementation of a robust delivery and monitoring structure
- Increasing access to affordable finance
- Increasing access to markets
- Developing business development skills
- Developing technical skills
- Promoting youth inclusion
- Reducing high operating costs

Development of NEDEP agenda listed above are primarily targeted at creating more opportunities and enablers for entrepreneurs and continues to generate new waves of activities in the country within the entrepreneurship ecosystem, especially among the institutional intermediaries driving the implementation of the policies.
This development has resulted in the proliferation of entrepreneurship development initiatives EDIs through redirection and establishment of hundreds of entities, some in the form of autonomous organisations; others in the form of subsidiaries or departments of an existing organisation from public and private sources, all driving various projects and programmes all over the country. These intermediaries offer various support services to entrepreneurs at different stages of the entrepreneurship process, as illustrated in Table 3.6 ranging from ideation related supports to growth and expansion supports.

**Table 3.6 Entrepreneurship support organisations and events in Nigeria**

<table>
<thead>
<tr>
<th>IDEA STAGE SUPPORT</th>
<th>Organisational form/activity</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support type</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Media for start-up information</td>
<td>Virtual organisations</td>
<td>15</td>
</tr>
<tr>
<td>Entrepreneurs’ networking (inspiration, best practise and co-founding match up)</td>
<td>Events</td>
<td>33</td>
</tr>
<tr>
<td>Training and feedback</td>
<td>Brick and mortar organisations</td>
<td>39</td>
</tr>
<tr>
<td>Resourcing idea development and prototype building</td>
<td>Brick and mortar organisations</td>
<td>10</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LAUNCH STAGE SUPPORT</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Support type</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal and banking Professional service (with designated department for start-up)</td>
<td>Brick and mortar organisations</td>
<td>30</td>
</tr>
<tr>
<td>Co-working space and flexible working location providers</td>
<td>Brick and mortar organisations</td>
<td>25</td>
</tr>
<tr>
<td>Start-up focused Consulting support services organisations (HR, Accounting and Business development)</td>
<td>Brick and mortar organisations</td>
<td>20</td>
</tr>
</tbody>
</table>
Prepping for seed funding | Events | 11
---|---|---
Seed accelerators | Brick and mortar organisations | 8
Pitch and demo show | Events | 10

**GROWTH STAGE SUPPORT**

| Investment Network organisations | Brick and mortar organisations | 6 |
| Mainstream media championing entrepreneurship publicity and promotion | Brick and mortar organisations | 13 |
| Venture capitalist | Brick and mortar organisations | 13 |
| Micro VCs and angel investors | Individual entrepreneurs | 14 |

Source: Author’s illustration from Founders Institute, (2020)

To put the Nigeria EDI landscape in perspective and adequately capture how the institutional intermediaries are organised, my study aligns with Abioye et al. (2017) categorisation of Entrepreneurship Support Agencies which include government agencies, international organisations, NGOs, and the Organised private sector. My study views the EDIs activities from an entrepreneurship perspective and will use the entrepreneurship dimension map I developed and presented in chapter 2 as a basis for their categorisation. According to my dimension map, the EDIs in Nigeria fall into four broad categories. These categories include Pure-public, Private-social, Private-institutional, and Pure-private. In the next section, I will briefly describe each of these categories and give some examples of the initiatives in Nigeria. In later chapters, I will fully explore the ones selected for this study.
3.5.1 Pure-public driven developmental initiatives

Pure-public initiatives are government activities related to the public sector’s support for private enterprise development. These initiatives are driven through government agencies established as a policy instrument for the effective implementation of various entrepreneurship policies. For example, ITF, BOI, Standard Organization of Nigeria SON, National Agency for Food and Drug Administration NAFDAC, the Nigeria Directorate of Employment and SMEDAN. The pure public commonality of these organisations is in their legal form and profit orientation. They all belong under the umbrella of certain ministries at the federal executive level of government, and while some of them generate income through highly subsidised services, their profit orientation is primarily not for profit. Their services cut across the NEDEP agenda listed above, and their policy orientation is that of a subsidiary relationship because they are all direct policy instruments of the Nigerian government.

3.5.2 Private-social driven developmental initiatives

Private-social initiatives are social entrepreneurial activities carried out by an individual or an organisation (local/international) by combining resources in innovative ways to pursue opportunities for the simultaneous creation of both social and economic value (Newth and Woods, 2014). These initiatives apply business strategies to achieve philanthropic ends and do not measure their success based on monetary profit but rather by their capacity to affect social change (Galvin and Innaotti, 2015). Some international organisations that operate such initiatives within the Nigerian setting include World Bank, International Monetary Fund IMF, She leads Africa and We Connect. Some prominent local examples include Dangote Foundation, Tony Elumelu Foundation, Fate Foundation, Center for Enterprise Development and Action Research, Sir Emeka Offor Foundation, and Center for Entrepreneurial Development Lagos.

While the legal forms of these initiatives could vary depending on the individual or corporation establishing them, the private social commonalities of
these organisations are in their purpose/goal and profit orientation as not-for-profit. They vary in structure and culture, and their choice of activities depends on the social problem/challenge that inspired their creation and the expertise within the organisation that they deem relevant to the entrepreneurship development challenge at hand. Their policy orientation is that of advocacy, consulting and implementation because of their corporate clout and proximity to the entrepreneurs.

3.5.3 Private-institutional driven developmental initiatives

Private-institutional initiatives are institutional entrepreneurship activities carried out through the purposive action of individuals or groups operating in (or outside the scope of) markets and organisations, which actions are aimed at establishing new institutions (Lawrence and Suddaby, 2006). The core private institutional commonality of these organisations in Nigeria is their purpose/goal, which is the need to overcome barriers through institutional innovation involving substantial restructuring and abolishment of old institutions (Lawrence and Suddaby, 2006). Another commonality is the profit orientation because the outcome of the disruption of existing institutional frameworks is community-based and void of business interest aligning with Szabo’s (2017) suggestion of a pure sharing model.

These communities could be industrial associations that foster harmony and networking (Abioye, 2017) or independent societies that engage in corporative thrift and credit (Adekunle, 2011). Some examples of these entities in Nigeria include organisations such as the Manufacturers Association of Nigeria (MAN), Nigerian Association of Small Scale Industrialists (NASSI), Association of Small Business Owners of Nigeria (ASBON), Association of Micro-Entrepreneurs of Nigeria (AMEN), Nigerian Association of Small and Medium Enterprises (NASME), and The Nigerian Association of Chambers of Commerce, Industry, Mines, and Agriculture. These organisations, commonly referred to in Nigeria as BMOs, are typically not for profit, tend to engage in all support activities according to their websites, and their policy orientation is that of advocacy and implementation.
3.5.4 Pure-private driven developmental initiatives

The pure-private initiatives in Nigeria are purely commercial activities carried out by individual or corporate entrepreneurs to develop other entrepreneurs primarily for economic value. In Nigeria, this category of initiative typically takes the form of business incubation, providing a series of business support activities. The primary activities are funding, infrastructure provision and networking/access to market. A secondary activity also performed by some include training and business development consulting. On funding support, the initiative seeks opportunities for investment by partnering with an intending entrepreneur at the opportunity recognition and exploration stage and providing much-needed support in exchange for equity stakes in the new venture. Upon successful establishment and growth of the new venture, the initiative achieves its goal of economic value, and the nascent entrepreneurs fulfil their entrepreneurship dreams.

Furthermore, in some cases where the relationship with the nascent entrepreneur is not that of equity involvement, the initiative could simply provide infrastructure support such as co-working spaces and office facilities and administration at a fee on a shared basis, thereby improving affordability for the nascent entrepreneur. Most of these initiatives are limited liability companies, strictly for profit, and their policy orientation is mainly as implementers. Some examples of the pure private initiatives in Nigeria are CoCreation Hub, Passion Incubators, Wennovation Hub, Startpreneurs, Hebron start-up labs, iDEA/TechLaunchpad, Start Innovation Hub, 440.ng, Itanna, Ventures Platform, Leadpath, Roar Nigeria Hub, and Spark.

To conclude, the four groups of initiatives covered in this section collectively capture the EDIs being operated in Nigeria with very wide reach and have been central to MSME policy implementation for decades and more intensely recently. These initiatives are getting more innovative due to technological development; they are constantly increasing in number, and their proximity to entrepreneurs is
getting deeper as the environment is getting more challenging and more entrepreneurs are relying on their support to navigate the environment. However, despite the proliferation of these EDIs, early mortality in enterprises persists. The following section elaborates on this practice problem to establish the gaps being filled by this study.

### 3.6 Policy and Practise Problem

According to the Nigeria Bureau of Statistics, SMEs contribute about 49.7% to the nation's GDP, and by the end of 2017, they created 59.7 million jobs through 41.5 million enterprises (nbs, 2017:7). While these may seem to reflect a positive impact in terms of contribution to GDP, employment creation, and the number of enterprises established vis-à-vis the population, there are critical issues evidenced in the contrasting outlook of the entrepreneurship development situation. Currently, the survival and growth rate of MSMEs is not commensurate with the billions of Naira (Nigerian currency) in funding committed by both public and private organisations toward entrepreneurship development and its contribution to economic growth in Nigeria. For example, many newly created enterprises fail within the first few years of life (OECD, 2017:86). While the relevant grey literature reviewed for this study, including the world bank, OECD, Global entrepreneurship monitor, and World economic forum reports, did not offer any precise data on new business survival rate in West African countries, the survival rate of new business according to Fate Foundation's (2016:15) 'Mapping Study of Nigeria's Entrepreneurship Ecosystem', in Nigeria stands at 20% compared to 47-55% 5years survival rate in Europe and America according to the OECD.

The observations above raise two concerns. The first at the support level is that the high mortality rate of MSMEs, despite billions of funds and support, suggests that existing initiatives might be poorly conceptualised/implemented. Or it may be that the Nigerian context has a uniqueness that needs better

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understanding. This indicates a gap in a deeper understanding of the context and how intermediation should be appropriated so that the practitioners can gain better knowledge of factors that enable/inhibit the development and, therefore, effectively create enabling environment and support for the entrepreneurs. Second, at the beneficiary level is that the low survival rate resulting from failure within about five years suggests that we need a better understanding of enablers and inhibitors at specific stages of the enterprise lifecycle so that entrepreneurs can know what and when specific support is needed, thereby enabling themselves to make more effective decisions.

The problems identified above indicate that, while in the social scientific literature, there seems to be some degree of consensus on determinants of entrepreneurship, the policy and practice problems raised above may be connected to how the determinants are conceptualised. In a setting such as Nigeria, where there is significant dependence on EDI activities to address constraints faced by entrepreneurs, one could argue that there could be inherent inhibiting tendencies in situations where these activities are poorly conceptualised and implemented. Despite potential inhibiting effects, intermediation activities provided through EDIs are typically viewed from the positive impact perspective alone. This indicates that if the attention due to the coordination of the intermediary activities at a national level is not given, there could lead to the inadvertent perpetuation of these potential EDI inhibiting tendencies even though the intention is to enable entrepreneurs. These inhibiting tendencies could be further deemed problematic because the intermediaries' proximity and interaction with the entrepreneurs position them influence the outcome of entrepreneurship development significantly.

A review of the activities entailed in some of the key initiatives investigated during an exploratory pilot study (2018) revealed that most intermediaries in Nigeria seek to encourage entrepreneurship development through management skill acquisition, access to financing, and access to market. This suggests that
their definition of determinants is usually limited to the most pronounced narratives, such as lack of finance and entrepreneurial skill. This may have led to poor conceptualisation/implementation of activities where the support is not as effective. The consequence is the mortality of businesses, as evidenced in the data presented by the National Bureau of Statistics. This situation begs for an investigation of how EDIs are organised and delivered and how they contribute to entrepreneurs' capability to deal with other determining factors across stages of development. Hence this study uses an integrated framework developed to explore cases of EDIs and the entrepreneurs they support to gain a better understanding and clarify the significance of the EDIs in entrepreneurship development in Nigeria.

3.7 Summary and Conclusion

This context review chapter situates this thesis within the Nigerian setting by exploring the suitable portions of its temporal/historical, institutional, spatial, and economic contexts. It also used a brief review of current approaches of some categories of the players within the ecosystem to entrepreneurship development to justify why investigating determinants of entrepreneurship in the Nigerian setting will contribute new insight to how entrepreneurship unfolds, especially in the developing economy context. Using four main reasons, the chapter justifies how examining the Nigerian context is suitable for achieving this research goals and objectives.

Firstly, findings that emerged from the temporal context revealed that the Nigerian government is passionate about entrepreneurship development among its citizen and has been for many years. This is evidenced in the volume of financial commitment by the government since its independence. However, apart from the typical challenge of federalism, evidence from this review showed that Nigeria has a peculiar spatial challenge that could impede the efforts put into entrepreneurship development at the central/national level. Understanding the effects of the determinants arising from this peculiarity will contribute novel insight to how entrepreneurship evolves in this setting and similar settings with
past colonial influences, multicultural lingual, and ethnic settings. Secondly, evidence from the spatial and economic context revealed that Nigeria faces the typical economic challenges of a developing economy. For example, the formulation of poor non-entrepreneurship policies that result in harsh business environmental conditions which technically counter the entrepreneurship policies. Also, infrastructure challenges, particularly electric energy supplies and accessible road network, are all factors that affect entrepreneurship. Inconsistent urban development usually results in the concentration of commerce and skilled labour, and this impacts choices when making entrepreneurship decisions. These situations as determinants position Nigeria effectively as a suitable research setting.

Thirdly, a review of the formal institutional context confirmed similar inhibitors and enablers, as documented in Chapter 2. However, while there is a good level of deliberate, detailed capture of all conceivable formal institutional factors that could affect entrepreneurial choices in the revised National MSME policy being implemented in Nigeria, scholarly and practitioner works on Nigeria opined that implementation of the policies addressing these institutional factors are ineffective. This begs for an empirical establishment that can be achieved by investigating this as a determinant at the level of the entrepreneurs confirming the potential contextual contribution of this thesis. Furthermore, one could infer from this review that while the recognition of entrepreneurship determinants in the Nigerian setting is beginning to broaden to cover other factors, access to finance is still regarded as a major inhibitor. The first justification above highlighted that the availability of funds is not as challenging as it is being portrayed. Therefore, this provides an opportunity to broaden our understanding of the possibility of a wider issue beyond funding as a determinant of entrepreneurship. Also, psychological factor as a determinant is given very limited consideration in studies on this region among scholars and practitioners, indicating a gap and the empirical contribution of this thesis.
Fourth, with the proliferation of EDIs and the scope of support services communicated through their electronic media, one could assume that not only will entrepreneurs be getting very good support, but we should be seeing a significant increase in the proportion of the population adopting entrepreneurship as a career and thereby translation to economic development. However, this is not the situation. This begs for a better understanding of the role of EDIs to empirically ascertain their effect as determinants of entrepreneurship. EDIs, being a form of entrepreneurial action, are equally impacted by the factors that affect the entrepreneurs they are trying to support. What remains unclear is how these factors impact their capability to effectively provide support to private entrepreneurs. The review in this chapter showed the absence of studies primarily dedicated to EDIs as determinants of entrepreneurship in Nigeria.

The EDI role is examined empirically through the analysis of the cases of EDIs in Chapters 5 and 6 by looking at how their entrepreneurship orientation, forms, activities, and relationships influence entrepreneurs’ decisions at different stages of development. This will further enhance our understanding of the determinants of entrepreneurship in a setting with a large number of EDIs, confirming a very significant contribution of this thesis. This review provides a basis for applying the theoretical framework and understanding and interpreting the thesis findings. The next chapter presents the methodology adopted in this study.
CHAPTER 4

Research Methodology

4.1 Introduction

This chapter presents the methodology adopted to investigate the determinants of entrepreneurship through cases of EDIs in Nigeria. Having carefully crafted research questions and developed a theoretical framework in previous chapters, the current chapter presents philosophical paradigms of interpretivist and subjectivist as the rationale behind the qualitative approach to this study. The study adopts case study design with embedded units of analysis. The case of EDI in Nigeria was defined with the EDI activities and entrepreneurs’ decisions as embedded units of analysis, as illustrated in Figure 4.1. To demonstrate quality in qualitative research, the chapter discusses measures taken to address credibility, transferability, dependability, and confirmability. The chapter also outlines the sampling approach for this study to include maximum variation and criteria-based purposeful sampling and how access was negotiated. Data collection using semi-structured interviews, rapid participant observations, and data analysis methods involving thematic analysis are also discussed. The same is done for ethics consideration and how data protection compliance registration was done, and the Open University Human Research Ethics Committees HREC approval was obtained.

Following this introduction, Section 4.2 presents the research paradigm, followed by Section 4.3 on the rationale for the research design. Section 4.4 provides details of the sampling approach, and Sections 4.5 and 4.6 present data collection methods and data analysis, respectively. Ethical consideration is discussed in Section 4.7, and the chapter conclusion is presented in Section 4.8, including highlights of critiques of the adopted approach.
4.2 Research Paradigm

This study aims to develop knowledge about the determinants of entrepreneurship by investigating EDIs focusing on private enterprise development and the support provided by institutional intermediaries because the research problem relates to early mortality despite much support through institutional intermediation. It is therefore important to align the construct of this study with the research paradigm that can help clarify and select a suitable design that will help achieve the desired research outcomes. Research paradigm is a way of examining social phenomena from which particular understandings of these phenomena can be gained and explanations attempted (Saunders et al., 2007:112). It depends on researchers' belief systems and theoretical framing with epistemology, ontology, and axiology assumptions. Consequently, the research paradigm shapes research design.

The multidimensional nature of entrepreneurship and the determinants prompt researchers to take on different observation levels and apply various methodological lenses to analyse why entrepreneurship occurs (Mrożewski, 2014). Extant works on determinants in Nigeria and the wider African setting show various philosophical underpinnings. Some (Adekunle, 2011; Umokoro and Okurame, 2017; Ojiaku et al., 2018) align with the positivist and objectivist epistemological and ontological philosophies, thereby engaging in survey method and using questionnaires, especially when the focus is at the individual level with emphasis on generalisation of outcomes. There is also Igwe et al. (2018) on Artisanal entrepreneurship conducted at the individual level but employed mixed methods demonstrating a different philosophical underpinning. Others, such as Abioye et al. (2017) and Touzani et al. (2014), especially the latter, which has significant similarities with this study, show interpretivism and subjectivism philosophical paradigm where the focus is on the impact of wider contextual factors and the investigation involved both organisational and individual levels.
thereby engaged qualitative approach using interview and observation on a sample of alumni of business school programmes.

This study aims to develop further understanding of factors and how they affect entrepreneurial decisions. Two categories of factors identified in the literature include contextual and individual-level factors. The interpretation of contextual factor components which leads to entrepreneurial choices is influenced by some individual-level factor components. To better understand these factors, there is a need to complement the psychological and non-psychological characteristics of the individual entrepreneur with the environmental characteristics (Cuervo, 2005). To achieve this aim, the qualitative approach is adopted because it entails capturing the actual meaning and interpretation that actors subjectively ascribe to phenomena in order to describe and explain their behaviour (Johnson, Buehring, Cassell, and Symon, 2006). This makes the interpretivist philosophical paradigm more appropriate for this study. The following section will explore research philosophy and further justify the philosophical underpinning of this study and thus the research design.

4.2.1 Research philosophy

Development of knowledge according to various research methodology scholars is significantly related to reasoning (theory) and observation (data). All these together form the underlying philosophical consideration of the researcher. According to Saunders et al. (2007:129), research philosophy relates to the development of knowledge and the nature of that knowledge because the research philosophy one adopts when developing knowledge in a particular field contains important assumptions about the way the individual views the world. Knowledge development as contribution to theory or practice stems from an attempt by the researcher to address unanswered questions generated from identified problems. The problem of early business mortality and non-commensurate entrepreneurship development outcome, despite resource commitment in Nigeria, has generated two questions. This study addresses these questions in an attempt to develop knowledge on the issue of entrepreneurship determinants.
This study required a particular combination of research philosophy and research design to address these research questions. To develop knowledge, understanding research philosophies is beneficial to researchers as it helps clarify research design and facilitate appropriate choice (Blumberg et al., 2011:16). Therefore, where need be, a researcher could deliberately adopt suitable design outside of their experiences and typical paradigm. Saunders et al. (2007:102) highlighted three major ways of thinking about research philosophy: The first two are epistemology and ontology, characterised as detailed in Table 4.1, and the third axiology refers to choices made by the researcher at all stages in the research process pointing to what the researcher considers important, and often this is a reflection of individual values. The philosophical underpinning of this study is discussed by considering these ways of thinking as employed in this research to justify the design and strategy adopted hereafter.

**Table 4.1 Positivism and Interpretivism compared**

<table>
<thead>
<tr>
<th>Epistemology</th>
<th>Positivism</th>
<th>Interpretivism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontology</strong></td>
<td><strong>Objectivism</strong></td>
<td><strong>Subjectivism</strong></td>
</tr>
<tr>
<td><strong>Basic principle</strong></td>
<td>The world is external and objective.</td>
<td>The world is socially constructed and subjective.</td>
</tr>
<tr>
<td><strong>View of the world</strong></td>
<td>Researcher is independent.</td>
<td>Researcher is part of what is observed and sometimes even actively collaborates.</td>
</tr>
<tr>
<td><strong>Involvement of researcher</strong></td>
<td>Research is free of value.</td>
<td>Research is driven by human interest.</td>
</tr>
<tr>
<td><strong>Researcher’s influence</strong></td>
<td>Objective, often quantitative, facts.</td>
<td>Subjective interpretation of meanings.</td>
</tr>
<tr>
<td><strong>Assumptions</strong></td>
<td>Reducing phenomena to simple elements representing general laws.</td>
<td>Taking a broad and total view of phenomena to detect explanations beyond the current knowledge.</td>
</tr>
<tr>
<td><strong>What is observed?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>How knowledge is developed</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Blumberg et al. (2011)
Epistemological consideration concerns the questions of what is (or should be) regarded as acceptable knowledge in a discipline or field of study (Bryman and Bell, 2011:15), and Ontology is concerned with the nature of reality and raises questions about the assumptions researchers have about the way the world operates and the commitment held to particular views. This study examines enablers and inhibitors of entrepreneurship in the Nigerian setting from the perspective of entrepreneurs’ choices, and the institutional intermediaries’ support impact. In doing this, it pays attention to the human actors whose individual perspectives of their realities form the basis for this study's knowledge development on the determinants of entrepreneurship in Nigeria. This provides the justification for the adoption of a more subjectivist ontology, which holds that social phenomenon and their meaning are continually being accomplished by social actors because they are created from the perceptions and consequent actions of those social actors concerned with their existence (Saunders et al., 2007). It is, therefore, necessary to explore the subjective meanings motivating the actions of social actors to understand these actions, rather than adopting the objectivist ontological view. A view that holds that social entities exist in reality external to social actors concerned with their existence and therefore should be considered objective entities.

Furthermore, views on acceptable knowledge include the ‘resource researcher’ and the ‘feelings researcher’. As earlier highlighted, this study aims to develop knowledge by examining enablers and inhibitors of entrepreneurship in Nigeria using entrepreneurs and EDIs through the executors. To address the identified research problems, answers are sought by generating questions around the ‘how’ explanations. To achieve the research aims by collecting reliable data, the participants will include social actors whose contributions cannot be seen, measured, modified, or codified into quantitative data. Therefore, the pragmatic position of this study is to assume to expect a level of subjectivism. This means gravitating toward the interpretivist epistemology, which holds that feelings and attitudes are critical parts of how knowledge is developed, and the researcher
could view the objects studied by the feelings and attitudes as social phenomena which have no external reality. As opposed to the positivist epistemology, which considers data on resources needed to be more akin to the position of the natural scientist where reality is represented by objects that are considered to be ‘real’ and tangible with separate existence to the researcher and assumed to provide data that are far less open to bias and therefore more ‘objective’.

Although previous studies on entrepreneurship determinants in Nigeria reviewed for this study have adopted various philosophical stances, most of them aligned with the objectivist views where the researchers were independent and took the role of an analyst; their studies were free of value as they engaged large samples for data collection because of their underlying assumption that the social world exists externally, therefore reviewed objectively. However, a related study that investigated a broader range of contextual factors that was dedicated to Tunisia (Northern Africa) is Touzani et al. (2014), and it aligned with subjectivist ontology using qualitative approach justified by the suitability to little-studied populations where a more in-depth investigation is the more suitable approach to achieving the research aims. Moreover, though Touzani et al. (2014) did their study in the North African context, a similar approach in the West African context may further broaden our understanding of entrepreneurship in Africa.

To conclude, this study assumes the social world is constructed and given meaning subjectively by people and therefore adopts the epistemological position of interpretivist and ontological position of social constructionist. Since the qualitative case study approach situates well with the philosophical paradigm, it is employed along with other methods that align with the qualitative approach, as discussed in later sections of this chapter. Although the case study research design has been selected as suitable to achieve the goals of this research, a case study is not without its criticism in terms of validity and reliability. The following subsection briefly discusses quality concerns in qualitative research and how these are addressed in this case study research design.
4.2.2 Quality in qualitative research

An underpinning of research design is the issue of the credibility of research findings. According to Saunders (2007), "reducing the possibility of getting the answer wrong means that attention has to be paid to two particular emphases on research design: reliability and validity". These two threats that face any research findings need to be addressed at all phases of this study, as illustrated in Table 4.2. Yin (2018) expounded on this, highlighting four widely used tests to establish the quality of any empirical social research suggesting research phases-level tactics to address the threats accompanying these tests.

Table 4.2 Case study tactics for design tests

<table>
<thead>
<tr>
<th>Test</th>
<th>Case study tactics</th>
<th>Phase of case study research where tactic is addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct Validity</td>
<td>• Use multiple sources of evidence</td>
<td>Data collection</td>
</tr>
<tr>
<td></td>
<td>• Have key informants review draft case study report</td>
<td>Composition</td>
</tr>
<tr>
<td>Internal Validity</td>
<td>• Do pattern matching</td>
<td>Data analysis</td>
</tr>
<tr>
<td></td>
<td>• Do explanation building</td>
<td>Data analysis</td>
</tr>
<tr>
<td></td>
<td>• Address rival explanations</td>
<td>Data analysis</td>
</tr>
<tr>
<td></td>
<td>• Use logic model</td>
<td>Data analysis</td>
</tr>
<tr>
<td>External Validity</td>
<td>• Use theory in single-case studies</td>
<td>Research design</td>
</tr>
<tr>
<td></td>
<td>• Use replication logic in multiple-case studies</td>
<td>Research design</td>
</tr>
<tr>
<td>Reliability</td>
<td>• Use case study protocol</td>
<td>Data collection</td>
</tr>
<tr>
<td></td>
<td>• Develop case study database</td>
<td>Data collection</td>
</tr>
<tr>
<td></td>
<td>• Maintain a chain of evidence</td>
<td>Data collection</td>
</tr>
</tbody>
</table>

Source: Yin (2018:43)

Lincoln and Guba (1985) offer four alternatives to the conventional criteria listed above as more suitable to the naturalist paradigms, thus making them more appropriate for establishing trustworthiness of the findings of this study. As
Echoed by other works (Creswell & Miller, 2000; Golafshani, 2003; Creswell, 2009; Nowell et al., 2017), these criteria include credibility, transferability, dependability, and confirmability. Pieces of evidence summarised in this section demonstrate how trustworthiness criteria are met in relevant sections of this chapter and other chapters of this thesis.

_Credibility_ of a study concerns carrying out the inquiry in such a way that the probability that the findings will be found to be credible is enhanced (Lincoln and Guba, 1985). It is determined when co-researchers or readers are confronted with the experience, and they can recognise it. This concern is addressed across this thesis through three key activities (triangulation, prolonged engagement, and persistent observation) suggested by Lincoln and Guba (1985). Through triangulation of sources, an effective convergence of evidence was achieved to ensure a significant degree of corroboration and authenticity of the data collected, analysed, and interpreted in this study. Besides semi-structured interviews, four other sources were employed to collect further data, primarily for corroboration/confirmation of evidence from the primary data sources. The first was a rapid observation of how interventions are implemented by the EDIs to provide additional benefits of seeing the interaction between entrepreneurs and the EDI to confirm claims made by EDI executors. The second was document collection to further evidence the EDI executors’ claims and help frame follow-up questions during the EDI executors’ interviews.

The third was informal discussions with entrepreneurs that have never benefited from any form of intervention or support but have operated to the growth stage of development. This offered the opportunity to objectively ascertain the effects of EDIs’ awareness and access creation and to see the plight of entrepreneurs seeking funding without any form of intermediation. The fourth was from an auto-ethnography source where valuable data was collected over four months of engagement with execution and growth stage entrepreneurs. This offered data from live feedback on entrepreneurs’ daily activities, which was used
to affirm/refute claims from the interview sessions and also help frame interview protocol.

The auto-ethnography source mentioned above serves as an element of persistent observation aspect of the activities to increase the probability of credible findings in this study. This involved valuable data collection over four months of engagement with execution and growth stage entrepreneurs implementing their business plans. According to Lincoln and Guba (1985), this is not a mindless immersion but a process to identify those characteristics and elements in the situation that are most relevant to the problem or issue being pursued and focus on them in detail. Through business action learning sets (a weekly coaching session), data generated from live feedback on daily execution volunteered by the entrepreneurs provided depth, helped ascertain critical and salient issues, and tentatively identify those to take forward into the investigation and draw on throughout data collection, analysis, and discussion.

Finally, the prolonged engagement aspect of the activities to increase the probability of credible findings in this study relates to how the investigator’s background and investigation process enabled the opportunity to build trust. Although building trust is a time-consuming process and the time allocated to the data collection did not allow for an extended time to be spent with the participants, certain factors enable this investigation to build trust with participants and address potential distortion that might creep into the data from both the investigator and the respondents. Potential distortion associated with the investigator’s acceptability within the research setting was avoided owing to the researcher’s background, being born and raised in Nigeria, also having been an entrepreneur in the setting for over two decades. This allowed for some sense of comradery, which enabled openness during the interviews.

Furthermore, potential challenges associated with prior formulations that could lead to confirmation biases were addressed using the experience and outcome of a scoping study. This was used by approaching the investigation and data collection with an open mind and the willingness to uncover newer
information. As a result, two key things were done in the sampling to ensure objective data was collected from the participants. The first was to include entrepreneurs at different stages of development (including failed beneficiaries of EDIs’ interventions) and a range of years of operation in the sample to provide different perspectives on the preconceived notions and offer further information. The second was to seek the same outcome at the practitioner level by selecting EDIs of different entrepreneurship orientations in the study sample.

To demonstrate to the respondents that their confidence will not be used against them; that pledges of anonymity will be honoured; that hidden agenda is not being served, and that the respondents will have input into and actually influence the inquiry processes (Lincoln and Guba, 1985), detailed participant information covering these concerns and pledge to uphold them was offered before seeking consent. Having built further trust through this means, the investigation avoided situated motives such as wanting to please the investigator and saying normatively appropriate things, also avoided other respondent-related distortions. Moreover, participants were afforded opportunities to constructively critique EDIs through which they gained support or work for without fear of bridging any form of confidentiality, thereby avoiding intentional distortion. This was done by inserting questions relating to areas of improvement in an unintrusive way to enable participants to provide negative or discrepant information (Creswell, 2009). For example, asking entrepreneurs (during the interviews) to speak on what they least enjoyed and other EDI activities (not offered) that could have improved their (entrepreneurs) experience. This is useful to broaden perspective and contribute to the analysis and discussions in the thesis.

Transferability concerns how the findings of a particular inquiry have applicability in other contexts or with other respondents. Comparable with external validity, it refers to the generalizability of inquiry (Tobin and Begley, 2004) across times, settings, or persons (Blumberg et al., 2011). In a naturalistic study, this concerns only case-to-case transfer. Therefore, by bounding the case to cover EDI activities between 2010-2018, defining EDIs, classifying them based on
entrepreneurship dimensions, and specifying the actors (EDI executors and beneficiaries) whose contributions were sought. Also, by choosing the context of a developing economy in West Africa and providing thick descriptions of all these components, those seeking to transfer the findings to their site can judge transferability (Lincoln & Guba, 1985). In order to allow for the opportunity for accumulation of evidence of contextual similarity to enhance transferability, a detailed description of the setting (Nigeria) was provided in the dedicated context chapter (Chapter 3), which details the historical context, entrepreneurship development context, and current outlook on determinants and EDIs in the setting.

Moreover, a wide range of information is provided concerning EDI definition and classification in the case study design subsection, and demographic information is provided in the sampling approach and data collection methods. Further on robust information, the justification and approach to maximum variation and criteria-based sampling by way of purposeful sampling are provided to demonstrate the scope and depth of the sampling process. By ensuring these descriptions are available in the thesis, threats such as selection and setting effects typically associated with generalizability in non-naturalist studies are mitigated as details provided already help to make transferability judgments possible on the part of potential appliers. Additionally, in designing this case study research, the preference for analytic rather than statistical generalisation contributed to the choice of the "how" research question posed in conducting this study and the ensuing methodology adopted.

*Dependability* concerns the demonstration of the extent to which a research process is logical, traceable, and clearly documented (Tobin and Begley, 2004). Comparable with reliability, it also demonstrates the extent to which data collection techniques or analysis procedures will yield consistent findings (Saunders et al., 2007), thus also addressing ‘*Confirmability*’ simultaneously (Lincoln and Guba, 1985). Both of which are achievable through a presentation of an audit trail. This research process is traceable through some residue records,
documents and documented activities accumulated throughout the study and some evidence of interpretation and findings presented in chapters of the thesis. Using the audit trail categories suggested by (Lincoln and Guba, 1985), some are discussed.

- **Raw data:** Participant information sheet and consent form (Appendixes 1 and 2) are prepared to ensure data collection was ethically done and included assurances that allowed respondents to speak freely, ensuring authentic/reliable data was collected. Data collected from all 24 respondents’ interviews were audio recorded and stored securely for processing. Protocol and notes documenting the data collection procedures are elaborated in Section 4.5.

- **Data reduction and analysis:** Condensed notes taken by way of annotations created on interview transcript files in NVivo covered numerous items in working concepts during data analysis. NVivo Screenshots (Appendix 8) showing examples are provided.

- **Data reconstruction and synthesis:** Parent nodes and sub-themes created using NVivo 12 to address all elements of the research questions are evidence of processing the data for the theme to emerge through which interpretations and findings are derived to draw the thesis conclusions. NVivo schematics developed (Appendix 9) present the integration of concepts and the connections with literature.

- **Instrument development information:** To develop an effective research plan, an exploratory pilot study aimed at visiting identified potential study participants to test and establish access and clarify the effectiveness of some research questions and objectives through informal discussions was conducted. The pilot study provided a framework for the in-depth study, and its details are documented and presented in subsection 4.4.1. Additionally, the spreadsheet of the preliminary interview schedule attests to the process of contacting, securing, and interviewing all participants. Screenshot (Appendix 10) showed some of the secured and missed appointments.
Finally, some self-critical accounts of my research process, including my motivations, my biases, their impact, and how these were addressed, are detailed in a personal reflexivity portion (subsection 4.5.8) in this thesis where my internal and external dialogues are highlighted because this is central to the audit trail (Tobin and Begley, 2004) and further authenticates confirmability.

This subsection presented how this study addressed issues of trustworthiness. It highlighted how specific concerns relating to different aspects of the study were considered and thoroughly mitigated, thereby demonstrating credibility, transferability, dependability, and confirmability, thereby addressing conventional rigour-related issues of validity and reliability. The following section discusses the choice of the research design selected, further elaborating on the naturalist approach adopted for this study.

4.3 Research Design

Research design concerns turning research questions into projects (Robsons 2011:70). This design serves as the general plan of how research questions will be answered (Saunders et al., 2007:131). It will detail the process of the steps and components of the project in a framework that demonstrate alignment in the purpose of the research, the theoretical framing, and the research question(s), and how these inform the strategy for sampling and technique for data collection. Simply put, "the research design provides a framework for the collection and analysis of data" (Bryman and Bell, 2011:40). To collect and analyse data, different approaches can be used. This could be the quantitative, the qualitative, or a mix of both approaches (mixed method). The selection of any of these approaches to conduct research depends on the importance placed on certain aspects of the research process and(or) outcomes. For example, the need for expression of causal effects, generalisability intentions, need for understanding of behaviour and its meaning in certain contexts, and the temporal context and their interconnections (Bryman and Bell, 2011:40).
The “quantitative research is a means for testing objective theories by examining the relationship among variables” (Creswell 2009:4). Typically, these variables are measured on instruments to generate numbered data analysed using statistical procedures to establish statistically significant conclusions by studying a representative sample of the population. While the quantitative approach is suitable for validating a theory by numerically analysing research results and allowing for statistical generalisation and emphatic expression of causal effects, it is less suitable for this study. This is because rather than validating theory, the explorative nature of this study, as indicated in the research problems and questions, leans more towards the theory-building process that the qualitative approach seeks. Hence, the need to understand behaviour and its meaning in the context of entrepreneurship development in Nigeria is deemed most crucial. According to Creswell (2009:4), “qualitative research is a means for exploring and understanding the meaning individuals or groups ascribe to a social or human problem”. Typically, it is a subjective approach that describes an event in its natural setting in an attempt to explain studied behaviour.

This study examines enablers and inhibitors of entrepreneurship in the Nigerian setting from the perspective of entrepreneurs' choices, and the institutional intermediaries’ activities. Hence it pays attention to the human actors whose individual perspectives of their realities form the basis for this study’s knowledge development. It is therefore necessary to explore the subjective meanings motivating the actions of social actors to understand these actions, rather than approach them as objective entities and adopting the position of the natural scientist where reality is represented by objects considered to have separate existence to the researcher as espoused in the quantitative approach. To address the identified research problems, answers are sought by generating questions around the ‘how’ explanations (adopting the qualitative approach), and to achieve the research aims, data will be collected from participants sample (social actors) whose contributions cannot be seen, measured, modified, or
codified into quantitative data which are assumed to far less open to bias and therefore more ‘objective’.

Furthermore, because there are different aligning research designs to these approaches, selecting a suitable design is critical. There is the experimental design which involves the manipulation of variables to observe effects on the subjects; cross-sectional / social survey design, which entails the collection of data on more than one case and at a single point; longitudinal design, which entails repeated study over an extended period of time, the comparative design which entails the study of identical method of two or more cases, and the case study design which entails empirical investigation of a particular contemporary phenomenon within its real-life context. While these are useful for various studies, all except the case study design are unsuitable for this thesis for various reasons highlighted. Experimental design is a classical form of research that owes much to positivist philosophies. Data collection in this study cannot be done simultaneously as it is in a cross-sectional design. There is a time frame to the study, unlike a repeated study over an extended period in a longitudinal design. Also, while this case study drew evidence from EDI cases, the aim is not to directly compare methods as espoused in comparative design. Instead, the focus is to elicit perspectives on their activities from the players for cross-synthesis purposes. Further justification of case study design suitability in the thesis is presented.

There are different qualitative approaches through which one could investigate and better understand the meanings that entrepreneurs and institutional intermediaries ascribe to the determinants of entrepreneurship in the Nigerian setting. Five approaches suggested by Creswell, Hanson, Clark, and Morales (2007) include narrative research, case study research, grounded theory, phenomenology, and participatory action research, as illustrated in Table 4.3.
### Table 4.3 Type of research questions and aligning qualitative design.

<table>
<thead>
<tr>
<th>Type of Research Question</th>
<th>Qualitative Design</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chronological/story-oriented questions: Questions about the life experiences of an individual and how they unfold over time.</td>
<td>Narrative research</td>
</tr>
<tr>
<td>In-depth, descriptive questions: Questions about developing an in-depth understanding about how different cases provide insight into an issue or a unique case</td>
<td>Case study</td>
</tr>
<tr>
<td>Process questions: Questions about experiences over time or changes that have stages and phases</td>
<td>Grounded theory</td>
</tr>
<tr>
<td>Essence questions: Questions about what is at the essence that all persons experience about a phenomenon</td>
<td>Phenomenology</td>
</tr>
<tr>
<td>Community action questions: Questions about how changes occur in a community</td>
<td>Participatory action research</td>
</tr>
</tbody>
</table>

Source: Adapted from Creswell et al. (2007)

The descriptors of types of research questions listed above demonstrate that the case study approach is more suitable than any other qualitative approach listed because these research questions demonstrate an interest in an in-depth understanding of how the different types of EDIs and their operations contribute to the entrepreneurial decisions that lead to early mortality of nascent enterprises in Nigeria. As opposed to narrative analysis, which probably would have involved the experiences of an individual entrepreneur, or grounded theory which could have focused strictly on the temporal context of entrepreneurship. Also, as opposed to phenomenology, which for example, could have focused on Nigerian’s entrepreneurial enthusiasm, which is top in the world ranking, or action research, where the researcher could have participated in EDI programmes to investigate the change in entrepreneurial orientation and decision as a result of the programme. While all these examples of studies are credible, it is clear that the research problem and questions that could initiate their design are not like the ones in this study hence the choice of a case study.
Furthermore, according to Yin (2014:29), in case study research, the first component of research design is the form of the questions, which must provide an important clue regarding the most relevant research method to be adopted. Yin highlighted that case study research is most likely to be appropriate for "how" and "why" questions, and this study aims to answer two 'how' research questions. The construct of this study supports Yin (2014) and Creswell et al., (2007) as illustrated above, thereby adequately situating the case study research design as suitable to be adopted for this study.

4.3.1 Case study research

A case study is a strategy for doing research that involves an empirical investigation of a particular contemporary phenomenon within its real-life context using multiple sources of evidence (Robson, 2011:136). In case study research, the investigator explores a bounded system (a case) or multiple bounded systems (cases) over time through detailed, in-depth data collection involving multiple sources of information (e.g., observations, interviews, audio-visual material, and documents and reports) and reports a case description and case-based themes (Creswell et al., 2007). In research design, Yin (2018) noted that "research design is a logical plan for getting from here to there where here, may be defined as the set of questions to be addressed, and there, is some set of conclusions about the questions". This implies the critical role of well-crafted research questions. In case study research design, Yin (2017) proposes five components of case study research design to include a case study question, its proposition, if any, its case(s), the logic linking the data to the proposition, and the criteria for interpreting the findings.

Following relevant situations for different research methods, as illustrated in Table 4.4, the case study method is well suited for this research because the study aims to answer "how" questions, aligning with Eisenhardt (1989) and Yin (2018). Furthermore, there is little or no control over the behavioural event of this study, and the focus of the study is a contemporary phenomenon (Yin, 2018).
Although there are no propositions put forward for this study to ensure theoretical flexibility (Eisenhardt, 1989), there is a priori specification which focuses on inhibiting and enabling factors in entrepreneurship development and the impact of EDI support.

Table 4.4 Relevant situation for selecting research methods

<table>
<thead>
<tr>
<th>Method</th>
<th>Form of the research question</th>
<th>Requires control over behavioural events?</th>
<th>Focuses on contemporary events?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiment</td>
<td>how</td>
<td>yes</td>
<td>yes</td>
</tr>
<tr>
<td>Survey</td>
<td>who, what, where, how many, how, much</td>
<td>no</td>
<td>yes</td>
</tr>
<tr>
<td>Archival analysis</td>
<td>who, what, where, how many, how much</td>
<td>no</td>
<td>yes/no</td>
</tr>
<tr>
<td>History</td>
<td>how, why</td>
<td>no</td>
<td></td>
</tr>
<tr>
<td>Case study</td>
<td>how, why</td>
<td>no</td>
<td>yes</td>
</tr>
</tbody>
</table>

Source: Yin (2018:9)

According to Eisenhardt (1989), defining the research focus through well-crafted research questions that capture research interest helps to specify cases to select and the type of data to collect. The two-step process of defining and bounding (Yin 2018) of the case in this study is informed by the defined research focus relating to enabling and inhibiting effects of EDI support, thereby setting the criteria for case selection. A case with embedded sub-units of analysis was selected to facilitate deep insight into contemporary and complex issues (Yin, 2018) of entrepreneurship determinants. This is done in the real-life context of Nigerian EDI executors and the entrepreneurs who are beneficiaries of EDI support programmes. This case is bound to reflect the topic(s) of the case study and the spatial and temporal boundaries to define the estimated beginning and end of the case study (Yin, 2018), as illustrated in Figure 4.1 below. This helps
define the scope of data collection, distinguish data on phenomenon from those on context, and helps to ensure continued alignment with the research question. This section discusses defining and bounding the case in this research as ‘a case of EDI in Nigeria’ between 2010 to 2018, and the activities of the cases (multiple EDIs) and the decisions of the entrepreneurs supported through the EDIs as the two embedded sub-unit of analysis.

Specific constructs that emerged from the literature review, initial findings from an exploratory pilot study, and the researcher's experience, as highlighted in personal reflexivity in Chapter 1, form the basis for evidence sought in this study. The sources for this evidence include all areas of EDI support and the various decisions made by the entrepreneurs across stages of development, including selection choice, strategic choice, and other operations decisions. The selection criteria for the sources of evidence utilised in this case study are as follows:

- The need to fulfill maximum variation in samples in order to get a variation on dimensions of theoretical interest to the study (Seawright and Gerring, 2008; Patton, 2002);
- EDIs' selection is based on evidence of activities identified as intermediation by extant literature.
- The entrepreneurs are selected based on having participated in one or more interventions delivered through the EDIs.
- Participants are geographically dispersed to ensure data collection from different regions of the country for adequate representation.
- Entrepreneurs at different stages of development were targeted to be able to explore stage-level influences of the determinants.

The case was bound for the study to focus on the activities within the past decade because the EDI activities are influenced by the revised National MSME policy, which came into effect in 2013. Also, the EDIs in the study sample cover
all geopolitical zones of the country. The details of the selection approach in the study are elaborated in Section 4.4 later in this chapter.

The choice to define and bound the case as stated above was arrived at through progressive scrutiny of case options based on the theoretical framework presented in Chapter 2 and the findings from an exploratory scoping study conducted in June 2018. Defining the case started with Nigeria as the first option of a potential case where the role of the character of the country could be investigated by exploring how the national identity, economy, public administration, and spatial context impact entrepreneurship development. Although this is a plausible selection, it will be unsuitable for applying the theoretical framework because the framework did not emphasise the country's characteristics enough for it to be effectively examined. The second option was to take the umbrella government agencies (e.g., Federal ministry of industry trade and investment) as a case where government policy at the national level could be studied to understand determinants of entrepreneurship at the country level by focusing on policy formulation and dissemination. However, findings from the scoping study revealed that not only will the study be skewed towards policy-related determinants alone, but the selected samples will be government agencies that are at the fringe of interactions with the entrepreneurs and therefore may not provide adequate data to answer the research questions.

The third option was to generically take entrepreneurship support organisations that implement national MSME policies as a holistic case where the contribution of this category of ecosystem stakeholder can be studied to understand their impact. As highlighted in Table 3.6, there are over a hundred of these organisations; therefore, an effective study will require significant time and a representative sample, which is difficult because there is significant diversity in the approaches and focuses of these organisations. Also, randomly taking entrepreneurship support organisations as a case will only allow for the application of a portion of the theoretical framework, thereby not covering the other scope of determinants as emerged from the literature reviews. This led to a
final option, ‘the institutional support’ (implemented through EDIs in Nigeria), through which the entrepreneurship determinants can be examined.

EDI’s design, implementation, and outcomes situate it as suitable to explore the theoretical relationships and segments of the theoretical framework because the construct of EDI implementation comprises entrepreneurs, their context, their support, and the outcome. By considering the characteristics of the EDI and the activities it entails, the research questions of this study can be adequately addressed, and a better understanding of determinants of entrepreneurship can be attained. Therefore, the case for this study was defined as ‘the EDI in Nigeria’ utilising multiple cases of EDIs.

In addressing the research questions, the influence of the determining factors occurs at the level of EDI support and entrepreneurs' decisions, thus becoming where research needs to be conducted (Blumberg et al., 2011). Therefore, to thoroughly explore this phenomenon, the EDI executors’ activities and the decisions of the entrepreneurs supported through the EDIs serve as sub-units of analysis, as illustrated in Figure 4.1. This approach helps to achieve corroboration in the findings, thereby ensuring trustworthiness. It follows Davidsson and Wiklund’s (2001) argument that the characteristics of the entrepreneurial phenomenon itself explain why it should be studied at multiple levels of analysis because entrepreneurship takes place and has effects on different societal levels simultaneously. Also echoing Low and MacMillan’s (1988) argument that entrepreneurship studies carried out at multiple levels of analysis are complementary. The investigation of support activities done at the EDI level and the entrepreneurs' level provides an opportunity for corroboration towards meaningful analysis through a convergence of evidence; likewise, the 'selection decisions' and the 'strategic choice decisions' by entrepreneurs investigated at both levels to identify enabling/inhibiting influences of determining factors and EDI support at the three stages of development.
Multiple cases of EDIs utilised were selected using the entrepreneurship dimensions from the conceptual map (Figure 2.2) because the findings from my exploratory pilot study indicated that entrepreneurial orientation plays a significant role in how the EDIs are designed and used to provide support. These included private-social, pure-public, and private-institutional EDIs (see Table 4.5 for summaries of selected EDIs). Likewise, the entrepreneurs utilised consist of businesses across the three stages of development, including exploration, execution, and growth. Therefore, the three orientations (of EDIs) included present adequate variation that gives a broad perspective to entrepreneurship support. Likewise, including stages of development (of entrepreneurs) as criterion also provides rich data from beneficiaries’ perspectives at the individual level to examine inhibiting/enabling role of EDIs in entrepreneurship development.

As conceptualised in this study, selected EDIs across three entrepreneurship orientations are interventions established for various entrepreneurship-related purposes, as elaborated earlier in Section 3.5. The private-social oriented EDIs were set up by private individuals or organisations to address system failure, particularly high unemployment in Nigeria, which is about 16.5% (CIA 2020). The pure-public oriented EDIs are set up within the public sector as policy instruments for implementing entrepreneurship development policies in Nigeria. The institutional-private oriented EDIs are set up by institutional entrepreneurs (Weik, 2011) in response to the plight of entrepreneurs in the business environment, especially in relation to formal institutions and financing challenges. Some of the support activities provided through these EDIs include mentoring, incubation, acceleration, policy advocacy, funding and funding linkages, capacity development, networking, business planning, business development, and legal, information technology and accounting consultancy.

Selected entrepreneurs across three stages of development also satisfy other criteria that make them suitable to provide data and insight into the role of EDIs and how it influences their decisions and actions. The first criterion is that the entrepreneurs must have benefited from one or more EDI programmes at any
stage of their development. Also, diversity of region and business sector was adopted. Other demographics though not prescribed in the selection but emerged as useful in the case study, included the levels of academic qualification, gender, religion, age, and prior subject expertise. All these features and the selection criteria contributed to the richness of the data from the entrepreneurs to better understand the phenomenon. The uniqueness of each category of EDI and entrepreneurs selected contributed to the maximum variation of the sample as intended by the study. Also, this helped to ensure the collection of rich data to understand the role of EDIs.

To capture the essence of this case study design, Figure 4.1 illustrates the visual representation of the case study of EDI in Nigeria designed to probe causal mechanisms that may either confirm or disconfirm given theories (Seawright and Gerring, 2008) or give opportunities to elaborate/advance given theories.

Figure 4.1 Visual representation of case study design

**Determinants of Entrepreneurship: A case study of Entrepreneurship Development Initiative**

Source: Author’s illustration based on fieldwork
According to Creswell et al. (2007), case study research studies an issue explored through one or more cases within a bounded system (i.e., a setting or a context). In bounding the case for this research, selecting the Nigerian context offers a unique opportunity to further investigate determinants by focusing on EDI and embedding EDI activities and entrepreneurs’ decisions as sub-units of analysis. Qualitative case studies can be distinguished by the size of the bounded case and the intent of the case analysis Creswell et al. (2007). This case analysis intends to show the role of EDIs as determinants of entrepreneurship through their effects. Therefore, the case of EDI in Nigeria utilising multiple cases of EDIs is suitable for this purpose. Hence this study focuses on activities involved in different areas of EDI support to entrepreneurs and draws on evidence from both sources.

This case study adopts an explanatory perspective to answer the questions on how determinants of entrepreneurship influence the entrepreneurship process within the Nigerian setting. Yin (2014) indicated categories of case study based on the purpose to include descriptive, exploratory, and explanatory case study. Descriptive is that which describes a phenomenon (the case) in its real-world context; exploratory is that which identifies the research question or procedure to be used in a subsequent research study, and explanatory explains how and why some conditions came to be. Based on these indicative purposes, the development of this case study design was guided as applicable by starting with an exploratory scoping study to test and clarify proposed research questions; identify key actors and their relationships, test and improve data collection protocol and methods, and to open the door for further examination of the phenomenon observed. Upon fulfilling the pilot study’s purpose, the outcomes indicated the need to examine data collected closely both at a surface and deep level to explain causal effects between entrepreneurship support and enterprise mortality and transition to being able to elaborate and build theory in an inductive manner.

By applying the theoretical framework, this study reveals how determining factors influence EDIs’ forms and activities and how these activities influence
decisions at different stages of development. This research focuses on EDI support activities and examines how these activities contribute to enterprise mortality and transition. A primary goal of this study is to make a theoretical contribution to knowledge relating to the understanding of determining factors and the influences on the dynamics of entrepreneurship development. To achieve this goal, data is collected from a carefully selected sample and the next section details the sampling approach.

### 4.4 Sampling Approach

Occasionally it may be possible to collect and analyse data from every possible case or group member; this is termed a census. However, for many research questions and objectives, it will be impossible to collect or to analyse all the data available to a researcher owing to restrictions of time, money and often access (Saunders et al., 2007). It is therefore important to select some element of the population that is appreciably representative, upon which a generalisable conclusion can be drawn depending on the researcher's intention on generalisation. Population, according to Bryman and Bell (2011:176), is the universe of units from which the sample is to be selected. Units being constituents of nations, cities, regions, firms etc. According to Blumberg et al. (2011), qualitative studies rooted in interpretivism usually do not attempt to generalise their findings to a population; rather, it is skewed more toward analytical generalisation.

In most qualitative investigations, the problem associated with sampling is ever present (Oppong, 2013). Hence, as discussed earlier (subsection 4.2.2), potential trustworthiness concerns dictate the biases and errors need to be addressed to ensure the credibility of research findings and undertakings. Therefore, certain criteria were considered in the sampling for this study to ensure that the result generated using the sample will adequately address the research problem, thereby avoiding sampling error. In the selection of EDIs, broad relationships with entrepreneurs, national-level reach, over a decade of
implementation, different intermediation expertise, differing entrepreneurship orientation, and initiators’ relationship with policymakers were some of the criteria considered. In selecting the entrepreneurs, activity status (active and failed), level of operation (micro and small), participation in EDI programmes across different regions, a mix of growth stages, and range in years of activity were some of the criteria considered.

Furthermore, the existence of preconceived notions about entrepreneurship development, such as lack of financing opportunities, corruption, and formal institution challenges (particularly taxation) in the Nigerian setting, requires that care is taken to ensure research evidence is not filtered through the existing notions. Therefore, three key things were done to avoid confirmation bias in the referral process. The first was the selection of entrepreneurs at different stages of development and in operation between 2-15 years in the sample. This way, the participants with longer years of operations can objectively address the preconceived notion and offer further information. Second, by selecting EDIs of different entrepreneurship orientations in the sample, diverse views on the preconceived notions can emanate at the practitioner level, thereby offering objective positions to avoid confirmation bias. Finally, on a personal note, having uncovered various issues that challenged my prejudices during my scoping study, I ensured I approached my data collection with an open mind and the willingness to uncover newer information.

Sampling in qualitative research tends to follow a replication logic in which one looks for similar or contrasting cases that result in literal or theoretical replication, respectively (Yin, 2014:57). From this perspective, this study approached sampling with parameters that fit cases that will ensure effective application of the theoretical framework towards theoretical replication, providing multiple evidence that will help ensure the rigour of the study. Hence purposeful categorisation and selection of prospective cases are adopted in this study aligning with Patton (2002).
In a broad sense, according to various research literature (Yin, 2018; Blumberg et al., 201; Saunders et al., 2007; Bryman and Bell, 2011), sampling is categorised to comprise two fundamental techniques: probability and non-probability sampling. Probability sampling is a process by which researchers choose a selection of the population as they have characteristics that can be viewed as representative of a population, albeit in a smaller number (Higginbottom 2004). Here, the selection is made statistically at random with the intention to provide indisputable evidence of the significance of various phenomena for the whole population, thereby ensuring the generalisability of the findings. Non-probability sampling technique, however, offers a range of alternative techniques to select samples based on subjective judgement (Saunders et al., 2007). Here, judgements are made about who or what to sample with reference to the purpose of the study, its context, and the specific audience for the research (Emmel, 2014). This aligns more with the approach of this study.

Non-probability sampling includes techniques such as convenience sampling, which involves selecting haphazardly those cases that are easiest to obtain as samples; snowball sampling, which involves making contact with one or two cases in a population and then asking these cases to identify further cases; self-selection sampling is where each case is allowed to identify their desire to take part in the research as a response to a publicised need for cases, and purposive or judgmental sampling, where the researcher uses own judgement to select cases that are best suitable to answer the research question(s) and to meet the objectives. In purposeful sampling, sample members are selected to conform to set criteria (Blumberg et al., 2011) to ensure greater accuracy of results through better interviewing and thorough investigation. This study follows Patton’s (2002) maximum variation and criteria-based sampling approach by way of purposeful sampling. According to Patton (2002), criteria sampling involves selecting cases that met some predetermined criterion of importance, while maximum variation sampling is used to purposefully pick a range of cases to get a variation on dimensions of interest.
This sampling approach is very important to achieve the goals of this study because the study aims to understand determinants of entrepreneurship by focusing on EDIs activities and the effects on beneficiaries (entrepreneurs) of their programme. These are specific players within the entrepreneurship ecosystem hence the need for a discrete selection of samples. Furthermore, the proliferation of EDIs in the Nigerian setting, as discussed in Chapter 3, requires the case study to entail a range of EDIs and entrepreneurs to allow for the richness of data, hence the need for maximum variation. Apart from the rationale above, these sampling techniques are deemed appropriate, having considered works such as Toledano, Urbano, and Bernadich (2010) and Albornoz Pardo (2013). The sampling approach in their study on entrepreneurship development is characterised by predefined case features such as size, years of business, sector, organisational form and business model, scope and type of activities, and target entrepreneurs served. All of which are significant selection criteria for identifying suitable sample to adequately help achieve the objectives of this research. The following subsection details the process and activities undertaken toward case definition, identification and selection of participants included in this study sample.

4.4.1 Pilot study

The sampling for cases and informants’ selection in this study started by conducting an exploratory pilot study in July 2018 in Nigeria. The aims of the pilot study were to visit organisations and persons identified as potential study participants and to test and establish access to them. Also, to clarify some Nigeria-specific entrepreneurship issues by testing to confirm some research questions and objectives through informal discussions on entrepreneurship determinants, early business mortality, transition inhibitors, and the role of EDIs. This helped to determine the suitability of prospective EDIs to be included in the study samples by virtue of their role. The study aimed to highlight the current thinking behind entrepreneurship in Nigeria and provide a framework for in-depth study.
Upon completing a desk review of academic and grey literature on entrepreneurship in the Nigerian setting, an indication of potential persons across representative stakeholder groups emerged. This begins to help create a generic list of prospective participants across government agencies, private incubators, accelerators, and other not-for-profit organisations that actively engage in enterprise development. For convenience regarding ease of access, I started with informal acquaintances (ex-colleague) through whom I made contact with some of the persons of interest. Through this, a few connections were made, including one with a prominent not-for-profit institutional intermediary through which further contacts were established by snowballing. The institutional intermediary used the vantage position to introduce me to relevant government agencies, entrepreneurs, and other institutions. This enabled me to start creating a specific list of possible study participants and then used an exploratory pilot study to clarify and produce a more assured list of participants for the investigation.

Having fulfilled the objectives of the pilot study, it was clear that to effectively apply the theoretical framework developed and address the research questions, purposive sampling incorporating criteria-based and maximum variation approach is most appropriate. The study is interested in entrepreneurs at different stages of the enterprise life cycle; hence it was important to select some at start-up and others at the established stage. So, the entrepreneurs were recruited from EDIs run as incubation and acceleration programmes unilaterally or collaboratively by intermediaries, rather than randomly selecting entrepreneurs. Furthermore, because SME mortality is an integral part of the investigation, it was important to include an entrepreneur whose attempt at creating or running an SME failed despite EDI support.

Preliminary analysis of findings from the scoping study indicated alignment of the samples with the entrepreneurship dimension map (Figure 2.2) developed in the literature review. This informed the definition of the case and the sample selection. The participants include EDIs and entrepreneurs, and for EDIs, inclusion in the study sample became based on first entrepreneurship orientation.
and then other criteria earlier listed. For the entrepreneurs, the main criterion was prior participation in an EDI programme. Four categories (EDIs of pure-public, private-social, institutional-private, and pure-private orientations) were selected as illustrated in Table 4.5, and prospective participants were included in the sample as fit to these categories. These were further scrutinised, and exclusion was done using more stringent criteria to ensure the study sample could adequately contribute towards achieving the objectives of this study.
<table>
<thead>
<tr>
<th>Entrepreneurship Dimension (Category)</th>
<th>EDI</th>
<th>Reason for Inclusion</th>
</tr>
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<tbody>
<tr>
<td><strong>Pure-public Orientation</strong></td>
<td>Bank of Industry (BOI)</td>
<td>BOI is a developmental finance institution that operates under the Federal Ministry of Industry, Trade, and Investment FMITI. It runs several programmes and is the custodian of several entrepreneurship-related funds, including the NEDEP fund (targeted at MSMEs).</td>
</tr>
<tr>
<td><strong>Private-social Orientation</strong></td>
<td>Small &amp; Medium Enterprise Development Agency of Nigeria (SMEDAN)</td>
<td>SMEDAN is a federal government agency through which prospective entrepreneurs and SMEs that want to come on the NEDEP programmes apply for government funding, managed by Bank of Industry.</td>
</tr>
<tr>
<td><strong>Private-social Orientation</strong></td>
<td>Tony Elumelu Foundation (TEF)</td>
<td>Philanthropic organisation and the largest incubator/accelerator in Nigeria with resident funding for selected participants on its programme. It takes on 1000 applicants annually and is scheduled to run for ten years.</td>
</tr>
<tr>
<td><strong>Private-social Orientation</strong></td>
<td>Fate Foundation</td>
<td>FF is an entrepreneurship development social enterprise that engages in three key areas of entrepreneurship: education, research, and support. It runs different programmes in capacity development and entrepreneurship support. It also engages in entrepreneurship research and policy dialogues</td>
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</table>
and has published several technical research documents on entrepreneurship in Nigeria.

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<tr>
<th>Pure-private Orientation</th>
<th>CoCreation Hub</th>
<th>Lead Space</th>
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</table>

CC Hub and Lead Space are privately owned and for-profit EDIs that operate relatively smaller incubators but are very active in the market. Both organisations provide capacity development, business support and access to equity investors.

|----------------------------------|-------------------------------------------------|--------------------------------------------|--------------------------------------------------------|-----------------------------------------------|

These EDIs are referred to as Business Membership organisations (BMOs). They are voluntary associations formed based on business categorisation (MSME), business sector, and other classifications that establish some level of homogeneity. They are operated, funded, and government using the membership model and engage in developmental support for their members.

Source: Author’s illustration based on a pilot study
Preliminary analysis of interviews, documentary evidence and informal discussions reveal various commonalities and diversities of approaches, structure, target beneficiaries and activities emphasised by the different EDIs. For example, it emerged that all categories of EDIs, but the pure-private, have national-level reach and a diverse set of entrepreneurs in terms of sector, stage of entrepreneurship, and significant interest and engagement in policy issues. Although the pure private EDIs are active and increasing in number, it could be argued that their profit orientation limited the scope of their activity to supporting mostly ideation and execution stages in only trending sectors. Also, this meant they are concentrated in Lagos, being the country’s commercial centre. These findings limited their (pure-private EDIs) potential contribution to this study compared to the three other categories. Furthermore, due to time constraints, it is efficient to exclude this category at this point since entrepreneurs in ideation and execution stages in trending sectors are also supported by the EDIs in the three other categories. Hence the decision to move forward with only three categories (pure-public, private-social, and institutional-private).

Contrary to the commonalities highlighted above about EDIs in these three categories, there are significant diversities in how they are organised, evidenced by their approaches to entrepreneurs’ support. This provides the maximum variation that will help with applying the theoretical framework and conducting a within-case analysis to understand the role of EDIs better. Specific to the EDI samples included, though both BOI and SMEDAN are policy instruments, they showed differences in approaches to support despite operating under the same ministerial umbrella (FMITI). This made them valuable contributors to this study. TEF and Fate Foundation share several commonalities but also striking differences in approach that made them good potential participants. However, TEF programmes run strictly through virtual support system, thereby alienating a significant portion of entrepreneurs of interest in this study. This issue, coupled with the challenge with access discussed in the next section, meant it had to be jettisoned to focus on Fate foundation as the participant in the private-social EDIs
category. Finally, all the four BMOs included offered some similarities in support activities to other EDIs, and they boast the most direct interaction with the entrepreneur compared to other EDIs. Also, being sector and business size focused, they have the most diverse set of entrepreneurs to support. And their inclusion is justifiable on this basis.

Furthermore, another important finding from the pilot study was that entrepreneurs in the Nigerian setting get support from multiple EDIs at different times, depending on their needs, circumstances, and stage of development. This helped to narrow down the selection of beneficiaries of EDIs to include in the study sample. The pilot study revealed that participants on the private-social EDIs' programmes are typically directed to other EDIs as part of a collaborative effort to provide indirect support in complementary services, for example, indirect funding provided through BOI. Therefore, entrepreneurs from these sources were nominated and selected to be included in the study sample, thereby ensuring adequate scope in entrepreneurs' perspectives covered in the study. The following section presents how access to these research participants was secured utilising the pilot study. It also highlights challenges encountered during attempts to gain access and how this impacted the study.

4.4.2 Negotiation of access

In negotiations of access to participants, four of the strategies to gain access highlighted by Saunders et al. (2007) were useful. Firstly, upon initial consultation, the credibility of the study was quickly established by sharing the purpose of the research and how their contribution will be valuable to the study. This was followed by assurances about confidentiality, anonymity, and all other necessary information to ensure comfort for the participants. These included a detailed participant information sheet, a consent form to be completed and a sample of the interview protocol. Secondly, as part of the information provided before participation, all the participants were offered the opportunity to opt to receive a copy of the summary report of the findings. A third strategy adopted was to gain incremental access based on established rapport with the participants.
during the initial data collection. This was used in interaction with the BMOs and Fate Foundation. Upon completion of interviews, further access was secured to conduct rapid observations of the annual general meeting proceedings of the National Association of Small-Scale Industrialists (NASSI) cooperative and skill development sessions at Fate foundation. Also, secondary data (organisation documents), which otherwise would have been financially expensive to secure, were obtained.

The fourth strategy relates to access to entrepreneurs in different regions of the country. As earlier highlighted, the suitable samples of entrepreneurs for this research's questions are entrepreneurs that are beneficiaries of EDI programmes. Therefore, existing contacts in the EDIs were used to develop new contacts with entrepreneurs in different regions. This way, access was secured to the appropriate entrepreneurs included in the study sample. All participants were contacted via email, followed by phone calls where necessary. In some cases, multiple visits were made to prospects, and informal discussions had to clarify doubts regarding respondents’ concerns. Despite these efforts and ultimately gaining access to participants, the data collection from some study participants was not without some challenges (see subsection 4.5.8). However, there were two specific challenges that limited access to potential study participants. These comprise security risks and organisational concerns, and they will be discussed next.

Nigeria has six geopolitical zones, as shown in Figure 4.2, with the southwest and the southeast being the most commercially active, with cities like Lagos and Port Harcourt, respectively.
All the big and active EDIs are implemented in Lagos or Abuja (federal capital territory) in the Northcentral region because of the presence of government agencies that support entrepreneurs across the country. The intention was to select EDIs from Lagos and Abuja because of their concentration and to select entrepreneurs from all six regions to participate in my study. However, at the time of conducting the study, there was a security alert in the northern region relating to Boko Haram terrorism and kidnapping in the south-south and southeast regions. Though interest was secured from participants in all the regions, sources of participants had to be reviewed without compromising the quality of data by ditching the regions with significant security risk and therefore concentrated on gaining access to participants (entrepreneurs) from three cities across the southwest and the north-central through the EDIs with national reach to be included in the study sample.
4.5 **Method of Data Collection**

Data collection for this study was done in five phases, as summarised in Table 4.6. It involved the initial scoping study, followed by pre-fieldwork and the fieldwork. This section details the investigation design, which includes summaries of location, participants, and data collection method. Also, fieldwork activities on the ground through summaries of interviews, observations, informal discussions, and document collection activities during the period. It also highlights small but significant auto-ethnography, the challenges encountered during the fieldwork, and the impact on the study.
<table>
<thead>
<tr>
<th>Phase</th>
<th>Activity</th>
<th>Goal</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pre-fieldwork</strong></td>
<td>Pilot study for exploring potential participants; access, research question testing, and initial data collection.</td>
<td>To refine the research questions and data collection protocol and to identify suitable participants for the study sample.</td>
<td>Improved data collection protocol and identified suitable participants.</td>
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<tr>
<td>July 2018</td>
<td></td>
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<tr>
<td><strong>Pre fieldwork preparation</strong></td>
<td>Desk research, development of list and contact potential participants; development of rapport and credibility using participant information document.</td>
<td>To Establish contact and secure interview appointments with all selected EDIs.</td>
<td>Established rapport and secured interviews with three of the selected EDIs. Also got commitment with one on the nomination of beneficiaries and planned how to engage them for access.</td>
</tr>
<tr>
<td>Early fieldwork</td>
<td>Conduct interviews with EDI executors where appointments have been secured and pursue unsecured ones. Draw a list of suitable beneficiaries with the support of EDI executors. Also, conduct rapid observation of activities where feasible.</td>
<td>To collect data on entrepreneurship determinants and examine the interaction of EDIs with entrepreneurs and other stakeholders. To select and be introduced to potential study participants (entrepreneurs).</td>
<td>I interviewed three executives and secured appointments for seven others across seven EDIs.</td>
</tr>
<tr>
<td><strong>Mid fieldwork</strong></td>
<td><strong>July 2019</strong></td>
<td>Interview new EDI contacts secured and email and phone calls to solicit and book interview dates and venues with selected entrepreneurs.</td>
<td>To establish rapport and book interview appointments with selected participants (entrepreneurs).</td>
</tr>
<tr>
<td></td>
<td><strong>Late fieldwork</strong></td>
<td><strong>August 2019</strong></td>
<td>Interview selected entrepreneurs.</td>
</tr>
</tbody>
</table>

Source: Author’s illustration
4.5.1 Investigation design

Two categories of participants were included in this study’s samples: EDI executors and entrepreneurs. Ten EDI Executors from seven EDIs were included as participants based on their roles. Thirty entrepreneurs were nominated by the EDI executors and prospected to be included in the study. These nominees cut across stages of entrepreneurship, regions, size, and period of entrepreneurship engagement. The stage criterion involved selection based on nascent, early-stage and established. The region criterion involved selection from the north-central (Abuja), southwest (Ibadan), and southwest (Lagos) regions of Nigeria. The business size criterion used was based on the MSME definition, and the participants were selected within the micro and small categories. This was done first because over 90% of Nigeria’s MSMEs are micro and small, and these demographics cut across the execution and growth stages of development. Selected participants' years of establishment ranged from 2-15 years.

To ensure the findings of this study and the interpretations are trustworthy, multiple data collection methods were employed to triangulate the sources (Denzin, 1978). Though data collected for empirical analysis was mainly through interviews, four other sources were employed to collect further data, primarily for corroboration/confirmation of evidence from the primary data sources. First was the rapid observation of how interventions are implemented through the EDIs. This provided additional benefits of seeing how the entrepreneurs engage the EDI to confirm claims made by the EDI executors in the data collected. The second was document collection for documented data evidence of some of the EDI activities. For example, reports, brochures, association constitutions, advertisement and recruitment materials, and other printed sources. These documents further evidenced the EDI executors’ claims and helped frame follow-up questions in interviews conducted for primary data collection. The third was informal discussions with entrepreneurs that have never benefited from any form of intervention or support but have operated to the growth stage of development. The data from this source was very beneficial because it offers the opportunity to
objectively ascertain whether EDIs awareness and access creation activities are effective. Also, it helps to see the plight of entrepreneurs seeking funding without any form of intermediation.

The fourth was from an auto-ethnography source where valuable data was collected over four months of engagement with execution and growth stage entrepreneurs implementing their business plans. This leaned towards the concept of persistent observation, which Lincoln and Guba (1985) described as one of three activities that are likely to increase the credibility of findings. According to them, this is not a mindless immersion but a process of identifying those characteristics and elements in situations most relevant to the problem or issue being pursued and focusing on them in detail. The additional benefit of the auto-ethnography was the data/confirmations that emerged from live feedback on daily execution volunteered during weekly business coaching sessions and action learning sets. This is unique in the sense that such data would not have been captured using the primary data collection approach (interviews) adopted. This also confirmed and gave me more confidence in the interview data collected.

In presenting the findings in this study, I relied mostly on evidence from the semi-structured interviews conducted because understanding the EDI activities and their impact can be best learned from the actors who deliver and receive the interventions. However, to ensure the trustworthiness of the findings and their interpretation, data from other sources (elaborated above) were drawn upon and incorporated for corroboration across portions of Chapters 5 and 6. This proved immensely beneficial, thus giving further credence to the primary data.

4.5.2 Summary of activities
Upon confirming the willingness of EDI participants, initial meetings were arranged to plan and schedule interviews. The interview with the executors at SMEDAN also doubled as a link to securing interview slots with other EDI executors by facilitating the appointments. These EDIs included four leading Business Membership Organizations BMO (see Table 4.7 below). Upon concluding
some interviews with the executors, a list of beneficiaries was drawn, and contact was made through emails and phone calls to seek support and consent to participate. Twenty prospects accepted to participate, and interviews were scheduled and held with fourteen beneficiaries (see Table 4.7). Apart from documented interviews with the executors and beneficiaries, informal discussions (details provided later in subsection 4.5.5) were held with entrepreneurs who did not participate in any EDI programmes. This was done for further sense-making of the level of awareness and role of EDIs outside of beneficiaries that are alumni of their programmes. Furthermore, observations of some activities were conducted to see what obtains in practice to corroborate some of the data collected from interviews and other sources such as documents (details provided later in subsection 4.5.4) that provide information about the organisation. The following subsections present records of activities.

4.5.3 Interview

In total, 24 interviews were conducted, and all interviews were done face to face with the participants. The participants consisted of ten EDI executors and fourteen entrepreneurs. Table 4.7 provides the schedule of participants highlighting potential contributions to the study, and Table 4.8 illustrates the demographics of the entrepreneur. The interviews ranged from 45 to 90 minutes and were audio-recorded and transcribed. Although all the interview protocols used were themed to cover challenges, relationships, awareness, perception of role/support, funding, policy, and motivation, the beneficiaries' protocol was generic and tailored to the group. However, the ones used for the executors were adapted to suit the roles played by each participant in their EDIs to ensure all activities were effectively captured. For example, instead of focusing on the role of government support (as done in the protocol for BOI and SMEDAN), protocols used for Fate Foundation executors highlighted the role of EDIs and their observation/records of determinants from their individual roles and interaction with entrepreneurs.
Considering the BMOs' direct relationship with entrepreneurs, and more importantly, because of the institutional entrepreneurship approach to their operational model, the interview protocol used for this group was designed to explore determinants through the gaps they have identified in operations of other EDIs such as BOI and Fate Foundation. Furthermore, the entrepreneurs selected have between 2-15 business operation, and their interview protocol explores their background, enterprise experience, and especially interaction with EDI.
<table>
<thead>
<tr>
<th>Activity</th>
<th>Participant</th>
<th>Entrepreneurship Dimension</th>
<th>Company/ business type</th>
<th>Position/ Job title</th>
<th>Place</th>
<th>Comments &amp; Contribution to Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interview</td>
<td>EDI-3-BO</td>
<td>Public Sector</td>
<td>Development Finance Institution</td>
<td>Head, SME Funds</td>
<td>Lagos</td>
<td>The SME Funds department of Bank of industry manages BOI's initiative on entrepreneurship development. It was initially set up to establish partnerships (with public and private organisations) and source, warehouse and disburse development funds to entrepreneurs in a structured manner. Due to the need for effective fund management, it has expanded activities to include training, mentoring and ‘monitoring and evaluation’. It contributes data from the public sector entrepreneurship perspective.</td>
</tr>
<tr>
<td>Interview</td>
<td>EDI-1-SU</td>
<td>Private-Social Business Development Support</td>
<td>Growth Support Lead</td>
<td>Lagos</td>
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<td></td>
<td>The growth team of Fate Foundation focuses on the business and management development of entrepreneurs post programmes engagement. Their activities include monitoring and evaluation of the implementation of acquired skills, growth, and expansion of entrepreneurs. The department contributes data on entrepreneurs' business management challenges and the support provided.</td>
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<table>
<thead>
<tr>
<th>Interview</th>
<th>EDI-1-PO</th>
<th>Private-Social Business Development Support</th>
<th>Research &amp; Policy Lead</th>
<th>Lagos</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>The research and policy team of Fate Foundation focuses on the investigation of enablers and inhibitors of the entrepreneurship environment from a formal institutional perspective. The contribution is mainly on the implication of policies and the interaction of stakeholders to assess these implications and initiate dialogues to highlight these to influence the implementation of current policies and the formulation of future ones.</td>
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<tr>
<td>Interview</td>
<td>EDI-1-CD</td>
<td>Private-Social</td>
<td>Business Development Support</td>
<td>Enterprise Learning Lead</td>
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<tr>
<td>The enterprise learning team of Fate Foundation focuses on business management skill development by segmentation to ensure targeted development interventions are carried out. This is done by providing different programmes targeted at different stages of entrepreneurship development. Contributions from this include data on entrepreneurship determinants, but as it relates to different stages of entrepreneurship. It also highlights the role of EDIs in skill development.</td>
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<table>
<thead>
<tr>
<th>Interview</th>
<th>EDI-1-ME</th>
<th>Private-Social</th>
<th>Business Development Support</th>
<th>Programme Officer, Mentoring</th>
<th>Lagos</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Mentoring team of Fate Foundation focuses on the structured corporate coaching of entrepreneurs as post-skill acquisition and implementation support. The contribution here highlights the role of EDI in addressing the risk of early mortality.</td>
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<table>
<thead>
<tr>
<th>Interview</th>
<th>EDI-4-SM</th>
<th>Pure-Public</th>
<th>Development Agency (Govt)</th>
<th>Deputy Director</th>
<th>Abuja</th>
</tr>
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<tbody>
<tr>
<td>SMEDAN is positioned as the umbrella government agency that serves as the custodian of MSME development through which all developmental activities embarked upon by all players</td>
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</tbody>
</table>
within the ecosystem (including other EDIs) ought to be coordinated to ensure alignment with the Governments' National MSME policy. SMEDAN contributes the pure-public perspective data to this investigation and highlights an envisaged national framework for entrepreneurship development.

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<thead>
<tr>
<th>Interview</th>
<th>EDI-5-AM</th>
<th>Institutional BMO</th>
<th>National Secretary Lagos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interview</td>
<td>EDI-2-AS</td>
<td>Institutional BMO</td>
<td>National President Lagos</td>
</tr>
<tr>
<td>Interview</td>
<td>EDI-6-MA</td>
<td>Institutional BMO</td>
<td>Senior Manager, Sectoral Dept Lagos</td>
</tr>
<tr>
<td>Interview</td>
<td>EDI-7-NA</td>
<td>Institutional BMO</td>
<td>Chairman, Abuja, Lagos State</td>
</tr>
</tbody>
</table>

The BMOs are set up to create a value network and support framework for member organisations to help them navigate the challenging business environment successfully. Consistent data across the different organisations is that individually, entrepreneurs are incapable of addressing challenges constantly posed by formal institutions in the Nigerian business environment. However, together as a group, they are a bigger and better force to defend the interest of the members. Organisations in the survey include AMEN, ASBON, MAN, and NASSI. Contributions from these organisations include data on entrepreneurship development.
determinants and qualify them as EDIs that fit the institutional dimension of entrepreneurship. It also presents evidence of the roles of EDI because their activities include capacity development, advisory services, growth monitoring and evaluation, networking opportunities and advocacy services.

<table>
<thead>
<tr>
<th>Interview</th>
<th>BA1-ES-MI</th>
<th>Private (Individual)</th>
<th>Fashion (Cosmetic Services and training)</th>
<th>Founder/Lead Trainer</th>
<th>Abuja</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interview</td>
<td>BA2-ES-MI</td>
<td>Private (Individual)</td>
<td>Fashion (Clothing services)</td>
<td>Founder/Lead Clothier</td>
<td>Abuja</td>
</tr>
<tr>
<td>Interview</td>
<td>BA3-FA-MI</td>
<td>Private (Failed Individual)</td>
<td>Library Development Consultancy</td>
<td>Founder/CEO</td>
<td>Abuja</td>
</tr>
<tr>
<td>Interview</td>
<td>BA4-GS-SM</td>
<td>Private (Collaborative)</td>
<td>Creative and Advertising Agency</td>
<td>CEO</td>
<td>Abuja</td>
</tr>
<tr>
<td>Interview</td>
<td>BL1-GS-SM</td>
<td>Private (Individual)</td>
<td>Learning/Business consultancy</td>
<td>Founder and CEO</td>
<td>Lagos</td>
</tr>
</tbody>
</table>

Participating entrepreneurs are all alumni of the EDIs and are in a good position to provide data that evidence the challenges at every stage of the development. Their decision to engage in an EDI programme will help understand gaps that will help assess whether EDIs are indeed critical in the development
<table>
<thead>
<tr>
<th>Interview</th>
<th>BL2-GS-SM</th>
<th>Private (Collaborative)</th>
<th>Apparel manufacturing</th>
<th>Founder/Lead Tailoring Consultant</th>
<th>Lagos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interview</td>
<td>BL3-ES-MI</td>
<td>Private (Collaborative)</td>
<td>Cinematography</td>
<td>Founder/Filmmaker</td>
<td>Lagos</td>
</tr>
<tr>
<td>Interview</td>
<td>BL4-GS-MI</td>
<td>Private (Individual)</td>
<td>Fashion (Couture Services)</td>
<td>Founder/CEO</td>
<td>Lagos</td>
</tr>
<tr>
<td>Interview</td>
<td>BL5-GS-SM</td>
<td>Private (Individual)</td>
<td>Chemicals processing (Paints manufacturing)</td>
<td>MD/CEO</td>
<td>Lagos</td>
</tr>
<tr>
<td>Interview</td>
<td>BL6-GS-SM</td>
<td>Private (Individual)</td>
<td>Trichology Consulting</td>
<td>Founder/CEO</td>
<td>Lagos</td>
</tr>
<tr>
<td>Interview</td>
<td>BL7-ES-MI</td>
<td>Private (Collaborative)</td>
<td>Creative Agency and Academy</td>
<td>CEO</td>
<td>Lagos</td>
</tr>
<tr>
<td>Interview</td>
<td>BL8-GS-SM</td>
<td>Private (Collaborative)</td>
<td>Environment Sustainability Consulting</td>
<td>Founder/MD</td>
<td>Lagos</td>
</tr>
<tr>
<td>Interview</td>
<td>BI1-GS-SM</td>
<td>Private (Individual)</td>
<td>Agribusiness (Primary)</td>
<td>Founder/MD</td>
<td>Ibadan</td>
</tr>
<tr>
<td>Interview</td>
<td>BI2-GS-SM</td>
<td>Private (Individual)</td>
<td>Agribusiness (Primary &amp; Processing)</td>
<td>Founder/MD</td>
<td>Ibadan</td>
</tr>
</tbody>
</table>

Source: Author’s illustration based on three months of fieldwork
<table>
<thead>
<tr>
<th>ID</th>
<th>Legal Form</th>
<th>Ownership structure</th>
<th>MSME Business Class</th>
<th>Industry</th>
<th>Business</th>
<th>Highest Academic Degree &amp; Subject</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA1-ES-MI</td>
<td>Limited Company</td>
<td>Sole Proprietorship</td>
<td>Micro</td>
<td>Fashion and Beauty</td>
<td>Fashion (Cosmetic Services &amp; training)</td>
<td>Bachelors (Computer Science)</td>
</tr>
<tr>
<td>BA2-ES-MI</td>
<td>Enterprise</td>
<td>Sole Proprietorship</td>
<td>Micro</td>
<td>Fashion</td>
<td>Fashion (Clothing services)</td>
<td>Masters (International Affairs &amp; Diplomacy)</td>
</tr>
<tr>
<td>BA3-FA-MI</td>
<td>Limited Company</td>
<td>Sole Proprietorship</td>
<td>Micro</td>
<td>Library Information Technology</td>
<td>Library Development Consultancy</td>
<td>PG Dip (Management Technology)</td>
</tr>
<tr>
<td>BA4-GS-SM</td>
<td>Limited Company</td>
<td>Co-ownership</td>
<td>Small</td>
<td>Media &amp; Marketing</td>
<td>Creative &amp; Advertising Agency</td>
<td>Bachelors (Electrical Electronics Engineering)</td>
</tr>
<tr>
<td>BL1-GS-SM</td>
<td>Enterprise</td>
<td>Sole Proprietorship</td>
<td>Micro</td>
<td>Business Consulting</td>
<td>Learning/Business Consultancy</td>
<td>PhD (Management)</td>
</tr>
<tr>
<td>BL2-GS-SM</td>
<td>Limited Company</td>
<td>Collaborative</td>
<td>Small</td>
<td>Garment manufacturing</td>
<td>Mass garment production</td>
<td>Bachelors (Business Administration)</td>
</tr>
<tr>
<td>BL3-ES-MI</td>
<td>Limited Company</td>
<td>Co-ownership</td>
<td>Micro</td>
<td>Media</td>
<td>(Video Production &amp; Film)</td>
<td>Bachelors (Computer Science)</td>
</tr>
<tr>
<td>BL4-GS-MI</td>
<td>Enterprise</td>
<td>Sole Proprietorship</td>
<td>Micro</td>
<td>Creative Art</td>
<td>Fashion Services</td>
<td>Bachelors (Marine Biology)</td>
</tr>
<tr>
<td>BL5-GS-SM</td>
<td>Limited Company</td>
<td>Co-ownership</td>
<td>Small Manufacturing</td>
<td>Chemical processing (Paints manufacturing)</td>
<td>Bachelors (Mathematics)</td>
<td></td>
</tr>
<tr>
<td>----------</td>
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<td>--------------</td>
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<td>--------------------------------------------</td>
<td>------------------------</td>
<td></td>
</tr>
<tr>
<td>BL6-GS-SM</td>
<td>Limited Company</td>
<td>Co-ownership</td>
<td>Small Wellness</td>
<td>Trichology Consulting</td>
<td>Bachelors (Law)</td>
<td></td>
</tr>
<tr>
<td>BL7-ES-MI</td>
<td>Enterprise Sole Proprietorship</td>
<td>Micro Information Technology</td>
<td>Creative Agency and Academy</td>
<td>Bachelors (International Business)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BL8-GS-SM</td>
<td>Limited Company</td>
<td>Co-ownership</td>
<td>Small Environmental Sustainability</td>
<td>Environment Sustainability Consulting</td>
<td>Masters (Chemical Engineering)</td>
<td></td>
</tr>
<tr>
<td>BI1-GS-SM</td>
<td>Enterprise Sole Proprietorship</td>
<td>Micro Agriculture</td>
<td>Agribusiness (Primary)</td>
<td>Masters (Geotechnical Engineering)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BI2-GS-SM</td>
<td>Enterprise Sole Proprietorship</td>
<td>Micro Agriculture</td>
<td>Agribusiness (Primary Processing) &amp;</td>
<td>Bachelors (Social Studies)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Author’s illustration based on three months of fieldwork
4.5.4 Observations

An invite was secured to attend and observe the annual general meeting AGM of the NASSI Cooperative, an organised membership group within NASSI designed to create further enabling environment for member entrepreneurs as a solution to gaps identified in the entrepreneurship development space (summary in Table 4.9 below). The AGM covered investment, financing, dividend, operational and election issues. The cooperative provides financing and business incubation for its member in a very cost-efficient manner. It also creates investment opportunities for its members as part of its financing model. In their funding model, entrepreneurs need to join the NASSI membership and then the NASSI cooperative. They then set a saving target that enables them to apply for 200% of total savings at 12% per annum. The only key requirement will be two guarantors within the organisation, and the funding is usually processed and disbursed within 48hrs of application. The incubation model involves entrepreneurs coming up with business ideas and a three-year plan for panel assessment. If successful, they are allocated a factory space within the incubation centre and are expected to grow a vacate the space by the end of three years. The observation at Fate Foundation is summarised in Table 4.9.
### Table 4.9 Summary of findings from observation

<table>
<thead>
<tr>
<th>Activity</th>
<th>Place/EDI</th>
<th>Activity</th>
<th>Summary</th>
<th>Insightful outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observation</td>
<td>National Association of Small-Scale Industries (NASSI)</td>
<td>Annual general meeting of the members' cooperative society</td>
<td>Although NASSI was initially set up to represent the interest of small businesses that engage in manufacturing, it soon came up with the cooperation approach to further deal with the needs of its members. At the 2019 AGM of the cooperative, financial position and performance were reported; new members were welcomed, dividends were shared, and the election was conducted for leadership and committee offices for the next term (2 years).</td>
<td>Significant evidence of institutional entrepreneurship as suggested by Weik (2011) and expressed through the creation of a community-based solution approach referred to as pure sharing (Szabo, 2017). The NASSI cooperation infrastructure addresses all the financing challenges (interest rate, collateral requirement, administrative speed etc.) faced by entrepreneurs in the area of access to funding. They give their members credit facilities at a low rate in a very short time, having fulfilled very minimal requirements.</td>
</tr>
<tr>
<td>Observation</td>
<td>Fate Foundation</td>
<td>Next economy training session</td>
<td>Next Economy is a pre-start-up programme run by Fate Foundation in partnership with the Dutch Ministry of Foreign Affairs. It is targeted at young people (30 years and below) and aimed at Preliminary findings from the data collection show that necessity-based or ‘Push Entrepreneurship’ (Amit and Muller (1995) is endemic in Nigeria and might significantly contribute to early mortality.</td>
<td></td>
</tr>
</tbody>
</table>
developing business management and core life skills. The programme is designed as a typical personal development intervention delivered over six weeks. The session focused on exploring entrepreneurship to help young people make informed decisions about future career paths. It covered the assessment of motives, entrepreneurship requirements, the life of an entrepreneur and challenges of entrepreneurship in the Nigerian context.

Some EDIs also engage in the form of taster programmes through which aspiring entrepreneurs can be guided and helped to rationally choose entrepreneurship or return to pursuing a career in paid employment. One of such is the 'Next Economy programme at Fate Foundation.

Source: Author’s illustration based on three months of fieldwork
4.5.5 Informal discussion

As part of the field trip, informal interactions were held with three entrepreneurs and one EDI executor primarily for sense-making and corroboration. Two of the entrepreneurs have never gone through any form of structured entrepreneurship development programme. The third entrepreneur and the EDI executor were from a pure-private incubator. I used similar interview protocols as those used for the primary participants to guide the discussion. Table 4.10 highlights some of the evidence gathered. The emphasis in the discussion was on funding and awareness of EDIs and their roles.
Table 4.10 Informal discussions

<table>
<thead>
<tr>
<th>Participant</th>
<th>Category</th>
<th>Business type/ EDI</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>NBL2-GS-SM</td>
<td>Entrepreneur</td>
<td>Rental and event planning Services</td>
<td>Interactions with entrepreneurs with no relationship with any EDI show that though they have similar challenges as the beneficiaries (selected for this study), at start-up and developmental phases, they are totally oblivious of the role of the EDIs. When probed about the challenge of financing, they acknowledged their awareness of some development finance institutions (DFI) but never bothered to approach them because they believed they would never qualify for the available funding. Upon further probe, it emerged that they did not even know the qualification criteria and thought it would be a waste of their scarce resource (time) to pursue government funding. The finding echoes some of the thoughts of the participating entrepreneurs selected from the EDIs. That despite their awareness of the requirements, funds are still inaccessible. On the contrary, the BMO are able to prepare <em>package</em> their members to qualify for the funding.</td>
</tr>
<tr>
<td>NBL3-GS-SM</td>
<td>Entrepreneur</td>
<td>Fashion (ladies nightwear manufacturing)</td>
<td>Interaction with this executor focused on his experience as a beneficiary of the EDI support before assuming the position of an executor. He shared his personal experience of receiving physical capacity support as a participant in a BMO industrial park programme. He highlighted that those co-working facilities offered to execution stage entrepreneurs in industrial parks enable them to save costs through communal utilities (electricity and water) and</td>
</tr>
<tr>
<td>EDI-7-NA</td>
<td>Entrepreneur</td>
<td>BMO/Manufacturing</td>
<td>Interaction with this executor focused on his experience as a beneficiary of the EDI support before assuming the position of an executor. He shared his personal experience of receiving physical capacity support as a participant in a BMO industrial park programme. He highlighted that those co-working facilities offered to execution stage entrepreneurs in industrial parks enable them to save costs through communal utilities (electricity and water) and</td>
</tr>
</tbody>
</table>
save money on rent through subsidised letting. The communal utilities also afford them speedy approvals from regulatory agencies like NAFDAC and SON because the entrepreneurs can better meet application qualification criteria communally rather than individually.

| NBL1-ES-MI | Entrepreneur Information technology | Discussion with the entrepreneurs corroborated EDI’s physical capacity support role, like those provided by some BMOs but mainly for the exploration and execution stage businesses. He affirmed the value of the support with an emphasis on the networking opportunity at the hub. |
| EDI-8-CC | EDI executor Private incubator | This discussion also corroborated EDI’s role and highlighted financing, mentoring and office space provision as the types of support they provide. They also focus on exploration and early execution stage enterprises. |

Source: Author’s illustration based on three months of fieldwork
4.5.6 Document collection

Documents collected (Table 4.11) during the field trip are communication documents that evidence some of the activities of the EDIs.

Table 4.11 List of documents

<table>
<thead>
<tr>
<th>Documents</th>
<th>Source</th>
<th>Content &amp; Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigerian MSME Financial Literacy Survey (2018)</td>
<td>Fate Foundation</td>
<td>The policy advocacy study by Fate Foundation explores entrepreneurs' knowledge of the working loan, budget, financial reporting, taxation, Savings, and investment.</td>
</tr>
<tr>
<td>Pamphlet on ‘Join ASBON Today’</td>
<td>Association of Small Business Owners</td>
<td>The pamphlet from ASBON was a communication document highlighting two key things. 1. 'Who can join' the association, listing out the business sectors. 2. 'Benefit from ASBON', including investment opportunities, advocacy, training, equipment procurement, business planning, account, and a list of other business support activities.</td>
</tr>
<tr>
<td><a href="http://WWW.asbon.org">WWW.asbon.org</a>, TV Program ‘BE YOUR OWN BOSS’, Radio Program ‘START YOU OWN BUSINESS TODAY’</td>
<td>Association of Small Business Owners</td>
<td>TV programmes are held weekly on Saturdays on four TV station • MITV Channel UHF 43, 9.30 -10 am • DSTV Channel 255 9.30 -10am Radio programmes are held weekly on two radio station • OGBC 90.5 FM 11.30-12.00noon Wednesdays</td>
</tr>
<tr>
<td>Source</td>
<td>Description</td>
<td></td>
</tr>
<tr>
<td>--------</td>
<td>-------------</td>
<td></td>
</tr>
<tr>
<td>MAN Information Manufacturers Association of Nigeria MAN</td>
<td>The MAN brochure provides information about the association, its vision and mission, and its broad objectives of the association. It also provides membership information.</td>
<td></td>
</tr>
<tr>
<td>Blueprint for the Manufacturers Association of Nigeria</td>
<td>The blueprint document produced by MAN in 2012 was a strategy document that was put together to drive public-private partnership toward seamless development of the manufacturing sector in Nigeria.</td>
<td></td>
</tr>
<tr>
<td>A review of Nigerian MSME Policy Environment (Fact Sheet)</td>
<td>This fact sheet summarised the review of MSME policies and highlighted the potential impact on MSME development. It looks at recent policy changes, factors hindering policy impact, macroenvironmental drivers, the lesson from other countries, and enablers of MSME success.</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author’s illustration based on three months of fieldwork
4.5.7 Auto ethnography

In an effort to contribute to the entrepreneurship development efforts in Nigeria, in the recent past, I teamed up with local contacts to run an Enterprise Management Skill Development programme designed to help small businesses develop basic management skills that will help them run their businesses sustainably. Having run micro-businesses within Nigeria in the past and worked within the financial service industry, and taught strategy management at a business school, I pulled all my learnings together to design a programme that ran over four months, taking the participants through critical subjects in business management and exposing them to using business simulators to practice the application of taught business theories and then use their organisations as cases. The programme culminated with taking each participant through the exercise of writing a business plan, which helped them to see their businesses from a different perspective.

In my interaction with the participants, challenges that emanated from this study echoed the ones highlighted by the participants on the programme. One of such was a participant who engaged in exporting tea and shea butter. He shared some interesting experiences that aligned with contextual influences from the literature review and shared by the participants (entrepreneurs) in this study. For example, he described the tea business detailing the economics and highlighted that it is still a developing industry, but because it is not trending, there are limited players in the business. This aligned with literature on industry/market context that lack of industry knowledge is a deterrent because players are sceptical and therefore commit limited resources. This also supports interviews that revealed that lack of adequate industry knowledge by financing institutions inhibits entrepreneurs' access to funding because of finance institutions' reluctance.

Other areas he mentioned included spatial context because the business he described thrives mainly in the Sahara region of Africa. That he was able to tap
into the opportunity because he is from the northern part of Nigeria, which is close to the Sahara, he also highlighted some institutional determinants, particularly national identity and perception. He explained that due to Nigeria's poor reputation in terms of product standards, his agri-produce (shea butter) from Nigeria is subjected to excessive scrutiny when exported. This led to moving his processing plants to South Africa, where exports to Europe face less scrutiny. However, this increased cost of production, mainly due to logistic and labour costs.

4.5.8 Reflexivity and fieldwork challenges

This section describes internal conversations (Archer, 2003) stemming from my background and how they were handled in their influences within this work. Upon completing this work, I reflect on my internal conversations, as described by Caetano (2017), to consist of personal dialogues in which we define and clarify beliefs, attitudes, and goals. I must say that my interest positively influenced how I pursued answering my research question because they came from my entrepreneurial and professional experience. Having come from a family where both parents engaged in entrepreneurship extensively and starting my first business as a university undergraduate, I am aware of the value of self-sufficiency and financial freedom that come with entrepreneurship hence my genuine and passionate quest for answers. More so because I now actively participate in entrepreneurship development in collaboration with EDIs within the Nigerian setting. Internal dialogue relating to these experiences informed my goal to ensure my work indeed contributes to practice within Nigeria.

On the contrary, my pre-knowledge of the Nigerian setting (being born and raised), especially the institutional context (formal and informal), infiltrated how I approached my work initially. I prejudged how I conceptualised some issues I believe would be useful in my investigation. So, I approached my desk reviews with unconscious biases seeking evidence to validate my pre-conceived notions such as issues of corruption, poor public administration, preference for the
informal economy, entrepreneurship as a status symbol, culture of tax evasion, etc. However, as I matured as a researcher over the first year of my PhD, I began to detach myself from the setting in terms of my prejudices as I realised that allowing myself to see the bigger picture began to help me see better ways to seek understanding of what I was investigating. Focusing my research on how factors influence action rather than predominant actions helped to start to understand the actions better, thereby helping me see the implications of my study. For example, understanding the entrepreneurs’ rationale for gravitating toward the informal economy helped me see the implication for policy rather than emphatically judge it as a cultural issue. The research journey has helped me take a paradigm shift in many of my beliefs about the setting and my attitude towards the actors.

Upon completing the fieldwork, I came to conclude that challenges that accompany data collection needed to be anticipated better than I did and considered it necessary to document specific ones which may or may not be peculiar to the Nigerian setting but as useful knowledge for future researchers that intend to conduct studies in Nigeria. Having extensive knowledge of the setting and boasting a network of contacts, I believe I overestimated my capability to overcome the challenge of sensitivity toward contribution to research in the corporate employees. I also underestimated the challenge of some cultural biases, especially in communication style. Other significant challenges encountered included managing my expectation of participants’ priorities, transportation/traffic situation, and remoteness of participants' locations. Specific incidences are summarised.

- **Organisation concern and establishment of trust:** Although BOI was one of the participants secured at the pre-fieldwork phase through a formal letter pledging to support this study. However, after interviewing the Head of SME Fund, he promised to introduce me to his key officers and beneficiaries of their programmes. However, this did not happen. According to him, his co-executors
were reluctant about their interviews being recorded despite providing participants’ information and assurance them that they would not be recorded. Albeit interviewing one executor from BOI limited the number of respondents, the only interview being with the head of the team enabled me to collect adequate data about their operation and activities.

• **Communication style:** When reaching out to book interviews, my initial approach was to send out introduction emails through the gatekeepers and await responses so I could follow up to book appointments. Unfortunately, all of the initial twenty-plus invites sent were neither acknowledged nor replied to. So, I resolved to make direct calls which immediately got me to start booking interviews. I overlooked the cultural context of formal communication in Nigeria. I later found that it is generally accepted that ‘if it is important and urgent, you make phone calls and not email’. Also, there is a preference for using WhatsApp messaging rather than regular text messaging because WhatsApp is instant messaging, is presumed free and can be monitored.

• **Managing my expectation of participants (time sensitivity):** Upon securing appointments for interviews, I took it for granted that participants would prioritise commitments they gave, but on the contrary, I experienced many cancellations, rescheduling, delays, and choice of unconducive venues. While I expected some cancellations, I did not anticipate the frequency and the impact of scheduling and rescheduling. I had instances where interviews were cancelled without prior notice. Also, instances in which I had waited for a participant at an office for two hours only to be cancelled and rescheduled despite prior confirmation. This resulted in time constraints requiring extra effort to ensure an adequate number of respondents were reached and data collected.

• **Traffic/transportation and the impact:** Lagos metropolis being highly commercialised is congestion meant significant time spent in traffic en-route to conducting interviews. Although there is an argument for telephone interviews (Vogl, 2013), the impersonal and anonymous characteristic of telephone interviews prevents natural encounters and rapport, which are culturally
embedded in the Nigerian business setting. Moreover, to ensure good quality data when investigating beneficiaries and support providers, as the case in this study, it is important that answers from the interviewees are more spontaneous, without an extended reflection (Opdenakker 2006). Despite the challenges, the data collection was successful.

4.6 Data Analysis

The inherent messages in data stay hidden because data in their raw form do not speak for themselves and therefore need careful teasing out (Robson, 2011). This can be achieved through an analytical procedure, suggested by Yin (2018), comprising examining, categorising, tabulating, testing, or otherwise recombining evidence to produce empirically based findings. The initial stages of this data analysis involved the first three steps highlighted above through reduction by coding to condense them into key concepts for manageability and to make them intelligible in terms of the issue being addressed (Miles and Huberman, 1994). In furtherance of the analysis, both deductive and inductive reasoning were applied to advance the analysis of the condensed data. By applying the theoretical framework, this research deductively tests extant theories on determinants of entrepreneurship relating to individual levels and contextual factors. Also, it establishes the role of EDIs as determinants of entrepreneurship inductively. Inferences that emerged from data generated by exploring the case of EDI in Nigeria highlighted the role of EDIs as determinants with overarching significance in entrepreneurship development in the Nigerian setting. The following subsection highlights the data analysis method adopted and the process implemented in this study.

4.6.1 Analysis methods adopted

To analyse data collected in this study, the six stages of thematic analysis suggested by Braun and Clarke (2006) illustrated in Table 4.12 was adopted as a technique suitable to educe critical evidence that helped answer the research questions. Thematic analysis is a method for identifying, analysing, and reporting
patterns (themes) within data (Braun and Clarke, 2006). It is a useful method for examining the perspectives of different research participants, highlighting similarities and differences, and generating unanticipated insights. Thematic analysis is also useful for summarising key features of a large data set, as it forces the researcher to take a well-structured approach to handling data, helping to produce a clear and organised final report (Cassell and Symon, 2004). Because both inductive and deductive analysis approaches guided how the data collected in this study was approached, it was vital to consider both latent and manifest contents in the data as advised in thematic analysis (Vaismoradi, Turunen, and Bondas (2013).

Although employing content analysis could have enabled the possibility of findings of themes based on the frequency of occurrence, thereby facilitating an element of quantification of data (Vaismoradi et al., 2013), the potential of this serving as proxy for significance, thus furthering the trustworthiness of the findings could not be realised. This is because the emphasis on context characteristic of thematic analysis (as opposed to content analysis) made the thematic analysis more suitable in the data analysis for this thesis because of the central role of context in the study. Furthermore, after the thematic analysis, a within-case analysis followed by a cross-case synthesis analytical technique suggested by Yin (2018) is used to explain this case study of EDIs in Nigeria in the discussion utilising multiple cases of EDIs with different entrepreneurship orientations. The rest of this subsection presents the analytical approaches used to condense, interrogate, and explain the data collected, starting with data reduction and iterations of coding.
Table 4.12 Thematic analysis phases and description

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Familiarising yourself with your data</td>
</tr>
<tr>
<td>2</td>
<td>Generating initial codes</td>
</tr>
<tr>
<td>3</td>
<td>Searching for themes</td>
</tr>
<tr>
<td>4</td>
<td>Reviewing themes</td>
</tr>
<tr>
<td>5</td>
<td>Defining and naming themes</td>
</tr>
<tr>
<td>6</td>
<td>Producing the report</td>
</tr>
</tbody>
</table>

Source: Adapted from Braun and Clarke (2006)

To generate the first-order codes, stages one and two (Table 4.12) were implemented. This involved immersion with the data for familiarisation through transcribing, reading, and re-reading, generating some initial analytic thoughts and codes, and collating data relevant to each code. This data preparation and process started with organising the data using NVivo 12 and inputting the key
data sources, including interview transcripts and notes from rapid observation of participants (Figure 4.3).

**Figure 4.3 Screenshot of organising the data in NVivo.**

![Screenshot of organising the data in NVivo](image)

Source: Author's data analysis in NVivo

This was followed by the development of initial codes through which informants' perception and description of determinants, their influences, the stage of development where the effects are evident, and the activities of institutional intermediaries were condensed from the two categories of respondents (entrepreneurs and EDI executors). This was done by inserting main themes representing parent nodes in Nvivo 12 (Figure 4.4) utilising the conceptual framework developed, research questions and interview questions.
Figure 4.4 Screenshot of parent nodes in initial coding in NVivo

Source: Author’s data analysis in NVivo

NVivo was used to aid the tracking and sorting of specific statements from the respondents’ descriptions of their perceptions across these various issues of interest and categorising them according to these parent nodes. For example, the description of multiple taxations as discouragement for formalising businesses situates within the parent node ‘beneficiary’s perspective (BP)-Enabler and Inhibitors’. Likewise, the description of co-working spaces provided through EDIs as a cost-saving and networking opportunity situated within the parent node ‘BP EDI Role’. This process of implementing stages one and two led to the first-order codes.
To generate the second-order codes, stages three and four were implemented by sorting and collating relevant coded data extracts from the list of the different codes identified across the data in stages one and two to capture sub-themes (Figure 4.5) that emerged, thereby bringing meaning and identity to the recurrent issues and their variant manifestations (Nowell et al., 2017). At this stage, all the conceivable codes were developed, including miscellaneous ones with limited references across the data set to ensure no critical data was lost.

**Figure 4.5 Screenshot of sub-theme in second-order coding in NVivo**

Source: Author’s data analysis in NVivo

An example of such was the code ‘advocacy’ which the EDI executors alluded to as critical but never mentioned by the entrepreneurs. This became a valuable contribution to elucidating the role of EDI in the discussion chapter. Also, the
sub-theme of ‘relationship among EDI executors’ did not directly answer the research questions but illuminated a wider EDI-related issue that one could argue as a potential inhibitor. Furthermore, this stage involves the refinement of themes to ensure consistency in patterns (hence the use of pattern coding) and that themes and sub-themes have sufficient data to support them, thereby ensuring accurate reflection of the meaning emerging from the data. For example, first-order codes such as EDIs using professionals and entrepreneurs to facilitate training; facilitating apprentice opportunities, and stage-specific learning intervention design all aligns with the theme ‘developing business management skill’. This searching and reviewing of themes led to the second-order codes and generation of thematic maps (Appendix 9) of the analysis.

This was followed by stage five, where themes were defined and named with consideration of how each theme fits the overall narrative from the data set towards addressing the research questions. In this stage, the narrative within each code developed in the second-order code was identified to fit them with the overall narrative in relation to the research questions. The identified themes were aggregated according to how they fit the overall narrative and named as appropriate. Some of the names reflect the words or phrases from the participants in an ‘In Vivo coding’ (Miles et al., 2014) approach. For example, the aggregate dimension ‘mentoring’ developed from second-order codes, including facilitating access, monitoring entrepreneurs, and providing business support and consultancy, is used by many participants to describe these EDI supports. Other aggregate dimensions such as ‘capacity development support’ was adopted as suitable to aggregate second-order code, including developing management skill, offering financing support, and facilitating workspace provision, all of which increase entrepreneurs’ capacity to create and operate their businesses. All aggregate dimensions were developed at this stage, taken forward, and used to produce the report (stage six) in Chapters 5 and 6 of the thesis, where the findings were presented in relation to the research question and literature.
Chapters 5 and 6 cover determinants of entrepreneurship and the EDIs’ role from the perspectives of entrepreneurs and EDI executors, respectively. Both chapters also covered the data structure of the effects of contextual and individual factors and the role of EDIs on entrepreneurship development. This approach to producing the report (two empirical chapters) allowed for cross-examination of perspectives to discuss these data to generate findings in a synthesis presented in Chapter 7. Albeit the within-case analysis results are useful, by engaging in cross-synthesis of perspectives, this study does not only provide the opportunity to deepen our understanding and explanation of the role of EDI as a determinant (Miles et al., 2014) but also strengthen the theory-building process by enabling us to examine the different arguments across the cases on the enabling and inhibiting tendencies of EDIs in Nigeria.

In assigning labels throughout the coding process, Miles et al. (2014) and Saldaña’s (2016) approaches were followed. In the first-order coding, initial/open coding was done; in the second-order coding, pattern coding was utilised, adopting categories/themes and causal/explanation summarisers (Miles et al., 2014), and In Vivo and process coding in naming the themes. These approaches to coding were found suitable for various reasons. Open coding was used to develop the first-order concepts because it is suitable for conceptualising and labelling data whilst clustering them around related themes (Strauss and Corbin, 1990; Brown, Stevenson, Troiano, and Schneider, 2002). Pattern coding was used because, apart from organising similarly coded data, it is suitable for attributing meaning to the organised data (Saldaña, 2013) as required in this analysis because of the need to identify and infer contextual and support effects (on entrepreneurship development) through the evidence.

In Vivo coding method, which uses participants’ language, helped to point to regularities or patterns while maintaining a level of authenticity of the data for effective discussion. The process coding method, which uses gerunds (“-ing” words) exclusively to connote observable and conceptual action (Miles et al., 2014), was deemed suitable because it helps to effectively label data relating to
entrepreneurs’ actions as results of contextual influences. It also helps to label the collection of EDI activities in the data. Causation Coding method, which extracts attributions or causal beliefs from participant data, also helped to label contextual and EDI support influences on outcomes of entrepreneurship development by the different players. Figures 5.1, 5.2, 6.1, 6.2, and 6.4 illustrate examples of data chunks and themes labelled using coding methods listed above. The following section presents ethical issues and how they are addressed in this study.

4.7 Ethical Consideration

The deontological view argues that the ends served by the research can never justify the use of research which is unethical. This, therefore, according to Saunders (2007), begs for sensitivity to the impact of one's work on those who are approached to help, those who provide access and cooperation, and those affected by the results. Ethical concerns emerge across the entire research, from formulation and clarification of topic to dissemination of findings toward practice and policy implications. Ethical issues highlighted by authors (Bryman and Bell, 2011; Saunders, 2007) include harm to participants; informed consent, right to privacy, deception, right to be fully informed, right to withdraw, right to confidentiality/anonymity, affiliation and conflict of interest, data management, copyright, and reciprocity and trust. In conducting this study, all ethical requirements were pursued, and the Open University Human Research Ethics Committee (HREC) approval was obtained on both occasions involving interaction with participants. First for a pilot study to test the research question, data collection tools and access to potential participants, and second for my PhD fieldwork for data collection. Approvals granted are referenced HREC/2895/Adeyemi and HREC/3181/Adeyemi, respectively.

To conduct this study, two ethical guidelines followed are the OU Ethics Principles for Research and Human Participants and the Economic and Social Research Council ESRC Framework for Research Ethics (FRE) because they set out good practices for social science research. The principles are consistent with
what is currently generally accepted across the spectrum of social sciences. To fulfil the Open University HREC requirements, all information relating to the study in terms of title, objective, schedule, and methodology was provided. Also, how the approach and study design are aimed at exploring determinants of entrepreneurship in Nigeria. The use of semi-structured interviews for data collection was explained, and the anticipated number and categories of participants, regions to cover, and a brief on the sampling approach were highlighted. Also, the use of my pilot study to identify suitable participants and as means of recruitment was expounded, noting the use of suitable EDIs to reach the entrepreneurs.

To further ensure all ethics issues are covered, an enquiry was made about any local ethics approval within the Nigerian setting that may be required to conduct this kind of study. This was done by contacting associates working in higher education in Nigeria and enquiring from Fate foundation because they engage in extensive research to publish technical reports on entrepreneurship in partnership with various institutions in Nigeria. However, it emerged that the scope of this study did not necessitate any of the institution’s ethics approval requirements. As part of the Open University HREC approval application, copies of the detailed participant information sheet and informed consent form (See Appendixes 1 and 2) that follow the standards required by the Open University were provided to further demonstrated how this study addressed various ethical issues that could arise. Also included was a sample of the interview protocol (see Appendix 3). As part of the HREC application, a data protection registration was fulfilled (with reference 4310) in compliance with General Data Protection Regulation. The following subsections highlight key points of these attachments to the HREC application.

4.7.1 Participant’s information and consent

Most interview appointments were booked by phone, during which request is made to send participants information to participants via email before the interview date. This was to ensure all participants were aware of the details of the
study and were able to consent or refuse having been adequately informed. Also, printed copies are provided before every interview to ensure participants read the information before the interview. This became useful because some participants did not do prior reading and therefore had the opportunity to do so in preparation for the interview. In all cases, the consent form was offered for signature after ensuring that the participant had read and understood the information provided. Consent was signed to affirm, among other things, that they agreed to participate, having had adequate information, and whether or not they agreed to be audio recorded. The participant information sheet was the main approach to establishing credibility, as suggested by Saunders et al. (2007), and a quick recap of the purpose of the study highlighting mutual benefit was employed to establish further trust, as suggested by Bryman and Bell (2011).

4.7.2 Data protection

To ensure data protection, all information related to data management was made explicitly clear as part of the participant information and provided at the point of seeking consent to participate. Participants are informed about how their data will be collected, stored, processed, shared, utilised, and destroyed. Data was collected using a recording device and transferred using a personal computer, all of which were passworded. Audio files were immediately transferred to my personal computer after collection, and the files were erased immediately from the recording device. Audio files were transcribed and stored in the Open University online storage (OneDrive). Where personal identifiers are included during an expression of opinion, such identifiers are replaced with a code name developed during transcription to ensure anonymity and confidentiality. Three coding identifiers were developed in relation to the categories of participants. The entrepreneurs are identified as beneficiaries or not, ‘B’/’NB’ and the first letter of their location (Lagos, Ibadan, and Abuja) was included, followed by letters depicting their stage of development and business size. E.g., BA1-ES-SM represents ‘Beneficiary, Abuja, 1, Execution stage, Small enterprise’. Likewise, the EDI executors are identified by EDI followed by a number and two letters from
their organisations’ acronym or name of the department. E.g., EDI-2-AS represents a respondent from ASBON, EDI-1-SU-is head of the support team unit at Fate foundation.

Also, all physical documents collected are secured in a personal safe under lock and key, and data stored online (OneDrive) is for the duration of the analysis, discussion and report writing, after which it will be destroyed upon completion of my project. This helps ensure the data is protected and does not violate the information provided, upon which the participants granted their consent to take part in my research. The earliest data destruction date will be September 2021, and the latest will be July 2024. Although data sharing was not intended as part of the study, the participants are informed that should this be needed; the data will only be shared exclusively for research purposes. They will be shared with only academic colleagues upon receipt of fresh consent from the participants.

4.8 Conclusion

This chapter demonstrates how the interpretivist and subjectivist philosophical paradigm applied to a qualitative case study design is useful for investigating the determinants of entrepreneurship. It also shows how the quality of the case study research was ensured by demonstrating how trustworthiness criteria are met in relevant sections of the thesis chapters through evidence offered on how credibility, dependability, transferability, and confirmability are addressed. Moreover, inclusion in the study sample involved carefully defined criteria in addressing threats such as selection and setting effects typically associated with transferability. Hence purposeful sampling was used in selecting participants to include ten EDI executors and 14 beneficiaries (entrepreneurs) across three regions of the country as sources of data for uncovering the determinants of entrepreneurship.

The methodological approach in this study was swayed by two entrepreneurship determinant-focused studies, Touzani et al. (2015) and Toledano et al. (2010). These studies adopted qualitative approaches utilising
multiple cases and applying in-depth interviews and within-case and cross-case analysis methods in their comparative study of family businesses in Catalonia. This qualitative case study design affords this thesis the opportunity to develop an in-depth understanding of how the EDIs and their operations contribute to the selection and strategic choice effects at exploration, execution, and stages of development, thereby deepening our understanding of the causes of early enterprise mortality. Albeit these techniques have been selected as suitable for this study, methodology shortcomings such as validity and reliability critique of qualitative studies relating to small sample size, the ambiguity of causal direction, and errors and biases due to non-standardisation are inherent.
CHAPTER 5

Determinants of Entrepreneurship: Analysis of EDI Executors’ Perspective

5.1 Introduction

This chapter presents the results from the analysis of the determinants of entrepreneurship development, with a focus on the role of EDIs as observed by EDI executors. Seven EDIs were selected and utilised in a case of EDI in Nigeria defined for this study, and they are characterised by different entrepreneurship orientations, thereby having diverse approaches to entrepreneurship support provision. The results show that the conceptual framework adequately serves to empirically explore EDI executors’ perspectives on the effects of contextual and individual factors on entrepreneurship in the Nigerian setting.

To carry out the analysis, a thematic approach was employed, and key themes that depict contextual and individual factors and how they affect entrepreneurship development were identified. Also, the role played by EDIs through activities that target entrepreneurs' ability to address contextual and individual factors was identified, and the impacts were uncovered. As explained in the methods chapter, to conduct this investigation, three categories of EDIs were selected based on their entrepreneurship orientation as defined on the dimension map developed in Chapter 2 (Figure 2.2). Ten EDI executors were formally interviewed, an informal discussion was held with one executor in a pure-private EDI (excluded from the study sample as explained in subsection 4.4.1), and field notes were taken from participant observation at a cooperative event (AGM) of an EDI.

As explained in the methods chapter, using the Nvivo 12 software, informants' perceptions captured in transcripts were condensed, and initial coding was characterised by causation and attribute to establish how identified factors cause certain decisions and actions at the three stages of entrepreneurship development adopted by this study. Subsequently, pattern codes were assigned.
in the second-order coding. Through theory-driven and data-driven coding, various themes emerged from the data set, some corroborating extant works, others exemplifying the Nigerian setting. Furthermore, on the role of EDIs, ideas illustrating the indirect role of EDIs were identified as linkages/facilitation (in the informants' terms) in a theory-driven coding and aligned to institutional “intermediary link” concept posited by Armanois et al. (2016) and “professional advisors” suggested by Ostgaard and Birley (1996). This suggests two (direct and indirect) dimensions to the role of EDI, which will be carried forward in the presentation of findings in this chapter.

In the analysis of the effects of contextual and individual-level factors to address the first research question, various inhibiting and enabling effects emerged, including attraction to the informal sector, higher cost of client acquisition, execution challenge and business stagnation, financial resources constraints, and missed opportunities. The analysis revealed that exploration stage beneficiaries tend to gravitate toward the informal market, and execution stage businesses face high operational costs due to challenges associated with formal institutional factors, particularly taxation and related issues. Another evidence of the effect of contextual factors from the analysis was high client acquisition cost which is a consequence of industry/market factors such as technological changes, level of commercialisation, maturity phase of the industry life cycle, and other drivers of a high entry barrier which significantly discourage exploration stage businesses and inhibit execution stage ones.

Furthermore, business execution challenges and consequent business stagnation emerged as a typical consequence of informal institutional factors such as social norms, religious beliefs, and other cultural notions that impact exploration and execution-stage entrepreneurs. Another finding is financial resources constraint which emerged as evidence of how stringent/limited access due to entrepreneurs’ inability to meet qualifying criteria and afford the cost of financing. Also, the ineffective recruitment process of beneficiaries of direct
government financing and excessive government emphasis on the development of early-stage businesses at the expense of scale-up/growth stage businesses. The data showed that these finance-related effects cut across the different stages of entrepreneurship development. Finally, from individual-level perspective, business performance is usually hampered, leading to stagnation and eventually mortality because of the entrepreneurs' level of knowledge and experience. These typically manifest at the execution stage of development.

In terms of how the role of EDIs influences the creation and operation of SMEs, as raised in the thesis’s second research question, the results of the analysis showed evidence of the impact of support activities aggregable under four key areas, including capacity development, mentoring, advocacy, and ‘awareness and access’ creation. Concerning capacity development, the results suggest that EDIs engage in direct and indirect activities to help entrepreneurs develop intellectual capacity and financial capacity and to access/acquire physical capacity. These enable the entrepreneurs in various ways, including the following: manage their business effectively, be eligible for financing and have access to cheaper sources of financing, have access to co-working spaces and manufacturing facilities, and to improve their performance, and consequently avoid stagnation and early mortality. Though, not all the findings point to enabling effects, as some inhibiting effects were uncovered.

In the area of mentoring, support is offered to the entrepreneurs to facilitate their access to market through networking and collaboration opportunities, implementation of their plan through monitoring and evaluation exercises, and enhance their overall business performance through direct and facilitated consultancy and business support services. Next, evidence of the impact of support concerns advocacy. The results suggested that the EDIs' interventions through policy dialogues result in enabling policies that ease entrepreneurs’ implementation of business plans and growth strategies. Also, EDIs’ intervention in the entrepreneurs’ interaction with government agencies enables them to gain
confidence and demand fear treatment on compliance matters that hamper their businesses.

Furthermore, in terms of awareness creation, evidence uncovered showed that to reach the target entrepreneurs, the EDIs design their operations and adopt various awareness mechanisms that facilitate entrepreneurs’ access to the support being provided. Results of this analysis revealed that while the media used by EDIs for awareness creation could be seen to generally enable entrepreneurs to be aware of the opportunities, there are significant limitations in the approaches among EDIs, which inhibit certain categories of entrepreneurs. Likewise, though justifiable in some cases, recruitment criteria adopted by the EDIs are at times restrictive and alienate certain categories of entrepreneurs.

The rest of this chapter is organised into three sections. Section 5.2 presents detailed findings of the effects of contextual and individual-level factors on the stages of entrepreneurship development as perceived by the EDI executors based on their experiences and interactions with entrepreneurs of the various developmental programmes offered. The section includes a matrix display of the data analysis summary followed by a detailed narrative description of the emerging evidence. Section 5.3 presents the results of the analysis of the role of EDIs by focusing on the effects on the different stages of entrepreneurship development with a view to establishing whether they are enabling or not. Finally, Section 5.4 summarises and concludes the chapter by presenting highlights and findings from the analysis presented throughout the chapter.

5.2 The Effects of Contextual and Individual-level Factors on Entrepreneurship Development

Factors that determine entrepreneurship development were reviewed in Chapter 2 as distilled within individual and environmental levels determinants (e.g., Schillo et al. 2016). Environmental level influences are context-specific and align with arguments in studies by Zahra et al. (2014) and Autio et al. (2014) as useful in understanding the impact of context on entrepreneurship. Hence, contextual
and individual-level factors were adopted as key categories for identifying determinants in the empirical analysis in this thesis.

These two aggregate categories have subcategories (or second-order themes) that inform entrepreneurial decisions to varying extents and in different contexts and thereby form the basis for understanding how entrepreneurship is enabled or inhibited at the different stages of development. This is how the determinants of entrepreneurship have been uncovered from the transcripts. Figure 5.1 provides a summary of the data structure. It is evident from literature and my empirical findings that whatever the factor(s), there are fundamentally two influences on entrepreneurship. First is an inhibitive influence where the factor(s) hinder entrepreneurial decision/action. The second is enabling influence, where the factor(s) inspire entrepreneurship thoughts and motivate entrepreneurial action irrespective of the stage of development. To show the enabling and inhibiting effects, the results in this section are presented to capture three features. First, what the EDI programme executors consider to constitute contextual and individual-level factors within the Nigerian setting; second, the effects of these factors on the action of entrepreneurs; and third, the different stages of entrepreneurship where the influences can be identified.
Figure 5.1 Data structure of effects of contextual and individual-level factors on entrepreneurship

<table>
<thead>
<tr>
<th>First-order themes</th>
<th>Second-order themes</th>
<th>Aggregate Concept</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple taxations and non-discriminatory tax rates discourage exploration stage entrepreneurs from the formal sector</td>
<td>Paviouring the informal sector at exploration stage</td>
<td>Formal institution’s effects</td>
</tr>
<tr>
<td>Preference for informal sector inhibit potential income and growth of execution stage entrepreneurs</td>
<td>Administrative bureaucracy</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic approach within government agencies relating to various types of registration.</td>
<td>Increasing operational cost due to policy challenges</td>
<td></td>
</tr>
<tr>
<td>Bureaucracy inhibits exploration and execution stage entrepreneurs through costly delays.</td>
<td></td>
<td></td>
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<tr>
<td>Disconnect between policy formulation and the reality of entrepreneurship development</td>
<td></td>
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<tr>
<td>Ineffective policies that inhibit all stages of development.</td>
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<td></td>
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<tr>
<td>Entrepreneurship policy implementation plagued with corrupt practices</td>
<td></td>
<td></td>
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<tr>
<td>Corrupt practices obstructing beneficiaries’ access to government financing</td>
<td></td>
<td></td>
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<tr>
<td>Implementation of other public policies relating to various public infrastructures.</td>
<td></td>
<td></td>
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<tr>
<td>Change of government and regional government preferences on entrepreneurship</td>
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<td></td>
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<tr>
<td>Higher operations cost due to self-provision of fundamental public goods such as potable water, electricity, and motorable road.</td>
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<tr>
<td>Industry growth resulting in trending effect</td>
<td>Increasing unhealthy competition</td>
<td>Industry/market dynamics effects</td>
</tr>
<tr>
<td>Industry growth attracting business exploration and encourage business execution entrepreneurs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industry growth resulting in saturation and market maturity inhibits further transition to growth stage.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impact of technological changes necessitating expensive upgrades</td>
<td>Increasing cost of client acquisition.</td>
<td></td>
</tr>
<tr>
<td>Technological changes resulting in high cost of acquisition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased operational cost inhibits execution and growth stage beneficiaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased operational cost impacting their competitiveness in the market.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited knowledge of technological advancement among financiers inhibits execution and growth beneficiaries in the technology business from access to funding.</td>
<td>Increasing cost of financing</td>
<td></td>
</tr>
<tr>
<td>Cultural norm of financial dependence on government resulting in the proliferation of business exploration and execution.</td>
<td>Increasing misappropriation of fund</td>
<td>Informal institutions’ effects</td>
</tr>
<tr>
<td>Stunted growth because of the rampant incentive-driven establishment of the businesses, where the incentives end up being misappropriated.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Established practice of mixing personal and business life.</td>
<td>Practices stagnating business performance</td>
<td></td>
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<tr>
<td>Desire for sole control among Nigerians inhibits effective execution and results in poor growth.</td>
<td>Norms hampering business execution</td>
<td></td>
</tr>
<tr>
<td>Following current trends being a social norm that influences pre-entry choices and increases business exploration.</td>
<td>Tradition influencing commercial activities</td>
<td></td>
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<tr>
<td>Uninformed sector selection adversely impacts business execution, selection.</td>
<td></td>
<td></td>
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<tr>
<td>Established practices of commercial activities in some regions enable business exploration and execution.</td>
<td></td>
<td></td>
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<tr>
<td>Social norms inhibit transitioning to the growth stage because of complacency and limited awareness of new approaches to business.</td>
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</table>
- Poor state of funding readiness and articulation of financial resource needs due to financial literacy.
- Commercial bank loan eligibility requirements such as certificate of occupancy (title deeds) and other forms of collateral/security.
- Eligibility challenge at exploration and execution stages during application for financing.
- Central bank entrepreneurship funds channelled through commercial banks are offered with typical commercial bank loan terms and conditions.
- Ineffective recruitment process of entrepreneurs to participate in direct Central bank entrepreneurship funds.
- Emphasis on early-stage entrepreneurship resulting in a plethora of funding for exploration and execution stage businesses but very limited for growth-stage

| Source: Author's elaboration from collected evidence |

| Reducing eligibility for financing |
| Increasing cost of financing |
| Constraining/enabling access to financing |
| Access to finance effect |
| Missing opportunities and needing legal intermediation |
| Information availability effects |
| Disqualifying from or enabling access to finance |
| Effects of entrepreneurs' knowledge and experience |
| Limiting business execution and growth |

| Limited information in the public domain. |
| Poor or inaccurate dissemination about regulatory requirements, industry changes, and entrepreneurship support opportunities. |
| Information ambiguity impacts entrepreneurship decisions resulting in missed opportunities, non-compliance to regulatory requirements, reactive business actions |

| Poor planning or lack of business planning. |
| Misconstructing resource needs and the market at the exploration stage. |
| Misunderstand the concept of profitability at the execution stage. |
| Ineffective implementation of ideas at the business execution stage. |
| Lack of strategic leadership capabilities evidenced in lack of structure and micro-management. |
| Unwilling attitude of entrepreneurs towards investment in personal development. |
Evidence from this analysis revealed that though these factors could be seen to affect all stages, they tend to have varying degrees of effects depending on the stage of development. That is, a factor having inhibiting effect at the exploration stage of development may have enabling effect at the growth stage. Also, the results show that the identified contextual and individual-level factors enable/inhibit entrepreneurs at the different stages of entrepreneurship development in the following ways: attracting them to the informal sector, increasing cost of operation, increasing cost of client acquisition, hampering business execution, constraining access to financial resources, reducing business performance, losing income and consequently profit, and causing business stagnation. The following subsections present results from the analysis of various factors and their enabling/inhibiting effects on the three stages of entrepreneurship.

5.2.1 Formal institutions’ effects

The analysis of EDI executors' interview transcripts revealed that they consider the influences of formal institutional factors on entrepreneurship development as one of, if not the most significant, echoing Welter’s (2011) suggestion that formal devices such as laws, regulations, and policies are important factors in entrepreneurship development. Many respondents described these government-related factors as ‘enabling environment’, which they believe is lacking in the Nigerian setting. Evidence revealed various areas of policy and policy-related issues as having inhibiting effects on entrepreneurship development. The areas/drivers uncovered included multiple taxations, administrative bureaucracy, policy formulation, and implementation across various public sector functions that directly impact entrepreneurship. The results of this analysis show evidence of preference for the informal sector, higher cost of operation, loss of revenue, and even business closure as some of how these formal institutions affect entrepreneurship development.
It is worth noting here that though some of the evidence of influences presented under policy implementation in this subsection may not be triggered directly by government policy, they are most suitably presented here because they are influencing activities that are extensions of policy implementation and other government activities. For example, change in government derailing the outgoing government’s entrepreneurship agenda; failure of electric energy generation and distribution policy that resulted in high business operation cost, also corrupt practices of government officials implementing various policies relating to entrepreneurship development.

The result of this analysis uncovered that multiple taxations and non-discriminatory tax rates make the formal sector unattractive to exploration stage entrepreneurs and negatively impact the potential income and growth of execution stage entrepreneurs, supporting Aribaba, Oladele, Ahmodu, and Yusuff’s (2019) argument that multiple taxations are inimical to the sustainability of Nigerian entrepreneurship. The data show that the Nigerian government’s recent drive for revenue generation has led to increased enforcement in tax revenue collection, especially in highly commercialised cities like Lagos. There is a long list of taxes (see Appendix 4) that could be levied against businesses, and according to Federal Inland Revenue Services (FIRS), taxes and levies approved list of collection Act 1998 No.2, 1998, there are 39 strands of taxes (with sub-strands). This finding is corroborated by excerpts from a document collected from Fate foundation – ‘Review of Nigerian MSME policy environment’ (subsection 4.5.6), which highlighted that “dwindling oil revenue will shift the burden of government income to non-oil taxation”.

An EDI executor highlighted that “government is failing on its own path by not agreeing to separate the charges being paid by small scale industries” (EDI-6-MA). Because of fear of the cost of taxes, aspiring entrepreneurs tend to prefer not to formalise their businesses. When asked why entrepreneurs are reluctant to register their businesses, an EDI executor noted:
“...the majority of them think and make emphasis on if I register my business government can now know where I am, they can pursue me to pay tax” (ED1-4-SM).

An excerpt from many examples given by another EDI executive highlights how this issue inhibits execution stage entrepreneurs:

“Another case was Ms D. O, who is into fashion design. She was scared to open a business bank account when she started in 2016 just because of the tax that she thought she would be paying. Last year, she lost a deal to make school uniforms for a thousand pupils because she had no evidence of her business” (EDI-1-ME).

In addition to taxation issues, some respondents highlighted a disconnect between policy formulation and realities of entrepreneurship development in Nigeria, resulting in various policies that inhibit entrepreneurs at all stages of development, citing specific tariffs, FOREX, and trade liberalisation policies as examples. One of such relating to trade liberalisation is as follows:

“For example, vegetable oil comes from Tunisia down to Benin Republic and come into Nigeria as zero duty so those who manufacture it within Nigeria will import their CPO (raw material) at 35% whereas the finished product is coming in at 0% duty. There are lots of inconsistencies in government policies” (EDI-6-MA).

Furthermore, on policy implementation, administrative bureaucracy and corruption emerged as significant inhibitors when considering the activities of officials and government agencies that implement policies. For example, starting a business in Nigeria ranks 105 out of 190 economies (World bank, 2020), involving eleven activities over a minimum of nine days. However, it is said to be easier in Abuja than in Lagos. Likewise, NAFDAC registration involves six activities carried out in a minimum of 120 days and 60 days for drugs and food product registration, respectively (NAFDAC, 2021). The result of the analysis revealed that despite claims by the government that the business registration
process has been streamlined and technologically enabled to make it more efficient, entrepreneurs still find it difficult, thereby needing to engage lawyers for filing and completing the process. This discourages exploration stage entrepreneurs, as highlighted by one EDI executor:

“…even registering your business is also a problem even though the government says it is easy to register your business and the cost is reduced but to walk into Corporate Affairs Commission (CAC) is a problem because they cannot provide you that guidance and that support, so people still need to engage lawyers” (EDI-1-CD).

Evidence also showed that approval processes in important regulatory agencies are saddled with layers of requirements and corrupt practices that inhibit entrepreneurs from achieving speed, thereby increasing the cost of business execution because these approvals are perquisites for most business operations. For example, some respondents raised the challenge of obtaining a NAFDAC number as an inhibitor to taking products into bigger markets. Likewise, some raised obtaining a Tax Identification Number (TIN) as an impediment because the TIN is a requirement for most transactions within public and private organisations. Excerpts from some respondents attest to these situations:

“… another entrepreneur from the crowd angrily stood up and said he has been trying to get a NAFDAC registration number for two years, and he has spent a lot of money for his file to move from one desk to another” (EDI-1-CD).

“What brought about the organisation was the challenges of registering businesses, especially one with NAFDAC number” (EDI-5-AM).

“…the issue of registering their product with NAFDAC as recently the tariff was hiked by a 100%” (EDI-1-ME).
“Some of the issues that we discovered were that sometimes they give you a Tax Identification Number for another location and then to try to rectify that is a whole long process” (EDI-1-PO).

Other policy implementation concerns that emerged include regional government preferences relating to entrepreneurship, political changes in terms of the ruling parties and their agendas, and the issue of self-provision of basic amenities (electricity, water, and road) at additional cost because of failed policies. Interesting evidence from the analysis showed that there are disparities in various local government outlooks on entrepreneurship development. For example, data revealed that some of the northern public leaders espouse entrepreneurship and therefore actively support exploration and execution stage entrepreneurs as noted by EDI-1-CD that “the North is like Lagos and in fact, the Northern states were looking at how they can support our organisation to do a lot more for their people”.

On the contrary, the government of the south and southeast oil-rich region are less inclined to support initiatives, thereby inhibiting aspiring and early-stage entrepreneurs in the regions. For example:

“Calabar government itself does not embrace entrepreneurship as a source of societal development. The government told us that they do not see a need for entrepreneurship or enterprise development in Cross-Rivers state” (EDI-1-CD).

The situations depicted in the quotes above illustrate two different government attitudes toward entrepreneurship development. Also revealed was evidence of repealing of policies that support entrepreneurship development due to change in government, as highlighted by some EDI executors:

“…government comes in and gives incentives, the next government comes in and withdraw the policy” (EDI-6-MA).

“We can also trace this to the change in government as the government that was there when it was built was a government that was trying to
promote entrepreneurship, and the new government came and abandoned it” (EDI-1-CD).

In addition, on policy implementation, deficiency in basic amenities (electricity, potable water, and motorable roads) emerged as inhibiting entrepreneurs at all stages of development because the cost of access and acquisition of these amenities usually impact the bottom line of any business. While these are typically funded by the government and subsidised for the citizens, their conditions in past decades have been deteriorating, making the government sources unreliable. A recent survey showed that the electric power supply in Nigeria is grossly inadequate, with 66% of respondents in a national survey lamenting over epileptic power supply in 2019 (NOI Polls, 2020) because the daily supply averages at 9.2 hours a day. Therefore, to enjoy consistent use of these amenities, businesses must self-develop/generate them, thereby increasing the cost of operation. Most businesses, especially manufacturing, will require a constant electricity supply; finished goods need transportation to the commercial cities, and agricultural products need refrigeration and transportation promptly. For exploration stage entrepreneurs, this means their choice of sectors is limited to those without significant electric power demand. For the established entrepreneurs, it means increased production costs leading to a lack of competitiveness in the market. One respondent noted:

“We lack infrastructures like electricity, water, and good roads here in Nigeria, and these are key requirements that enable a business to thrive” (EDI-5-AM).

From a broad perspective, various formal institutional sub-factors that emerged from the accounts discussed above highlighted similar issues indicated by various literature (Salimath and Cullen, 2010; Welter, 2011; Autio et al., 2014) and their effects overall consistent with Welter’s (2011) affirmation that formal institutions are political and economy-related rules which create or restrict opportunity fields for entrepreneurship. One could argue that the influences of
formal institutions presented here mainly corroborate typical expectations/assumptions from the Nigerian setting going by the evidence from extant literature on Nigeria. However, specifics of the implications relating to the influences that result in higher costs and risks at different stages of entrepreneurship development are valuable findings. While this subsection covered influences at the macroenvironment level, there is evidence of factors at the industry/market/sector level that enable/inhibit entrepreneurs. The following subsection presents results of the analysis of the industry factors.

5.2.2 Industry/market dynamics effects

The result of this analysis expounded on how industry factors enable or inhibit entrepreneurs at different stages of development. This subsection presents evidence of these factors and their effects, highlighting them through inherent opportunities and threats and how entrepreneurs perceive and act upon them. Evidence from EDI executors' interview transcripts revealed that industry growth resulting in trending effects and technological changes in terms of operational requirements are drivers that influence entrepreneurial activities. Also, an interesting driver uncovered as an inhibitor of execution stage entrepreneurs relates to financiers' familiarity with technological advancement within the technology business space. The evidence further revealed lack of collaboration and level of commercialisation as influential in entrepreneurship activities, especially at the execution level of development. All these results impact the cost of gaining and retaining customers by budding entrepreneurs.

It is important to note here that though some of the pieces of evidence included in this section that point to the impact of visibility and collaboration are closely embedded within social context as reviewed in Chapter 2, however suitably presented here because of the overlap with industry context as emerged in the study agreeing with Johns’ (2006) and Welter’s (2011) suggestion on the overlap of context. Likewise, evidence of the impact of level of commercialisation, though regional (geographical) in the narrative, is presented here in the context of its
influence as market/industry drivers. For example, Lagos, as a highly commercial
city, is a cradle for nascent entrepreneurs because of the density of businesses
that create a support ecosystem with market and collaboration opportunities
compared to other cities.

The attractiveness of an industry/market informed by growth potentials
and the opportunities in the development and growth phases of the lifecycle tend
to trigger many entrepreneurial activities. The evidence uncovered showed that
the Nigerian entrepreneurs see increased activities as signals of a trending
industry, making it attractive. However, further evidence showed that these
signals often attract many late entrants that end up experiencing a hostile
environment because of market maturity. Two of the respondents highlighted
their observations on the influence of signs that an industry/market is trending.

“What I observed from people in Nigeria, especially young people, is
that if an industry is growing well in Nigeria, you find so many people
wanting to play in it” (EDI-1-SU).

“Going into trending market to start a business is common practise
here. That is the way most people identify the kind of business they
want to go into” (EDI-3-BO).

Although the attractiveness of a trending market/industry enables exploration
stage entrepreneurs, the realities of the mature markets inhibit execution stage
entrepreneurs because of the entry barriers such as acceptance/recognition of
new entrants in certain sectors, lack of collaboration and patronage, which result
in high cost of customer acquisition.

Further on the evidence on the inherent barriers in a trending
industry/market, responses from informants highlight the struggle of execution
stage entrepreneurs due to lack of collaboration. Collaboration here in terms of
support to small-scale businesses by the larger organisation through patronage
as suppliers. Evidence emerging reveals that many big organisations in
manufacturing opt to import many raw materials that are available locally,
thereby causing execution stage entrepreneurs to struggle to prove themselves and build clientele. Likewise, execution stage businesses in service sectors struggle with acceptance because they are considered new and untested, therefore, could not be trusted with important jobs. Some of the respondents emphasised the need for relationships between big and small businesses as a way to create the much-needed networking environment that could enable entrepreneurship further at all stages of development.

When asked about the role of networking, one respondent commented about small businesses that “for them to be successful they need to do bigger businesses, they need to do things in volume. But the fact is those guys that can do bigger things with them do not know them” (EDI-1-SU). Moreover, when asked about how to avoid early mortality, another respondent who deals with manufacturers highlighted the need for networking and collaboration between large-scale industry and small-scale industry, stating an example:

"...a big multinational company prefers to import soap noodles from foreign countries rather than patronise the local manufacturers, so there is a disconnection, no collaboration, and no partnership" (EDI-6-MA).

In further evidence of enabling effect of networking and collaboration, another respondent involved in development financing described how deliberate efforts to create collaboration opportunities enable execution stage entrepreneurs:

"...we also finance large enterprises. So, when we know your (large enterprise) input, we link you (large enterprise) with an SME, and we can also finance your SME to make sure that you (SME) meet up to standard” (EDI-3-BO).

Although the quotes above emphasise lack of collaboration as an inhibitor, this notion may be better understood if the perspectives of big companies are sought. From the researchers’ private sector experience, large corporates tend to
be reluctant to use vendors that are not tested because of the inherent risk. The evidence in the study shows that in the absence of a formal approach to networking, the BMO model included in the study is how the semi-formal network membership approach suggested by Zahra et al. (2014) can enable execution and growth-stage entrepreneurs to begin to create brand presence and gain the confidence of the big enterprises. These benefits support Stuart and Sorenson’s (2007) suggestion that benefits of being part of a network include key sources of information, resources and access to markets, growth and success of new ventures, and knowledge spillover that helps develop and sustain a vibrant ecosystem. This evidence shows that networking and collaboration opportunities enable entrepreneurship at all stages of development to gain customers in a less difficult manner, especially for the execution stage entrepreneurs.

On other industry-related influences, technological advancement emerged as an important driver from two perspectives. First, evidence revealed that entrepreneurs in emerging sectors like information technology management suffer from the inability to access funding because the funding institutions do not understand the sector and therefore could not establish the profitability of their businesses to make them eligible for financing. Thus, the inability to source financing because of financiers’ limited grasp of the industry is a significant inhibitor, especially because of the fast pace of change therein. One respondent highlighted that:

“… finance companies do not get to understand what IT entrepreneurs do. When they talk about software development, they still do not understand what they are talking about. So, it is always difficult for them to access funding in Nigeria, so in a way, it could be a disadvantage to them because though they are doing fantastic things, but the bankers/finance companies do not speak their language” (EDI-1-SU).
The quote above is corroborated by findings from my autoethnography (discussed in subsection 4.5.7). For example, one of the participants in the four months business skill development programme I provided in Nigeria noted that despite how lucrative the Hibiscus tea business is in the northern part of Nigeria and the Sahel region, he could not convince lenders about the financial return prospects. This is because it is not a trending industry, hence not on the radar of the financier. Thus, inhibiting his access to financing to expand his tea business.

The second evidence that emerged on technological change relates to the use of obsolete manufacturing equipment resulting in inefficient processes that make the execution and growth-stage entrepreneurs less competitive in the market. Although this inhibition is driven by changes in the industry, it also dovetails into access to finance because of the cost of technology upgrades required to be competitive. A respondent that interacts with small-scale industrialists described the challenge faced by entrepreneurs within this demographic:

“We run on obsolete technology. If I want to buy machinery now, I cannot afford a 2018 model, and I am likely to buy a 2009 or 2010 model. I cannot use that kind of obsolete machinery to make the kind of product that the Chinese make, and that says that technology is a big issue here” (EDI-7-NA).

The evidence presented above highlighted some industry-related issues that significantly affect entrepreneurs in terms of the cost of entering new markets, gaining new customers, and maintaining their competitive edge. These are consistent with effects posited in the industry lifecycle model (Porters 1980) which Autio et al. (2014) noted as enabling only at the development phase of the industry but inhibiting at the later stages because of high entry barriers and competitive rivalry, such as emerging from the accounts of the respondents. This subsection and the last one covered evidence from two categories of factors external to businesses. The following subsection will present evidence on a third category of
factors that are neither formal nor industry-related, though socially constructed, yet significantly affect pre-entry and post-entry decisions of entrepreneurs.

5.2.3 Informal institutions’ effects

Informal institutional influences take various forms, including social norms, beliefs, and shared acceptable behaviour, as suggested by Schillo et al. (2016). The result of this analysis revealed that these informal institutions have both enabling and inhibiting effects on entrepreneurship depending on the stage of development. Some evidence showed the ensuing proliferation of exploration stage entrepreneurs because of some of these informal institutions; others showed inhibition of execution and growth-stage entrepreneurs. This subsection presents evidence of identified informal institutions from EDI executors’ perspectives and their understanding of how these factors influence entrepreneurship development.

Evidence revealed that there is a notion among Nigerians that it is the government’s responsibility to provide start-up capital support for entrepreneurs, and the general notion is that this government funding should be free. As elaborated in Chapters 2 and 3, the Nigerian government provides funding support for entrepreneurship development. While this is an enabler for aspiring and budding entrepreneurs, evidence uncovered showed that there is an accepted notion that government money is ‘free money’, and this inhibits developmental opportunities because this makes entrepreneurs unprepared and find themselves ineligible for funding when the government rolls out funding programmes. It is believed that they do not need to show proof that they are creditworthy when seeking government funding. It was revealed that despite this situation, government financing (discussed further in the subsection) still gets across to entrepreneurs, thereby enabling exploration and execution stage entrepreneurs in large numbers but significantly inhibiting their transition to the growth stage because of lack of preparedness.
In one of the interviews, interesting evidence on this social norm emerged in the case of the government's effort to transition entrepreneurs from informal to formal sector through SMEDAN. It was revealed that when a call was made through to the BMOs for informal entrepreneurs to come forward, none did because there was no financial incentive to formalise. However, it was recorded that SMEDAN became inundated with applications to formalise businesses once ₦50,000 was offered as an incentive for entrepreneurs to come forward. Furthermore, this incentive-related social attitude is also revealed in the analysis of the transcript of another EDI executor that provides management training. It was uncovered that there is a shared belief mostly among societies with civil service-dominated employees that entrepreneurship does not bring quick money. Therefore, efforts to support them are usually met with a lacklustre attitude and demand for incentive to participate in any government initiative, as noted in the excerpt of one interview.

"We got the venue later, but even from the people, they were just questioning us if there was money at the end of the programme and when we told them that we don't give money, they did not come the next day. With any programme from the government, money is just what everyone is looking forward to getting" (EDI-1-CD).

Availability of these government incentives coupled with the attitude presented above results in the proliferation of exploration and execution stage businesses that struggle to grow.

Further evidence emerging from the analysis showed that following the current trend is a social norm that influences the entry choices of start-ups. It was revealed that many exploration stage entrepreneurs opt to enter only trending industries or provide only trending services without grounding in the sector or business knowledge. Consequently, survival becomes challenging because trending sectors will typically be saturated and harsh for new entrants. Another
social norm relating to trend is the notion that entrepreneurship is fashionable, as hinted by one respondent:

“Right now, there is a narrative being pushed to look like if you are not an entrepreneur or if you do not have a side hustle, you are not doing anything cool” (EDI-1-PO).

It was revealed that many businesses that started based on intuition rather than with proper planning typically suffer from poor execution because of poor management decisions at the exploration and execution stages.

Another evidence of shared behaviour uncovered in this analysis is the attitude of resistance to change regarding the approach to enterprise management. Although this emerged to be region-specific, being observed to be peculiar to the eastern region of Nigeria, it is important to highlight this because culturally, people from this region are considered top in commercial prowess and have historically run many generations of small family businesses. Madichie et al. (2008), in their study on cultural determinants of entrepreneurship in this region, identified individualism, trust, and intimacy, among others, as cultural traits that impact entrepreneurial and managerial performance in this region. Results of this analysis showed that holding on to these generational ideologies forms a basis to insist on the status-quo in their approaches and is making them less competitive outside of their community and inhibiting them from growing and transitioning despite their potential. An EDI programme executor observed a push against the introduction of change to business orientation.

“Enugu entrepreneurs were extremely laid back, and the energy level was so low as we had to do an everyday activity to get them inspired. They feel like they know all that is being taught. I was learning a lot sitting in those classes, and I was wondering why they kept doing the thing of “I know it already”, not willing to unlearn what they know and relearn” (EDI-1-CD).
Like the entrepreneurs in this region, the data showed many Nigerian businesses remain micro or, at best small businesses with a lot of family-oriented collaborative entrepreneurship that enabled them to explore and execute but stagnate because of this shared behaviour.

Another cultural trait that emerged from this analysis is the practice of operating as a lone business manager, which echoes Madichie et al. (2008) argument about 'individualism'. The data showed that this is an established practice among Nigerian rooted in various issues such as the need for control, sense of personal achievement, lack of trust, and lack of knowledge making the entrepreneurs the centre of their businesses. The result of the analysis revealed evidence similar to Miller’s (1983) characterisation of 'simple firms' where “coordination is largely by direct supervision and the entrepreneurs are the main, if not the only, drivers of innovative activities” This cultural trait is seen to impacts the quality of execution and inhibit growth because of poor strategic choices, especially where the entrepreneurs’ business management skill is limited. Extracts from interview transcripts highlight EDI executors’ observation of the influence of this cultural trait on the entrepreneurs’ attitudes.

“I want to own everything’; it is a major cultural issue” (EDI-3-BO).

“We are too self-centred. We want to control everything” (EDI-6-MA).

“...most businesses are a one-man business and very few partnerships” (EDI-4-SM).

"There is this Nigeria mentality of doing business of wanting the business to be a one-man thing, and that kills business” (EDI-1-ME).

This attitude was uncovered to have a wider implication on management style whereby many entrepreneurs are seen to muddle up their personal and business life to the detriment of the business. When asked about causes of early mortality, some respondents outrightly blame this situation, among other factors.
“Lack of separation. Separating the business from their own personal interest” (EDI-6-MA).

“…their culture of lacking accountability, that is, separating your business from yourself” (EDI-3-BO).

To conclude, the evidence presented in this subsection on the social norms, beliefs, and shared behaviours reflects how country culture affects its residents' entrepreneurial orientation, as suggested by Salimath and Cullen (2010). It showed that while some cultural drivers enable exploration and execution stage entrepreneurs, some of the same drivers create challenges that inhibit them from transiting or excelling at the growth stage of development. Although these may not be as generalisable as the effect of access to financing, they are very important in understanding how entrepreneurship evolves in the Nigerian setting and other west African settings with similar societal constructs. The following subsection presents evidence that emerged on how access to financing as another environmental factor enables/inhibits entrepreneurship development.

5.2.4 Access to finance effects

Financing has been touted by many, including scholars, as the main barrier to entrepreneurship development, and this could be true when viewed from the perspective of it being central to business operations as opined by Kumar and Borbora (2016) that lack of accessible credit or finance impedes entrepreneurs' decision to start a business even in an environment full of opportunities. Although many respondents support this view, interestingly, a more appropriate inhibitor may be the poor state of “funding readiness” (EDI-1-SU) due to poor articulation of needs at the exploration and execution stages rather than availability of financing opportunities. This results in eligibility challenges during the application for financing. Besides eligibility issues, the cost of financing, ineffective qualification of government financial grant beneficiaries, and emphasis on early-stage but limited attention to growth stage entrepreneurship development are all financing-related issues that impact entrepreneurship. This
subsection presents evidence of how these issues enable/constrain entrepreneurship.

Emerging evidence shows that while funding is always earmarked for entrepreneurship development programmes by the Nigerian government, the bigger challenge is entrepreneurs’ accessibility which is hampered by entrepreneurs' knowledge gap (further elaborated in subsection 5.2.6), and stringent requirements and unethical practices on the part of different administrators involved in the financing process. This evidence, in a sense, compliment result of some extant works that focused on determinants of entrepreneurship in Nigeria (Ohanu and Ogbuanya, 2018; Adekunle, 2011; Ojiaku et al., 2018), which identified several factors without including finance, suggesting that eligibility and affordability may be the real barriers to access to financing rather than this ambiguous ‘lack of financing sources’ being portrayed by many.

Further evidence shows that financiers consider many entrepreneurs as not funding ready or “bankable” (EDI-6-MA) because they lack the financial literacy to demonstrate the financial viability of their businesses in a business plan in the case of exploration stage entrepreneur or inaccurate financial records in the case of execution and growth-stage entrepreneurs. This competence provides comfort to the creditors to provide the entrepreneurs with financing. This evidence echoes Bushe (2019), who argued that “banks do not trust SMMEs and SMMEs are reluctant to approach banks in a standoff that often makes it difficult for SMMEs to access the financing”. It was revealed that the situation described above is applicable not only in private financing sources such as commercial and microfinance banks but also in public DFI. As earlier highlighted, entrepreneurs' ability to demonstrate positive returns on investment is fundamental to their eligibility for financing, as noted by one respondent’s experience while assisting an entrepreneur with financing application in a DFI.
“…he said your people have no books, no records and they (financier) cannot give loans to people without records, no management structure, they are not bankable” (EDI-6-MA).

This quote echoes the sentiments of other EDI executors that raised lack of financial literacy as one of the causes of mortality. This is also corroborated by the Nigerian MSME Financial Literacy Survey, documented by Fate foundation and collected as part of data source triangulation for this study (see subsection 4.5.6 for highlights). The survey showed that out of 6,500 entrepreneurs across 36 states, 70% have not taken any financial literacy course or been part of any entrepreneurship training.

In addition to funding readiness, eligibility criteria imposed by financiers emerged as inhibitors to exploration and execution stage entrepreneurs. Evidence from the data showed many respondents decrying the stringent requirements to access bank loans and other sources of financing such as government grants and private business incubators. Concerning the banks, it was revealed that conditions such as the provision of legal title to a piece of land and other forms of security were placed on entrepreneurs who could not meet these conditions. On the one hand, one could reason with the banks’ intention to ensure the security of their credit, echoing Bushe’s (2019) assertion that “banks often run the risk of losing their funds loaned to SME firms when the business fails. This is the risk that has caused most commercial banks to be reluctant to provide funding”. On the other hand, the evidence showed that the banks’ conditions are often disproportionate to the sizes of credits being provided and to the capabilities of the businesses being supported, thereby constraining their access to financing. A respondent noted:

“…a lot of these MSMEs, there are some things that are making them run away, and one of the things is that they should provide Certificate of Occupancy C of O” (EDI-4-SM).
Further evidence revealed that even when the monies being afforded the entrepreneurs are government funding channeled through commercial and microfinance banks as fund administrators, these banks still adopt their typical lending model by introducing stringent requirements (that are seldom attainable by entrepreneurs) for profit maximisation to the detriment of the entrepreneurs originally target by the government. EDI-3-BO noted that “because of their status, they cannot even access these loans.” Furthermore, it was uncovered that some banks even resolve to questionable practices where they do not publicise the availability of government funding in their procession but instead lend the monies to regular customers in their regular banking operations and then return the monies to the Central Bank of Nigeria CBN after the tenure and claim entrepreneurs did not request the funds. To shed some light on the challenges of access to CBN financing, one respondent explained the rationale behind this behaviour:

“But what they (CBN) do is give the participating banks this money at 6%, for instance, but still want the bank to give it to entrepreneurs at one-digit interest rate, which means up to 9%. So that means the bank’s spread is like 3% while 6% is going back to CBN. But the fact is that the entire risk is put on the commercial banks, whether the entrepreneur pays back or not... So, they do not even get to inform their customers; they do not talk about it” (EDI-1-SU).

This situation impacts entrepreneurs at all stages because it means they are oblivious of available funds irrespective of their stage and are left with sourcing funds from friends and family or high-interest-seeking private lenders. Apart from commercial banks, other funding sources also set various eligibility criteria along with business plans such as commitment to certain hours of management training with proof of completion and, in some cases, parting with an equity stake in the business. Entrepreneurs that are unable to meet these conditions are at risk of being considered ineligible and consequently inhibited during the execution or growth stage.
The other barrier to access to financing uncovered is affordability which results from pricing, particularly when the financing comes through commercial financial institutions. As narrated earlier, funds moving from the CBN or BOI to the commercial banks take on the maximisation of the return-on-investment paradigm and therefore are priced at exorbitant rates. These are typically unaffordable or ill-advised for the entrepreneurs to use. The chain goes further to the microfinance banks because these banks are structurally designed to cater to micro and small enterprises. According to a respondent from a DFI, “because of the need to reach every nook and crane of the country, we also lend to microfinance banks. For the microfinance banks, we do it for the bottom of the pyramid; people that ordinarily there is no way they can access our funds” (EDI-3-BO).

However, it emerged that funding from microfinance banks is more expensive than the commercial banks, even though the eligibility criteria are less stringent. Excerpts below show the realities of the cost of financing.

"Money market for funding interest is between 26-30%, and you cannot use that to run a business properly” (EDI-7-NA).

“So, you see a lot of people that they even run away from microfinance bank and the people will say they cannot take it, it will be like I am working for them” (EDI-3-BO).

“......we also bring members together to contribute to the cooperative and to lend at 2% rate against the 20% interest of commercial banks” (EDI-2-AS).

“But we see that even the interest rate sometimes can be outrageous with 19-25% which are usually not affordable to entrepreneurs” (EDI-11-ME).

Other evidence that emerged relating to access to financing is the disproportional emphasis on early-stage entrepreneurship in comparison to the growth/scale-up stage, which has resulted in a plethora of financing sources for
exploration and execution stage entrepreneurs but very limited for growth-stage entrepreneurs, thereby inhibiting transitioning of business along the stages of development. This is also evidenced in examples of the questionable recruitment practised by the CBN, where they directly give money to entrepreneurs without proper vetting, and then the entrepreneurs choose to use the money to finance personal emigration plans and eventually leave the country. Further evidence points to the proliferation of start-up support activities within both private and public institutions as a considerable explanation of the National Bureau of Statistics report that showed that 99% of enterprises in Nigeria are micro-businesses run by self-employed individuals. In comparison, small and medium-scale businesses account for only 1%.

In conclusion, while the impact of financing cannot be overemphasised, results from the analysis showed that it is important to put the real barriers to financing into the right perspectives. In the Nigerian setting, evidence emerging illustrates that scarcity of financing opportunities may not be an inhibitor; instead, entrepreneurs' readiness and financing practices that limit access might be the more important challenge. When all accounts above are taken together, they reflect Kumar and Borbora’s (2016) argument about the effect of access to financing that “improving access to finance boost the entry rate and firms’ growth, on the other hand, lack of credit desists entrepreneurs from starting a business even though there is availability of opportunities” Also, it was revealed that the inability to access financing support makes entrepreneurs at all levels of development revert to friends and family financing and transitioning beyond execution stage of development is hampered. The following subsection presents how access to information affects entrepreneurs’ development.

5.2.5 Information availability effects

Evidence uncovered on information availability in this study is significant in the sense that it revealed how central information is to entrepreneurship development because it concerns every other factor that could be identified to enable or inhibit entrepreneurs. The lack or ambiguity of information sometimes has grave
consequences for entrepreneurs, but timely and accurate information enables them to conduct their businesses effectively at every stage of development. Information in this context relates to news, reports, updates, intelligence, instruction, policies, and knowledge of requirements that pertain to entrepreneurship. This subsection presents some evidence on how information affects the development of entrepreneurs by looking at how it relates to other factors and their influences.

It was uncovered that information about regulatory requirements, industry changes, entrepreneurship support opportunities, and other policy information is limited in the public domain because of poor dissemination. According to some respondents, even where there is information, they are so jumbled up that clarity becomes the issue. The lack of clarity experienced by entrepreneurs resulted in poor decisions that become costly and impede their growth, and in some cases, result in failure and business closure. For example, the lack of information about financing sources earlier highlighted will result in financial constrain. Likewise, inadequate information about taxes and other government charges may lead to non-compliance and cause the entrepreneur to be penalised and suffer financial consequences. Moreover, where capacity development and other interventions are not adequately publicised, entrepreneurs may miss vital support opportunities. When asked about the relevance of BMOs, one respondent highlighted information provision as a major responsibility of the organisation.

"It is a good thing to be part of an organisation like this as it helps you to get information directly from government and big associations which you cannot find in the newspapers. (EDI-2-AS).

Another EDI manager noted that “I have worked closely with a lot of entrepreneurs and a lot of times what they need is information” for example "people don't pay taxes for different reasons because a lot of times people don't know what to pay for or who to pay to"(EDI-1-CD). Also, on business registration. “Corporate Affairs
Commission (CAC) is a problem because they cannot provide you that guidance and that support, so people still need to engage lawyers” (EDI-1-CD).

This evidence showed that information availability, whether totally lacking or inadequately disseminated, results in financial loss to entrepreneurs at the execution and growth stages of development and delayed establishment and additional expenses to exploration stage entrepreneurs. As another efficiency-related role of institutions, pieces of evidence above are consistent with Kumar and Borbora’s (2016) position that “larger information access reduces the transaction cost which is an important barrier in entrepreneurship development”. Although lack of information is typically raised as a system’s issue, it was revealed that many of the entrepreneurs encountered and supported by some of the respondents showed limited tenacity in seeking information for themselves but continually depend on others (EDI programme executors) to seek information out and make it available to them. This further highlighted how the role of the individual-level concerns earlier mentioned in subsection 5.2.4 aid some of the effects of these factors. The following subsection presents evidence that emerged from the analysis on how the individual-level factors enable/inhibit entrepreneurship development as perceived by the EDI executors.

5.2.6 Effects of entrepreneurs’ knowledge and experience

The degree to which contextual factors identified above may impact entrepreneurship could be argued to depend on entrepreneurs’ knowledge and skill, referred to by Balkiene and Jagminas (2011) as “entrepreneurial capability”. Most inhibiting/enabling effects arising from knowledge and skill gaps could be described as secondary but critical because they become relevant due to the need to navigate the effects of contextual factors. Results of this analysis revealed that entrepreneurial capabilities are developed through intellectual capacity development intervention (see subsections 5.3.1 and 6.4.1), which Hamzah, Yahya, Sarip, and Adnan (2016) referred to as entrepreneurship education programme (EEP), and through experience from prior business, industry, or
creation of firm (Shane, 2003; Cuervo, 2005). These entrepreneurial capabilities inform "perceived desirability and feasibility associated with alternative entrepreneurial actions" (Autio et al., 2014) employed in navigating contextual influences. This subsection presents evidence of how possessing or lacking entrepreneurial capabilities enables/inhibits entrepreneurship development.

Analysis of interview transcripts from the EDI executors revealed two capability issues in the Nigerian setting that inhibits how much entrepreneurs could do with opportunities available within their environment. The first is poor business planning or lack thereof, which causes exploration stage entrepreneurs to misconstrue their resource needs and misunderstand their target market. Also, the lack of proper business planning makes entrepreneurs misunderstand the concept of profitability at the execution stage, causing the business to suffer financial difficulties and eventually cease to operate. The capability issue highlighted here is corroborated by the Nigerian MSME Financial Literacy Survey (subsection 4.5.6), a document prepared by Fate foundation and collected as part of data source triangulation for this study. The survey showed that out of 6,500 entrepreneurs across 36 states of the federation, only 20% had taken any financial literacy course, and only 10% had any formal accounting qualification. The second capability issue that emerged is the lack of strategic leadership which affects implementation even when there is a good business plan. The data revealed that this issue is evidenced by a lack of structure and incidence of micro-management perpetuated in the lone control business manager culture.

Many respondents opined that the lack of knowledge of business planning is a fundamental problem and therefore ensures that teaching and drafting a business plan is a core part of their intellectual capacity development interventions. They highlighted that due to lack of business experience or participation in an EEP or not attaining tertiary level education, many entrepreneurs tend to engage in business without planning either because they lack awareness of the importance or do not possess the skill to write one. EDI-2-AS, who is an executive of the association of small businesses, noted:
"...we start business out of intuition here, not out of proper planning" (EDI-2-AS).

Evidence from this study shows that the effect of poor business planning is more pronounced at the execution and growth stages of entrepreneurship development, with the effects being poor business performance, stagnation and mortality resulting from the poor definition of market segment and conceptualisation of profitability in business at the exploration stage. It was revealed that poor market definition and other entry choices typically lead to poor sales and revenue loss. Also, lack of financial literacy means entrepreneurs are usually unaware of their breakeven point and therefore continue to conduct business at a loss without realising their financial position until it is too late.

Furthermore, it was also revealed that although the effect of poor business planning is more evident at later stages of development, it also affects exploration stage entrepreneurs, particularly regarding financing. As mentioned earlier, a business’s economic viability is usually assessed for financing, and the evidence provided through a good business plan at the exploration stage is a key criterion for eligibility, as noted by one respondent.

“An effective business plan will tell you how effective, how profitable and how enduring that business is” (EDI-2-AS).

Consequently, poor business plans due to the knowledge gap result in the inability to access start-up funds for new businesses and expansion funds for established businesses.

The second capability issue that emerged is the lack of strategic leadership on the part of the entrepreneur. This affects mainly business execution and growth stages of entrepreneurship development because these are stages where the entrepreneur ought to give more attention to decisions on the developmental direction. Griffin-EL and Olabisi (2018) describe these stages as those where the entrepreneur would have “put systems and people in place to launch their business operations” to a broader market and should therefore not be bogged down with
mundane operational tasks. However, evidence from the analysis showed that the lack of business managerial knowledge and experience results in situations where entrepreneurs are “still very much involved in the daily operations of their businesses” (EDI-1CD). Another informant discusses how lack of structure and micro-management is judged as poor management skills and hence a reason for disqualification during the loan application process:

"...when you employ people, you give them responsibilities, working hours and make them accountable, they will deliver. But in a situation when you are doing everything yourself, you cannot be bankable. They are very brilliant with good initiatives but no management skills" (EDI-6-MA).

Apart from affecting eligibility for financing, this behaviour results in ineffective strategic choices that culminate in the stagnation of the business in later-stage entrepreneurs.

Although the situations are credited to knowledge and skill gap arising from education and experience, the respondents observed that it could also be linked to the cultural trait of wanting to control everything by themselves, as earlier highlighted, and another social norm which is lack of willingness to invest their resources in personal development except when it is free. One informant recounted entrepreneurs’ attitudes on intellectual capacity development intervention:

"Majority of these programmes are free, but if it is a self-paying programme, they are not willing to pay for it. KPMG laid off some staff who have worked with them for 25 years, and they brought them to us to train them, so KPMG is pay half of the payment and because they have that support, they are available" (EDI-1-CD).

These results support Acs et al. (2014), that argued that entrepreneurship is fundamentally individual-level behaviour driven by complex population-level interactions between attitudes and aspirations. That central to the
entrepreneurial process is not whether or not opportunities exist but rather what is done about them and by whom. This is further supported by one respondent's comment that the "cause of high mortality rate is really knowledge gap. Some will say it is because they do not have enough funding; the answer is no. It is largely because of knowledge gap (EDI-1-SU). The Effects of entrepreneurs’ knowledge and experience emerging in the subsection is consistent with Arenius and Minniti’s (2005) argument that a low level of business knowledge and skills could inhibit an individual’s propensity to create a business while a higher level may enable it.

5.2.7 Section conclusion

This section covered how contextual and individual-level factors enable/inhibit entrepreneurship at the different stages of development. Pieces of evidence of six categories of factors were uncovered, and their effects on entrepreneurs' decisions and actions were presented. Institutional factors were revealed as important factors with evidence of both formal and informal dimensions resulting in attraction to the informal sector, high cost of operation, execution challenges, and business stagnation. Also, evidence of high customer acquisition was uncovered as a consequence of wider industry/market factors, and further revelations show that eligibility and affordability limitations constrain access to finance across all stages of development. The section also presented evidence of additional cost as a consequence of lack or ambiguity of information. Finally, business performance challenges, stagnation, and mortality were uncovered as results of poor or lack of business planning, chaotic implementation, and haphazard decision-making. It also emerged that these are aided by the lack of business management knowledge and industry experience, all pointing to entrepreneurs' knowledge and skill gap.

To conclude, various pieces of evidence presented above provide some understanding of EDI’s perspective on how contextual and individual-level factors enable or inhibit entrepreneurship development. The portion of the results that shows that entrepreneurial capability is a major factor in the process of
entrepreneurship development supports Acs et al. (2014) argument that the individual is central to the entrepreneurial process, hence the need for further understanding of how prepared the entrepreneurs are in terms of their ability to navigate various influences at the different stages of their development. Since the EDIs are positioned to provide the support activities that prepare the entrepreneurs, it is essential to investigate these activities to elaborate on their enabling and inhibiting effects. The following section presents the results of the analysis of EDI activities to elaborate on the effect of their role on choices made by entrepreneurs and to theorise this as a dimension of determinants.

5.3 The Role of Entrepreneurship Development Initiatives EDI

This section presents the result of the analysis of the activities of executors of the Entrepreneurship development initiatives (EDIs) as defined in this study. The EDI's role, as earlier contextualised in Chapter 2, refers to the part played by institution intermediaries (Armanios et al. 2016; Sutter et al., 2017) as policy vehicles in the implementation of entrepreneurship policies that facilitate entrepreneurs' readiness and support at different levels of entrepreneurship development process. This analysis form basis for understanding how the EDIs' support activities enable entrepreneurs to create, operate and sustain micro, small, and medium-sized enterprises. As earlier highlighted, this chapter presents the EDI executors' perspectives on their role and ensuing effects through pieces of evidence that emerged from aggregation (through coding) of the copious data provided through interviews with executors that interact with entrepreneurs in providing developmental support.

Entrepreneurship development support here is defined as support that comprises a list of "soft" policy measures as suggested by Lundstroom and Stevenson (2005), including entrepreneurial education, consultations, improvement of skills and capacities, promotion of entrepreneurial culture as support areas that encourage people to start and run their businesses. By adopting two interlinked approaches involving applying the theoretical framework
to tease out pieces of evidence and aggregating evidence using thematic coding, the role of EDIs and their effects on entrepreneurship development in Nigeria are summarised in Figure 5.2, addressing the portion of this study on understanding how the initiatives contribute to entrepreneurs' capacity to deal with inhibiting and enabling effects emanating from individual-level and contextual factors.
### Figure 5.2 Data structure of role of EDI and the effect on entrepreneurship development

<table>
<thead>
<tr>
<th>First-order themes</th>
<th>Second-order themes</th>
<th>Aggregate Concept</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capability profiling and intervention designing according to stages of development enabling entrepreneurs to develop appropriate skill sets.</td>
<td>Developing business management skills</td>
<td>Capacity development Support</td>
</tr>
<tr>
<td>Context-focused approach to learning intervention by using professionals and entrepreneurs as facilitators.</td>
<td>Offering direct financing</td>
<td></td>
</tr>
<tr>
<td>Introducing entrepreneurs to local context and acquainting them with the market realities before execution.</td>
<td>Indirect financing attempt to reduce qualification challenges</td>
<td></td>
</tr>
<tr>
<td>Pragmatic approach to learning intervention.</td>
<td>Direct and indirect workspace facilities provision</td>
<td></td>
</tr>
<tr>
<td>Partnering with established businesses to provide apprenticeship opportunities to exploration stage beneficiaries.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development Finance Institutions' preference for supporting established businesses.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development Finance Institutions inhibit entrepreneurs' access through unattainable eligibility criteria.</td>
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<td></td>
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<tr>
<td>Discriminatory direct financial support for members only by business membership organisations BMOs through the cooperative model.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government funds incorporated as financing source enable entrepreneurs by reducing conventional loan eligibility challenges.</td>
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<td></td>
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<tr>
<td>Partnering with import/export banks to facilitate access to loans at a discounted rate for growth-stage entrepreneurs that deal in import/exports.</td>
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<tr>
<td>DFI partnering with commercial banks and microfinance banks.</td>
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<tr>
<td>Channelling financing operation through layers of intermediaries and consequent increase in lending rates.</td>
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<tr>
<td>Partnering with government to provide co-working facilities to execution stage entrepreneurs.</td>
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<tr>
<td>Industrial park facilities for business set-up and cost-saving at early stage.</td>
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<tr>
<td>Private organisations provide co-working office spaces for exploration and execution stage entrepreneurs.</td>
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<td></td>
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<tr>
<td>Incubation hub to facilitate ideation, prototyping, networking, business set-up, and cost-saving at early stage.</td>
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</tbody>
</table>
• Recommendations at policy dialogues enjoining government to patronise budding entrepreneurs.
• Enable execution and growth-stage business to get their products to market and gain visibility.
• Corporate level partnership with international eCommerce giant to host Nigerian products.
• Growth stage businesses achieving international market development at a minimal cost through eCommerce giant partnership.
• Fostering collaboration among entrepreneurs through alumni and training events, conferences, and seminars.
• Networking opportunities for client prospecting, business partnership, and sharing best practices through international B2B engagements and trade fairs.
• Linkages of big to small businesses.

• Evaluation of outcomes of entrepreneurship through documentation of audio-visual data.
• Mentors’ feedback on scheduled support, and consultants’ and entrepreneurs’ assessment of consulting clinics to measure progress.
• Post-capacity development periodic visitation to execution stage entrepreneurs’ businesses.
• Information dissemination on current and useful capacity development opportunities available to execution and growth-stage businesses in the environment.

• Scheduled weekly consulting clinic targeted at execution stage businesses.
• Access to management consulting and business coaching sessions for free.
• Partnership with services experts/organisations to facilitate subsidised/free service offerings to entrepreneurs.
• Direct mentoring programmes, pairing new execution stage entrepreneurs with established entrepreneurs for hand-holding and practical guidance.

• Representation of entrepreneurs at execution stage in regulatory and compliance matters.
• Interaction with government agencies to demand fair and equitable treatment of entrepreneurs by the government.
• Influencing policies towards creating enabling environment through dialogue and recommendations on pertinent entrepreneurship development issues.

• Espousing walk-in model in development finance institutions and business membership organisations ease access to business growth stage entrepreneurs.
• Use local radio and local council on national television and newspaper to create awareness and reach entrepreneurs in all regions.
• Biased recruitment criteria create discrimination, thereby alienating certain demography of prospects.
• Heavy dependence on social media to publicise support programmes focusing on urban cities with significant Internet penetration.
• DFI setting strict sustainability criteria for eligibility for financing inhibits quotation dependant businesses.

Source: Author’s elaboration from collected evidence
The aggregate concepts that emerged here are informed by pieces of evidence of EDI activities that align with descriptors of various roles of institutional intermediaries as suggested by different works. Capacity development emerging here aligns with Eberhart and Eesley’s (2018) constructs of organisations that channel resources and knowledge. Also, activities involved in the concept of facilitating entrepreneurs’ transition from the informal to the formal sector and legitimising new actors put forward by Kerlin et al. (2021), Sutter et al. (2017), and Mair et al. (2012) all embody monitoring, facilitation of access to market and business support aggregated here as mentoring. The EDI activities uncovered comprising capacity development, mentoring support, advocacy, and awareness creation are further elaborated, and their effects are illustrated in the following subsections. Thus, beginning to uncover the enabling or inhibiting qualities of the EDIs in entrepreneurship development.

5.3.1 Capacity development support

The evidence that emerged from the EDI executors’ interviews analysis showed that many of them addressed capacity development in the context of entrepreneurial education. While this is acceptable, it presents a partial illustration of how this study approached the term ‘capacity development’. This study follows extant works such as Bamfo, Appiah, and Oppong-Boakye (2015), that considered enterprise support institutions to include financial and higher education institutions, and Abubakar (2015), that considered resources and entrepreneurs' competence as developmental needs, therefore suggesting that in addition to competence, finance, and other resources (buildings, machinery etc.) are elements of capacity required by entrepreneurs. This notion was also supported by one respondent that expatiated her view on capacity development as follows:

“…for me, I will say that capacity development is providing entrepreneurs with knowledge, information, resources, tools, and every
type of support that will help them to grow and to scale their businesses” (EDI-1-CD).

The above quotation relates to an initiative by Fate Foundation, a private-social oriented EDI which is extensively active in direct intellectual capacity development but also engages in awareness campaigns and offers mentoring and advocacy for entrepreneurs all over the country. To present the evidence of EDI’s capacity development supports and their effects, this study will adopt intellectual, financial, and physical capacity as bases. Evidence from the analysis revealed that depending on the source of the support and how they are structured, these capacity development interventions are usually through direct EDI engagement or indirect through nominations, recommendation, or facilitation.

Concerning ‘intellectual capacity development’, evidence from the data collected showed that all the respondents consider knowledge and skill development as central to successful navigation of the contextual factors that influence entrepreneurship development hence their interest in this support activity. One respondent summed this up, saying, “knowledge and skills are very important for you to thrive in Nigeria when it comes to doing business” (EDI-2-AS). Results of the analysis revealed three broad rationales that inform how EDIs approach intellectual capacity development. The first is to develop the entrepreneurs’ overall capabilities to run the enterprise effectively, and this involves ‘management competency development’. The second is to enhance entrepreneurs’ eligibility for financing, which focuses on coaching on financial literacy and business planning documentation primarily to demonstrate business viability. The third is to build entrepreneurs’ confidence as owner-manager to withstand unfair treatment by government agency officials as typically practised in Nigeria. This involves educating the entrepreneurs on public policies, laws, and other business regulations that can help them navigate regulative contextual factors and withstand harassment by public officials.
The result of this analysis revealed that in conducting management competency development, stage-specific (aspiring, emerging, and scale-up) interventions are designed to ensure skill needs are catered to according to the entrepreneurs' stage of development. One respondent described their approach:

“We have categorised it as there are different entrepreneurs who have different types of training needs at different times. We have the idea stage entrepreneurs who don’t need the type of information that emerging or experienced entrepreneurs need” (EDI-1-CD).

This enables entrepreneurs and their teams at all stages to start/run their businesses successfully and acquire the knowledge and skill for the next stage once they are ready. This way, business transiting is feasible, and mortality likelihood is lowered. Evidence also revealed that the EDIs incorporate a context-focused approach to learning intervention by using professionals and entrepreneurs as facilitators to introduce entrepreneurs to the local context and acquainting them with the market realities. Also, some EDIs are implemented in partnership with established businesses to provide apprenticeship opportunities to enable exploration stage entrepreneurs to learn the trade.

The second rationale emerging from the analysis shows EDIs providing intellectual capacity development support activities primarily to fulfil the requirement for access to funding. It was revealed that most organisations/entities that provide funding for entrepreneurs have very stringent requirements, top of which is a financial record and well-documented business plan. According to all the respondents, most Nigerian micro and small businesses lack the technical competence to fulfil these requirements and are unable to position themselves to access available funding. Phrases from the extracts of interviews with some of the EDI executors on funding, such as “advise you, and you get the funding” (EDI-1-CD), “prepares us for intervention funds” (EDI-2-AS), “they must be certified by us” (EDI-4-SM), “capacity building that will help to de-risk them” (EDI-3-BO), “make them bankable and therefore eligible to the
loans (EDI-6-MA) revealed that with this paradigm, the aim of the intervention is more of a means to an end. The end being access to financing rather than learning for use in business execution, even though the evidence shows some degree of learning still occurs. This first enables the entrepreneurs (all stages) to qualify for financing and then develop the skill to do it again as needed.

The third rationale uncovered relates to enabling entrepreneurs to develop the confidence to address potentially inhibiting regulative issues. Evidence showed that the respondents believe that some of the challenges faced by entrepreneurs in relation to interaction with enforcement officers could be alleviated if entrepreneurs have adequate knowledge about their rights and obligations. It was uncovered that entrepreneurs are inhibited by undue harassment from enforcement officers without much resistance as the entrepreneurs cannot confidently contest the allegations brought against them because of the lack of knowledge. This has become a significant developmental issue among entrepreneurs and informs this paradigm to intellectual capacity development, as noted by one EDI executor.

“We help to build the confidence of members to be able to deal with the government because one thing that government does is to impose certain levies and taxes to people in business. So, one of the capacities we build in our members is to be able to challenge these government policies” (EDI-2-AS).

The next capacity-related intervention uncovered is ‘financial capacity development’. The analysis results show that two out of the three categories of EDIs selected for this study engage in direct financing of entrepreneurs. These two EDIs differ in their approaches because of their organisational form and structure. One operates as a self-organised cooperative established by BMOs to cater to the members’ needs to address the challenges they face due to system failure, and the other as DFI and as a policy instrument used by the government to implement enterprise-related policies. The BMO 'cooperative' model is that
through which EDIs with IE orientation create a pool of funds for the members to access cheaper funding in comparison to the commercial banks and DFIs.

During my observation of one of the cooperative annual general meetings (AGM), which I attended in Lagos prior to my interview with a national chairman (summarised in subsection 4.5.4), I observed that the cooperative is an entity within the larger BMO, and participation is voluntary. Also, my observation of the AGM activities revealed a community-based solution approach to financing supporting the pure sharing (Szabo, 2017) concept where the cooperative is run as an organisation where members contribute monthly, and the pot of funds is available for lending to members at affordable rates. At this AGM, I observed that they addressed membership, investment, financing, dividend, operational and election issues. Central to their activity is financing and business incubation for members, as elaborated in subsection 4.5.4. In the deliberations, I observed emphasis on the cooperative's financial position and performance as critical to the cooperative delivering financial support to its members.

Furthermore, the cooperative’s approaches to addressing the issues of financing challenges such as high-interest rates, collateral requirements, and administrative speed faced by entrepreneurs when dealing with conventional banks were presented as value propositions to attract prospective new members that were in attendance. The new members were welcomed, dividends shared, and an election was conducted for leadership and committee offices for the subsequent tenure (2 years). The financing-related activities and deliberations observed at this AGM corroborated the various findings on the challenges and the effects of access to finance from the interview data collected. Although the cooperative model enables execution and growth-stage entrepreneurs to access financing at a very low rate within a very short time by fulfilling very minimal requirements, it could be argued to be limited because it does not cater to exploration stage entrepreneurs as the evidence showed that it is skewed towards membership participation only, which means only established
businesses can benefit from the support because only existing businesses can be members of a BMO.

Further evidence on direct financing involving the DFI showed that while a DFI such as BOI welcomes walk-in entrepreneurs, their process entails fulfilment of a list of stringent requirements. Additional evidence from this DFI's website revealed that the requirements include 11 and 14 conditions to be met by enterprise and limited liability companies, respectively, to qualify for loans (BOI, 2020). These conditions include the provision of security (asset) against the loan and a business plan which, according to an executor, must be “good enough, economically viable and socially responsible” (EDI-3-BO). Although BOI as an EDI is a pure-public oriented initiative as described in subsection 3.5.1, its adoption of commercial banking practices highlighted above inhibits entrepreneurs' access to financing at all stages of development because of their inability to meet the financing eligibility conditions. A situation the executor from BOI argues that they have mitigated by partnering with other financial institutions (microfinance banks) to address (see affordability discussion under access to finance effects in subsection 5.4.2).

In other efforts, evidence show financial capacity development through facilitation or “funding linkages”, as stated by EDI-1-SU that “one of our major support services is funding linkages. We do not give money directly, but we link them up with our funding partners” (EDI-1-SU). It emerged that all the EDIs engage in various partnership approaches to provide indirect financing for entrepreneurs. One approach involves partnering with the government agencies to access government funds and channeling them toward various entrepreneurship development programmes using DFIs as intermediaries to warehouse and manage the disbursement. This enables access because the financing comes as grants or loans with low-interest rates. A second approach that emerged involves a partnership arrangement between BMOs and financial institutions to offer discounted rates to their members (entrepreneurs) within defined criteria. An example is a partnership between BMOs and the
import/export bank to enable execution and growth-stage entrepreneurs in international trade to access affordable financing.

A third approach that was revealed involves DFIs warehousing the funds highlighted earlier, further partnering with other financial institutions (commercial, microfinance, and import and export banks) to implement disbursement because of eligibility criteria and peculiarity of the entrepreneurs' situations. For example, the DFI partners with the African Export and Import Bank (AFREXIM) and introduces entrepreneurs that deal in exports/imports businesses to them for financing because of the bank's expertise in such lending. Likewise, the DFI partners with microfinance bank, extend credit lines to them and then introduce micro and small enterprises to them for financing as a way of risk management because micro and small enterprises tend to be ineligible to access direct funding due to stringent requirement. One respondent from a DFI noted that these other institutions are operationally designed to cater to the unique needs of these enterprises and that “these are the ways we (DFI) are indirectly finding a way to reducing the cost of the interest and the rate at which these set of people get access to loans” (EDI-3-BO). However, evidence from other EDIs shows that while this enables eligibility, the additional chain sometimes inhibits affordability as the financing ends up costing more because of the layers (see subsection 5.2.4).

The third capacity-related intervention uncovered is 'physical capacity development'. The analysis results show that the high cost of physical facilities is a major inhibitor to exploration and execution stage entrepreneurs and the impacts are evident in many ways. For example, to set up a manufacturing business involving consumer goods, NAFDAC approval is required, and one of the conditions for this approval is the inspection and validation of factory/work premises which must satisfy several requirements, including size specification, building design, factory location, and availability of certain amenities. The cost of securing this approval determines whether the business gets established or not in the case of exploration stage entrepreneurs and whether the product gets
launched or not in the case of execution stage entrepreneurs. Likewise, it was revealed that the costs of office space and internet subscriptions, especially in highly commercialised cities, are exorbitant and beyond many entrepreneurs’ means.

Evidence from this analysis revealed direct and facilitated approaches to supporting entrepreneurs to secure a physical workspace, especially the execution stage entrepreneurs. Evidence showed that the indirect approach is popular and involves partnering with public institutions to secure allocated spaces offered to entrepreneurs. It was revealed that the government/public partnership targets execution stage industrialists using industrial parks designed by the government to share amenities to enable early-stage requirements and development such as NAFDAC approval earlier mentioned. In this model, EDIs like the BMOs organise their members to access the facilities within 1-5 years of establishment, after which they are required to leave for new businesses to have access. One respondent highlighted this partnership model:

“We are in partnership with government, and we have some industrial hubs that are virtually in all the states. These industrial hubs provide you with an opportunity to move in and use the structure provided by the government and begin to do your business” (EDI-2-AS).

Further evidence showed that direct approaches are mostly engaged by private incubators and accelerators that provide co-working office spaces for non-industrialist entrepreneurs to facilitate ideation, prototyping, networking, business set-up, and cost-saving at early stage. An executive in an incubator explained how they support entrepreneurs:

"The American corner also gives a laptop for people that needs internet to take online courses. We have a co-working space where new companies who need working space can come and set up here. You can either pay weekly, quarterly, or monthly where you get access to our mini board room” (EDI-8-CC).
The analysis results show that capacity development, as presented in this study, is the most espoused by the EDI executors consistently. However, concerning other support areas, the evidence indicates varying levels of tenacity to engage across EDIs. It emerged that executors keenly pursue mainly activities within their expertise. The pieces of evidence on these other support areas are presented in the remaining subsections starting with mentoring.

5.3.2 Mentoring support

According to the EDI executors, mentoring support is necessary post-capacity development activity through which continuous support is rendered to entrepreneurs at all stages of development. In describing their role, one respondent highlighted this general viewpoint:

"…we couple that with mentoring and counselling because we do not just leave them in the wilderness after training. We follow them up so wherever there are challenges, we can look at it" (EDI-4-SM).

Another respondent illustrating how their support activities are organised noted:

"... afterwards, we transition them into the mentoring or business support programme which is headed by mentoring team" (EDI-1-CD).

The results of this analysis show that mentoring support includes activities categorised into facilitation of ‘access to market’, ‘monitoring and evaluation’, and consultancy and business support services. This subsection presents evidence of these activities and how they affect entrepreneurship development.

First, 'facilitation of access to market' is conducted to enable micro and small enterprises to get their products and services before prospective clients, especially in a mature market. This activity is pursued locally and internationally, and the EDI executors employ various approaches. These include lobbying the government on behalf of entrepreneurs, establishing corporate partnerships, fostering collaborations, and creating networking opportunities. It was revealed that through dialogue and policy consulting with the government, the EDIs that
engage in policy advocacy push the agenda for the government to prioritise patronising local producers as a policy position as noted in the proceeding at recent policy dialogue:

“…getting the government to adopt a procurement policy in such a way that even the government set the tone for others to follow by procuring a lot of the things that are made in Nigeria” (ED-1-PO).

This effort creates sales opportunities without huge marketing expenses for entrepreneurs at all stages of development.

Apart from lobbying the government, corporate relationships are established with big marketing organisations to facilitate market access for entrepreneurs. One of the executors of the EDI noted in the interview that "our organisation is doing a lot of work around e-commerce, and we signed a partnership with 'More For Africa' and with that our Nigeria entrepreneurs can display their products on the More For Africa website” (EDI-1-PO). Furthermore, a third approach involves fostering collaborations among entrepreneurs at all stages of development through conferences, seminars, and other networking opportunities locally and internationally. Excerpts from interviews with various executors below noted some of these activities and a hint of how they affect entrepreneurs.

“…we have been able to meet with quite a number of business people outside the shores of Nigeria for Business-to-Business meeting” (EDI-2-AS).

“…we link you (large enterprises) with SME, and we can also finance the SME” (EDI-3-BO).

“So, we try to create market access for our people by assisting them to participate in trade fairs” (EDI-7-NA).

Secondly, ‘monitoring and evaluation’ (M&E), which is less consistent in comparison to other EDI activities among the EDIs, is carried out to determine whether the intended outcomes of other support activities are achieved to ensure
value is continually created through these activities. Out of the ten EDI programme executors interviewed, only three alluded to keenly pursuing M&E as one of their activities and evidenced the effect in their interviews. It emerged that EDIs evaluate outcomes of interventions by documenting the entrepreneurs' before, during, and after situations using various data capturing methods such as questionnaires, video, and some self-evaluation software. The three touchpoints provide the EDI with data comparison to ascertain the progress and impact of the support on the entrepreneurs. For example, interviews with the mentor and mentee are employed, as noted by an EDI executor, that "at the end of the 12th month, we can compare the business to what it was when we started the mentoring programme" (EDI-1-ME). Likewise, collection and analysis of feedback from external facilitators/consultants and the entrepreneurs. A respondent that coordinates a bi-monthly consulting clinic described the aspect of the evaluation.

"For the evaluation of the consultant clinic, we have a feedback sheet that we give to the entrepreneur and the consultant." (EDI-1-ME).

Furthermore, evidence shows that periodic visits made by the executors to entrepreneurs' business premises are useful for execution stage entrepreneurs because the executors' follow-up visitations to monitor the entrepreneurs' progress help identify implementation challenges and provide support to address them promptly. The visits also double as means of information dissemination. The M&E enables the entrepreneurs to be more efficient and able to take advantage of market opportunities.

Thirdly, 'consultancy and business support' services are provided indirectly to the entrepreneurs in a manner that is inexpensive and beneficial to all the parties involved. One of the models that emerged is the consulting clinic, whereby the services of volunteer professional consultants are offered to entrepreneurs for free in a one-to-one clinic. The Consulting clinic, in this instance, is a bi-monthly event where entrepreneurs with a suitable consultant. This enables the
entrepreneurs to access regular support in iterations that allow for a complete loop of consultancy, implementation, and evaluation, thereby enabling the entrepreneurs to continue to perform effectively. One respondent highlighted entrepreneurs' perception of the support:

“…it used to be once a month, but when we saw the increasing demand of people signing up for this service, we had to increase it to twice in a month” (EDI-1-ME).

Having received the free services, some entrepreneurs opt to engage the services of the consultants at a discounted fee because the relationship was established through the EDI consulting clinic. An executor noted that “it is also business for the consultant as we are also creating a market for them” (EDI-1-ME).

Other models include partnerships with vendors by IE-oriented EDIs to secure blanket rebates for members.

“We also have partnerships with quite a number of media houses and so our members who want to advertise their businesses on radio and newspapers, they can get as much as 40-60% reduction in price” (EDI-2-AS).

Also, EDIs engage established entrepreneurs to volunteer to mentor nascent execution stage entrepreneurs. Some respondents alluded to what they do:

“…mentoring programme of matching mentors with mentees and managing that process for each of the entrepreneurs for 12 months” (EDI-1CD).

…we group them together and give them a mentor” (EDI-2-AS).

The results of this analysis show that mentoring support is vital to entrepreneurship development in Nigeria. It was revealed that while capacity development gets the entrepreneurs grounded, continuous support through mentoring helps individual businesses survive and transition. This analysis also
revealed that though capacity development and mentoring are enabling, this is only possible in a conducive regulatory environment hence the need for advocacy on regulatory issues. The following subsection presents evidence of advocacy and its effects.

### 5.3.3 Advocacy

Advocacy was a term frequently used by many EDI executors during their interviews when describing support provided to entrepreneurs in interaction with government enforcement agencies. Interestingly, this concept was neither explicitly explored nor alluded to in any of the copious literation reviewed for this study. This may highlight the peculiarity of this issue in the Nigerian setting. The evidence emerging from this analysis showed that one of the inhibitors faced by entrepreneurs in Nigeria, as highlighted earlier in Section 5.2, is the impact of regulatory factors and the EDI executors take a keen interest in supporting the entrepreneurs to address this continuously. Phrases from the extract of their interviews such as "advocacy around multiple taxations" (EDI-1-PO), “from time to time and provide advocacy” (EDI-2-AS), “after our advocacy and engagement” (EDI-1-SU), “one of our mandates is advocacy” (EDI-4-SM), “we advocate for policies” (EDI-6-MA), “we advocate on behalf of our members” (EDI-7-NA) show this as crucial support espoused by many EDIs.

The quotation about multiple taxes by EDI-1-PO is related to the long list of taxes discussed earlier as inhibiting entrepreneurship. As inhibitors, taxes do not only constitute financial constraints to entrepreneurs in Nigeria (Igbinovia and Okoye, 2017; Aribaba, 2019); there are also regulatory factors about the processes of paying taxes or demonstrating that taxes have been paid. For example, dealings with certain government agencies such as the NAFDAC, Standards Organisation of Nigeria (SON), and the FIRS, which serve as the certification and taxation enforcement agencies in Nigeria, emerged to be a major concern for entrepreneurs in general. The data revealed that a component of the business registration process is issuing a TIN through which the FIRS can enforce taxation laws. Delays
or errors in the issuance of this number inhibit registration and commencement of business because business bank accounts cannot be opened without the TIN. One respondent noted:

“Some of the issues that we discovered were that sometimes they give you a Tax Identification Number for another location and then to try to rectify that is a whole long process” (EDI-1-PO).

Likewise, a prerequisite to manufacturing a wide range of domestic products is NAFDAC and SON approval and certification, evidenced by the NAFDAC number that must be printed on every unit of product sold. Many respondents highlighted the challenges of dealing with these agencies.

“Recently, NAFDAC hiked their tariff, and it was the association that championed the course, and we were able to reverse the tariff after due consultation” (EDI-2-AS).

“Recently, NAFDAC increased the cost of registering a product, and we had to stand and say no” (EDI-7-NA).

“It was something we negotiated with the government, and we have a collaboration with SON (Standards Organization of Nigeria) for import permit, even with NAFDAC” (EDI-6-MA).

In other instances, interaction with Federal Inland Revenue Service (FRIS) emerged as an example of an area requiring advocacy, according to the respondents. As earlier highlighted in 5.2, a major regulatory factor affecting entrepreneurship is taxation and these challenges prompt advocacy activities on behalf of entrepreneurs, as indicated by EDI-1-PO, who narrated what they did in a recent development where businesses were at risk of being shut down because of outstanding taxes and non-payment of new rates.
“What we proposed was for the government to give people Tax Amnesty because it is not like people do not want to pay their taxes, but the backlog of taxes that they have is just too much” (EDI-1-PO).

The above quotation illustrates how advocacy can be an enabler of entrepreneurship in helping government authorities identify areas where regulatory constraints negatively impact entrepreneurship. EDIs' interventions in some of the regulatory issues faced by entrepreneurs contribute to creating a conducive environment to carry on their businesses. The following subsection presents awareness and access and their effects on entrepreneurship development.

5.3.4 Awareness and access creation

Awareness creation and access emerging in this study highlight the importance of entrepreneurs’ awareness of opportunities for development in the environment. The evidence shows EDIs as tools for “fuelling entrepreneurial mindset” as argued by Balkienė and Jagmina (2011). Also, it shows that EDIs in Nigeria motivate more people to become entrepreneurs through awareness and continue to serve as means to attract and recruit established entrepreneurs through awareness onto the different interventions available for business execution and expansion. The result of the analysis reveals that while EDIs have employed different media to create awareness to enable entrepreneurs identify opportunities and take advantage of them, an interesting revelation is that through the choice of media, certain demographics are automatically alienated and therefore inhibited from maximising available opportunities. Also, biased recruitment criteria were uncovered to further inhibit certain demography of prospects. Some of this evidence and the effects are presented.

Data from interviews show that varying approaches are used to announce the existence of EDIs, motivate prospects toward entrepreneurship, and inform established enterprises about support activities. Generally, various platforms such as News media (Television, print, and radio), social media, partnerships,
and referrals (word of mouth) are used. Evidence showed interesting dynamics in choices of media that one could argue inadvertently enabling/inhibiting entrepreneurs. Notably, EDIs of IE orientation (BMOs) tend to downplay very visible awareness creation but prefer the subtle referral approach, as noted in their comments:

“We do that by word of mouth and referrals, and because it is a non-profit organisation, we do not have that kind of budget to run” (EDI-2-AS).

“In fact, we do not make noise a lot as most of our members are through referrals.” (EDI-5-AM).

On the contrary, EDIs with pure-public orientation (DFIs and SMEDAN) use paid news media publications and seminars and conferences for publicity, as noted in their comments:

“…normally we are aired on the radio so people can hear what government activities are. At times, if it is from the head office, we have it in the national newspapers. We are on local TV, showcasing our programmes once a month." (EDI-4-SM).

"Yes, we are everywhere. We are in newspapers; we have an inter-TV programme twice a week, and we are on national TV” (EDI-3-BO).

Evidence revealed that the EDIs with social orientation adopt mainly the use of social media and include partnerships with the tertiary institution as means to create awareness among students, as in the case of the “aspiring entrepreneur tertiary programme in partnership with city foundation” (EDI-1-CD). Evidence provided above shows that BMOs' preference for referrers indicates the limited scope of awareness creation, thereby inhibiting many entrepreneurs. This notion was affirmed in the comments of an entrepreneur (that never participated in any EDI programme) during an informal sense-making chat to corroborate my findings. The entrepreneur noted that she had never heard of any of the BMOs.
Likewise, one could argue that the social-oriented EDI's preference for social media inhibits entrepreneurs who do not have internet access.

Albeit evidence so far shows awareness creation is reasonably well pursued and considerably enabling, entrepreneurs' access emerged to be concerning. Access in this context refers to the ease with which entrepreneurs could subscribe to any of the interventions implemented by the EDIs following their awareness of the availability of these interventions. Evidence emerging on access shows that recruitment criteria adopted by all categories of EDIs place certain restrictions on certain categories of entrepreneurs. For example, The BMOs welcome only established businesses and are structured as associations, and are therefore membership-driven, as noted in excerpts below:

“It is not a compulsory association, but it is necessary because there are benefits to its membership” (EDI-6-MA).

"It is a business membership organisation that deals with Micro-Entrepreneurs" (EDI-5-AM).

“...best way to develop your knowledge and skill is to join a business membership association that can build your capacity” (EDI-2-AS).

The narratives above automatically exclude a host of entrepreneurs, especially exploration stage entrepreneurs, from access to support.

Similarly, evidence on pure public EDI, particularly DFIs, showed that many of their eligibility criteria are inhibitors, especially to exploration and execution stage entrepreneurs. When interviewed about their recruitment approach, one respondent highlighted that businesses seeking financing must demonstrate potential for certain outcomes that must align with the EDI's mandates.

“First of all, we want to see that is it going to create employment? Is it going to act as a substitute for importation? Is it going to explore our
local raw materials? Does it pose any adverse effect on the environment?" (EDI-3-BO).

Apart from the evidence of financial literacy, subtle but difficult requirements such as in this quote are automatic inhibitors for certain categories of entrepreneurs from access to financing.

In another instance, the socially-oriented EDI requires their beneficiaries to have a minimum of tertiary education. When highlighting requirements for coming on their programmes, one respondent noted that “you must have attended some form of tertiary education because we want you to be able to understand the facilitator’s language when he is speaking” (EDI-1-CD). This perspective happens to be an interesting contrast to that of a pure-public EDI executor who believes that “it is not about formal education; it is about getting an education” (EDI-4-SM) when asked about the impact of prior education on entrepreneurship. The EDI executor cited an entrepreneur in Nigeria:

"Good example is Amadi; the Coscharis man did not go to school. He learnt under the tutelage of his master at Oyingbo because the man gave us his life history, and today, he is an employer of so many employees" (EDI-4-SM).

In other cases, the evidence of business traction, age limit, and minimum annual turnover is also set as qualification criteria, thereby automatically inhibiting entrepreneurs that cannot meet these requirements.

**5.3.5 Section conclusion**

This section covered how the role of EDIs enables or inhibits entrepreneurship at the different stages of development. Four aggregate concepts were uncovered, and their effects on entrepreneurs' decisions and actions were presented. Capacity development emerged consistently across EDIs with evidence of intellectual, financial, and physical capacity development activities. Other support areas that emerged included mentoring, advocacy, and ‘awareness and access’ creation.
Evidence from the analysis revealed that while mentoring and advocacy have all enabling effects, the approaches to capacity development and awareness creation result in a mix of enabling and inhibiting effects at different stages of entrepreneurship development.

5.4 Conclusion

The chapter presents the results of the analysis of the effects of contextual and individual-level factors on different stages of entrepreneurship development as perceived by the executors of EDIs. The chapter evidences the role of the EDIs in terms of how individual and contextual factors enable or inhibit entrepreneurship development in Nigeria and to what extent. The chapter uncovers how contextual and individual-level factors influence how the entrepreneurs approach entrepreneurship in terms of entry and post-entry choices (Autio et al., 2014) and reveals the role of EDIs as policy vehicles, mediators, and general support contributing to entrepreneurs’ creation and operation of micro, small and medium enterprises.

In this chapter, the analysis of the influences of contextual and individual factors on the different stages of entrepreneurship development uncovered evidence from which two fundamental findings emanated. The first finding revealed a mix of enablement and inhibition. Furthermore, the inhibiting effects found include financial constraints at all stages of development due to difficulty of access to finance, high operational cost and performance challenges at the execution stage, and attraction to the informal sector at the exploration stage of development. These identified effects are significant because they elaborate on the possible causes of early mortality and business stagnation as it is rampant in Nigeria. The second key finding is the significance of the individual-level factors in the mastery of managing influences of contextual factors. While this finding supports some works (Shane, 2003; Garcia, 2014; Hamza et al., 2016) that highlight knowledge and experience as components of individual-level factors, an interesting revelation is that evidence from this analysis shows EDIs perceive only
entrepreneurs’ knowledge and experience as critical hence emphasis on intellectual capacity development. While this is acceptable, it does not fully align with (Acs et al., 2014), whose argument also includes entrepreneurs’ attitudes and aspiration/motivation as key components of individual-level factors.

Apart from the two findings above, two additional findings emerged and are pertinent to our understanding of how entrepreneurship evolves considering the support of EDIs. The first relates to the EDI operations concerning awareness and access creation which could be deemed fundamental to the support provision cycle because other support activities are pointless if prospects with genuine entrepreneurship intent are not recruited. The results of this analysis show that EDIs’ adopted methods of awareness and access creation are restrictive and might put prospective entrepreneurs that desperately need them at a disadvantage, while they recruit the less needy who are simply taking the support offered for an ulterior motive. The second finding on EDI’s role relates to adopting mentoring activity as a necessary follow-up to capacity development. Evidence coming out of this analysis shows that while capacity development is fundamental because it covers the three (intellectual, financial, and physical) grounding needs, the institutional factors (formal and informal) continue to be a challenge that is capable of derailing proper implementation of business plans if not properly addressed. The results of this analysis revealed that most EDIs do not incorporate mentoring as an integral part of support activities, thereby limiting entrepreneurs’ support to the point of enterprise establishment, which is just the beginning of the entrepreneurial journey. These entrepreneurs are exposed to various factors at later stages that threaten the business and possibly lead to mortality.

To conclude, the above findings have highlighted important facts from which we can begin to understand the determinants of entrepreneurship and the role of EDI in the Nigerian setting. However, as noted earlier, though the effect of factors and evidence presented in this chapter are accurate perceptions of the EDI executives, they may differ from the lived experiences of the supported entrepreneurs. Therefore, for the findings to be impartial enough to help draw
decisive conclusions from this study, it is imperative to explore the entrepreneur’s perspective to corroborate these findings to get a holistic perspective. For example, while identified contextual factors in this chapter align with some of those in the extant literature, a comparison with those from the entrepreneurs would further authenticate what obtains in the Nigerian setting. Also, concerning findings on the EDI executors’ perspective on individual-level factors, understanding the entrepreneurs’ perspective would reveal if only knowledge and experience are at play or if there are other drivers, as argued in extant works. This way, proper identification of the gap can be achieved. Furthermore, findings on the effect of awareness and access creation show the EDI executors seem confident about their approaches; however, the resulting inhibiting effect that emerged can only be better viewed from the entrepreneurs’ perspective. Finally, the notion that mentoring support is necessary can be rightly established through corroboration from the evidence from the entrepreneurs that use the support. The next chapter offers further perspectives on these findings by presenting the result of the analysis of contextual and individual-level factors on entrepreneurship development, focusing on the role of EDIs from the perspective of entrepreneurs.
CHAPTER 6

Determinants of Entrepreneurship: Analysis of Entrepreneurs’ Perspectives on the Role of EDI

6.1 Introduction

This chapter presents the results of the analysis of the determinants of entrepreneurship development with a focus on the role of EDIs from the perspective of entrepreneurs across the exploration, execution, and growth stages of development. By focusing on selected entrepreneurs that have benefited from EDI support programmes, evidence on how contextual and individual-level factors influence entrepreneurship, and how the contributions of EDIs enhance entrepreneurs’ ability to operate under these circumstances showed that the conceptual framework of this study adequately serves to explore entrepreneurs’ perspective on the effects of determinants of entrepreneurship in the Nigerian setting.

The results of this analysis indicate that the effects of certain factors are considered most significant by the entrepreneurs. These include the effects of contextual factors such as institutional factors and access to funding. Also, the effects of motivation/inspiration, which is an individual-level factor. These factors, among others, corroborate some of the earlier ones that emerge in Chapters 2 (extant literature) and 5 (EDI perspective). Furthermore, the analysis of the role of EDIs to address the thesis’s second research question on how EDIs influence the creation and operation of SMEs revealed that entrepreneurs generally believe that EDI support has enabling effects. However, the difference in identified EDI activities is also noticeable between those that emerged from entrepreneurs’ testimonies compared to the EDI executors’ presented in Chapter 5. It is noted that the analysis of the entrepreneurs’ perspective revealed similar activities (capacity development, mentoring, and awareness creation) as those identified from EDIs presented in Chapter 5, except for advocacy. To elaborate on the role of EDI, the evidence of these support activities is presented in a manner that
expounds on how they enable/inhibit entrepreneurs’ capability to address the effects of identified contextual and individual factors on stages of entrepreneurship development.

In the analysis of the effects of contextual factors to address the first research question on how individual and contextual factors inhibit/enable entrepreneurship development, various influences typically expressed by entrepreneurs emerged, including financial resources constraints, higher cost of client acquisition, execution challenges and business stagnation, and attraction to the informal sector. Financial resource constraints emerged as evidence of how access to financing inhibits entrepreneurs. These constraints are informed by entrepreneurs’ belief that funding is inaccessible, inability to meet eligibility criteria, and afford the cost of the available financing. The data showed that this effect is evident mostly in the early stage of development. Also, informal institutional factors, particularly social norms and other cultural notions result in business execution challenges and consequent business stagnation in exploration and execution-stage entrepreneurs.

Furthermore, institutional factors, particularly taxation and the related issues, result in gravitation toward informal setup in exploration stage entrepreneurs. Another piece of evidence revealed in the analysis was high client acquisition costs which significantly discourage exploration stage businesses and inhibit business execution. These costs are consequences of industry/market factors such as technological changes, unethical industry practices, maturity phase of the industry life cycle, and other drivers of a high entry barrier.

In the analysis of the effects of individual-level factors to address the first research question in the thesis, business performance challenges, business transitioning challenges, and business interest generation and enthusiasm were uncovered as consequences of the factors. It was detected that business performance is usually hampered, leading to stagnation and eventually mortality because of the entrepreneurs' level of knowledge and experience. These typically
manifest at the execution stage of development. Also detected was the impact of the entrepreneurs' attributes/character on whether the business should expand or grow in a certain direction or not. This usually determines whether the business transitions from one stage to another or be successful but continue to operate and remain at one stage of development. Furthermore, the analysis uncovers the generation of interest in entrepreneurship that results in the proliferation of exploration and execution stage businesses driven by the entrepreneurs' inspiration and motivation. Many respondents attributed their decision to start a business to psychological drivers such as the desire for power, accomplishment, and independence. Some also cited life experiences, social relationships, and opportunity cost as push factors. Finally, regarding how the role of EDIs enhances entrepreneurs' capabilities, the analysis results show similar evidence as those of the EDIs presented in Chapter 5.

Three key findings emerged from this study. First, the empirics show that contextual and individual factors’ inhibiting effects are seen to be more rampant among the entrepreneurs in the Nigerian setting. The second is that individual-level factors influences are fundamental to the entrepreneurship process but receive less consideration in comparison to contextual influences despite the mutually reinforcing relationship between the two categories. The third finding confirms that EDIs' activities are indeed enablers of entrepreneurship development, but not without some inhibiting tendencies.

The rest of this chapter is organised into four sections. Section 6.2 presents evidence of the effects of contextual factors on the stages of entrepreneurship development as perceived by the entrepreneurs based on their experiences and interactions with various stakeholders within the entrepreneurship ecosystem. Section 6.3 presents evidence of the effects of individual-level factors on the stages of entrepreneurship development, presenting additional factors and effects in comparison to evidence from EDI perspective analysis in Chapter 5. Section 6.4 presents the results of the analysis of the role of EDIs by focusing on the effects of their activities and aligning them to the different stages of entrepreneurship.
development to establish whether they are enabling or not. Finally, Section 6.5 summarises and concludes the chapter by presenting highlights of the analysis presented throughout the chapter and the key findings.

6.2 **The Effects of Contextual Factors on Entrepreneurship Development**

Theories reviewed in Chapter 2 show that factors influencing entrepreneurship development are broadly categorised into individual-level and contextual factors. This section presents evidence relating to contextual factors to develop some understanding of the determinants of entrepreneurship; the next section focuses on individual-level factors. The results are presented to show three interrelated features. First are the contextual factors that inhibit or enable entrepreneurship development within the Nigerian setting; second, the effects of these factors on the action of entrepreneurs; and third, the different stages of entrepreneurship development at which the influences are identified. Although the factors that emerge from this analysis support the dimension of context as suggested by Zahra et al. (2014) and Autio et al. (2014), evidence relating to spatial and temporal dimensions is demonstrated in relation to institutional and industry context, affirming Johns (2006) theory on the relatedness and overlay of manifestation context. These are therefore presented within institutional and industry factors. The findings on the effects of these factors are presented and aligned to the stages of development to give a deeper understanding of entrepreneurship development in the Nigerian setting.

To identify these factors and tentatively elaborate on what their effects may be (at least as perceived by the respondents), data from transcripts of interviews granted by entrepreneurs were analysed in steps to address the inquiries of this study which is partly to understand how various factors influence the stages of entrepreneurship development. First, the analysis was conducted to identify factors pertinent to the beneficiaries, and by using the demographic of the respondents, the analysis proceeded to establish the effects of these factors on the decisions and actions of the entrepreneurs at the different stages of development.
(see Appendix 5 for Nvivo schematics of the contextual factors). Table 6.1 presents the data structure of how the contextual factors affect the entrepreneurship development process.
Figure 6.1 Data structure of effects of contextual factors on entrepreneurship development

<table>
<thead>
<tr>
<th>First-order themes</th>
<th>Second-order themes</th>
<th>Aggregate Concept</th>
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| • Financing opportunity sources though popular but viewed as inaccessible by exploration and execution stage businesses among entrepreneurs  
  • Commercial bank loan eligibility requirements including personal income tax clearance, minimum of 5 years of operation and N15 million T/O, security (physical assets), and guarantor  
  • Eligibility requirements inhibit exploration and execution stage entrepreneurs attempting to gather resources.  
  • Sector-based eligibility for government funding alienates certain exploration and execution level businesses. | Constraining access through eligibility           | Access to finance effect                                |
| • Misappropriation of designated CBN entrepreneurship funds among commercial banks.  
  • Very limited disbursement record, making exploration and execution stage businesses perceive the fund as unattainable.  
  • Where applications are attempted, 5% interest monthly makes the cost of funding unattractive.  
  • High cost of funds leaves exploration stage businesses with personal and family sources.  
  • Additional operations cost at execution stage due to expensive funds. | Constraining access through increasing cost of financing|                                                        |
| • Multiple taxations and tax rates discourage exploration stage entrepreneurs from formalisation.  
  • Lack of clarity and understanding of tax regime due to limited dissemination.  
  • Ambiguity of information cause loss of income through penalties and business closure in the execution stage.  
  • Enforcement of taxation is implemented to varying degrees depending on the region.  
  • Self-provision of fundamental amenities (potable water, electricity, and motorable road) because of the poor state of public infrastructures. | Favouring the informal sector due to tax issues   | Formal institutions' effects                           |
| • Legal form, whether limited or enterprise, inform general perception, acceptability, and engagement decisions by key stakeholders depending on business activities.  
  • Purpose of the business venture typically enabling at exploration and execution stages  
  • Ensuing business culture at the growth stage is not always enabling. | Increasing operational cost due to policy challenges |                                                        |
|                                                                                                       | Obstructing/facilitating business execution and performance | Effects of organisational factors.                   |
- New ventures suffer market acceptability challenges because of limited networking and collaboration opportunities.
- Execution stage businesses inhibited because they are left with referrals as the only significant source for gaining customers.
- Patronage from government and big private businesses is hampered by corrupt practices that are endemic among procurement managers/officers.
- Manipulation of contract bidding process due to higher buyer power leading to loss of sales and increased cost for the entrepreneur.

- Phase of industry lifecycle characterised by Industry-level credit-driven sale practice increases buyer power.
- Market maturity characterised by oversupply becoming an industry driver for reduced supplier power.
- Maturity of industry reduces cash flow and affects turnover and profitability.
- Impact of technological changes seen in foreign competitors deliver goods faster.
- High competition at the business execution stage and limits sector choice at the exploration stage.
- Slow technological advancement driving the high cost of internet service subscriptions.
- Limited internet access inhibits the scope of marketing activity in the exploration and execution stages of development.
- Level of regional commercialisation determines the availability of resources in the market depending on geographical location.

- Cultural notion that entrepreneurship is a quick money-making route.
- Entrepreneurship misconception driving exploration and execution stages businesses.
- Following current trends is a social norm that influences choices, increases business exploration, and drives uninformed selection choices.
- Shared acceptable belief that entrepreneurship is a status symbol, promotes business exploration and execution in trending industries.
- Unattainable expectations inhibit the transition to the growth stage and fuel mortality.
- Mixing personal and business life among Nigerian inhibiting effective execution and result in poor growth.

Source: Author’s elaboration from collected evidence
Findings from this analysis revealed that while the effects of some of these factors can be seen as specific to different stages of development, at times, a single factor may affect all stages. Also, while influence could be consistently seen across all stages of development, the direction of effect (inhibiting/enabling) could vary from stage to stage. Findings from these data showed that the identified contextual factors enable or inhibit entrepreneurs at the different stages of entrepreneurship development along the following lines: financial resources constraint, higher cost of client acquisition, execution challenge and business stagnation, and attraction to the informal sector. The following subsections present findings from the analysis of various enabling and inhibiting effects, highlighting specifics of the three stages of entrepreneurship development adopted in this study.

6.2.1 Access to finance effects

Business financing continues to emerge as critical to entrepreneurship development across this study, and the accounts of the constraining effect given by the respondents echo Kumar and Borbora’s (2016) suggestion that as an important component of the efficiency-related role of institutions, lack of access to finance is a key impediment to entrepreneurial development. The result of this analysis uncovered that for the exploration stage entrepreneurs, there is a reluctance to approach financing institutions, hence the proliferation of family and personal financing, which limits the speed and scope of establishment. Concerning execution stage entrepreneurs, apart from the limited scope of operations, the business struggles with cash flow, fulfilling obligations and is incapable of addressing teething problems, which may eventually lead to mortality, as is in the case of one of the respondents that contributed from a failed entrepreneur's perspective. While similar effects are uncovered in the case of growth-stage entrepreneurs, the impacts are not entirely the same in certain circumstances where the experience, confidence, structure, and network enable
them to navigate the impact of the determinants better than the exploration and execution stage entrepreneurs.

Entrepreneurs' responses to the questions on financing highlighted similar drivers and effects as those of the EDI executors (presented in Chapter 5), including stringent eligibility criteria that disqualify entrepreneurs from access to financing and the high cost of loans that impede access because of affordability. A growth stage respondent narrated an experience during their early stage:

“I almost lost that contract as I went round so many banks in Victoria Island with my profile and not with the business profile because the business had no pedigree, no financial records, no general history as so it was virtually impossible for me to get funding using that” (BL8-GS-SM).

In addition to this, the findings from the entrepreneurs revealed a puzzling effect relating to awareness of the availability of financing. Although the entrepreneurs are aware of financing sources, which should typically enable them to make applications, analysis of the data showed phrases such as “framework to access it is cumbersome” (BL2-GS-SM), “no way I could access it” (BA1-ES-MI), “issue is I never really understood them” (BA2-ES-MI), “ask me to go for entrepreneurship training” (BI1-GS-SM) which suggest that the entrepreneurs’ perception on application process/access is that it is cumbersome, rigorous, and mostly unattainable. This becomes inhibiting to exploration and execution stage entrepreneurs because the narrative associated with the information of the sources of financing includes the difficulty of access which requires a certain level of confidence already attained by growth stage entrepreneurs to attempt the application.

Apart from the inhibiting perception associated with their awareness, the result of the analysis also revealed that eligibility criteria imposed on different sources of financing are more inhibiting than enabling. For example, government funding air-marked for entrepreneurship development is channeled through
government agencies, the bulk of which is through the CBN. The data showed that these funds are administered in two ways. First directly from the CBN, second by further channeling through commercial banks and government-controlled development finance institutions. Evidence emerging concerning the CBN source showed that a sector-based eligibility approach whereby businesses are batched under categories alienates certain exploration and execution stage entrepreneurs because the list of prescribed sectors is not exhaustive of all types of business ventures. For example, an execution stage entrepreneur that provides trichology services had difficulties aligning her business to a specific category. Therefore, she could not secure the much-needed loan:

“…. we are supposed to work with oil and herbs for hair treatment in fancy names and hairstyling, but CBN came up and said it doesn’t fall under creative” (BL6-GS-SM).

The alternative for this entrepreneur was to rely on family support or opt for commercial bank financing linked to the CBN. In the second approach, the CBN entrepreneurship funds are channeled through the commercial banks and administered using commercial bank models. This introduces various stringent eligibility requirements such as proof of “collateral (physical assets)”, “personal income tax clearance” (BL3-ES-MI), and “minimum of 5 years of operation and ₦15,000,000 turnover”, civil servant (guarantor)at particular levels” (BL4-GS-MI), thereby inhibiting exploration and execution stage entrepreneurs, and some growth stage entrepreneurs that are unable to meet these conditions. The findings from this analysis revealed that even when applications are attempted, 5% interest monthly makes the cost of funding unattractive to exploration stage businesses. Since this is the narrative that dominates the entrepreneurs’ awareness (as discussed earlier), when asked how they dealt with financing at the start of their businesses, most respondents typically opted for personal and family sources of financing.
“I used my seed money-personal income and investments” (BL1-GS-SM).

“I got some of the money from my personal savings bought the personal savings did not go far” (BI2-GS-SM).

“I was able to put a little bit of my savings into it and from family and friends as well “(BL6-GS-SM).

"I started with a bit of my own savings from the NYSC (National youth service corps) payment" (BA2-ES-MI).

"After service (NYSC), I was able to get some money, but it was not up to what I needed, so I started doing buying and selling" (BA1-ES-MI).

Based on the evidence presented above, limited/stringent access to financial resources due to eligibility criteria and cost of financing was uncovered as a determinant of entrepreneurship development, and this inhibits scope of operation in execution and growth-stage entrepreneurs because of limited working capital and does same to exploration stage entrepreneurs, causing them to depend on personal saving and family contribution as the source for start-up financing.

6.2.2 Formal institutions’ effects

Influences of formal institutional factors on entrepreneurship development emerge as the second major concern for entrepreneurs and are very critical to understanding determinants of entrepreneurship and the role of EDIs, and how the various drivers of formal institutions influence the different stages of entrepreneurship development. Findings from this analysis revealed preference for the informal sector, higher cost of operation, loss of revenue, and even business closure as some of how formal institution factors affect the process of entrepreneurship development. Data from entrepreneurs showed that these are consequences of certain drivers that include the following: multiple taxations and other tax-related issues, suitability of policies, implementation of policies, and
administrative bureaucracy. It is worthy to note here that some of the issues (such as the regional approach to taxation enforcement) highlighted as relating to tax and policy implementation are captured here because of their relevance to the effect of the institutional factor even though they dovetail into other contextual factors.

Taxation and policy implementation emerged to have the most effect on entrepreneurship development as expected, aligning with Salimath and Cullen (2010) and Welter (2011), which suggest that formal devices such as laws, regulations, and policies are important factors in entrepreneurship development. An interesting finding in this regard from the entrepreneurs in this study is that there was no response indicating that the entrepreneurs are inhibited by the obligation to pay taxes and other government charges. Instead, they are inhibited by the lack of clarity about the government’s expectations regarding the scope of compliance with the laws, which results in noncompliance in many cases and consequently attracts harsh enforcement and penalties. The evidence herein showed that pre-knowledge of these issues and consequences inhibit exploration stages entrepreneurs from wanting to formalise their businesses and therefore opt for the informal sector instead. Although all the entrepreneurs in the sample for this study have formal businesses, when asked why they decided to formalise their businesses, they affirmed that their incentive was qualification for outside financing. They noted that they typically use personal and family sources until deep in the execution stage when they need more working capital and were forced to formalise to be eligible for financing.

Further on the inhibitive effect arising from taxation, implementation of multiple taxations results in a decrease in retained earnings, thus instigating non-payment that attracts harsh penalties. It is evident from the descriptors of the various taxes that not all taxes apply to all types of businesses. However, small businesses are confused about their tax liabilities because of the types and number of taxes imposed on them and the lack of clarity in the enforcement, as highlighted by one entrepreneur:
“…multiple taxes where we have to pay the local government, state government, the federal government, and VAT which is 5% monthly. PAYE to state government, premises and vehicle tax to local government, income tax to the federal government, education tax, and a lot more. When the VAT people want to deal with you, they will look at your turnover and say bring 5% of it” (BL5-GS-SM).

Furthermore, concerning the inhibitive effects of enforcement of taxation, it was revealed that locality affects how taxation rules are implemented. As highlighted in Chapter 5, revenue generation driven by the government resulted in a focus on taxation generally. However, stricter measures are applied in enforcement in highly commercialised cities, especially Lagos. Consequently, execution stage entrepreneurs outside Lagos do not experience the setback associated with taxation like their counterparts in Lagos and Abuja. Two entrepreneurs located outside of Lagos volunteered the information when asked how they dealt with regulatory issues:

"I think I am still lucky being in Ibadan (another city) because if I were to be in Lagos, I think there would be more issues for me. Here in Ibadan, I have my FIRS tax membership, and I know how much tax to pay from my profit" (BI2-GS-SM).

"You know this is a local area, and when I was expanding to open a corporate account, I had to go to Federal Inland Revenue Service to file for tax, but I don’t know that I was supposed to be filing my tax when I started my business. I was told to pay ₦20,000, but I eventually paid ₦5,000 and was able to use that filing from them to open my corporate account” (BI1-GS-SM).

Evidence from this analysis, such as the quotes above, showed that this inconsistency enables entrepreneurs (especially execution stage businesses) outside of Lagos to conduct their business in a less punitive environment,
retain a good proportion of their earnings and reinvest them in their businesses while those in Lagos are unable to do the same.

Apart from taxation and the effects presented above, the other significant formal institutional driver affecting all stages of entrepreneurship development relates to non-entrepreneurship policies regarding potable water, electric power supply, and transportation (road and rail network). These three public goods are important amenities to businesses across sectors, with electricity being the most crucial. The government policies of electric power generation and distribution are yet to successfully deliver uninterrupted electric power supply for both commercial and private consumption, as noted by an entrepreneur:

"In Nigeria, it is so challenging to run a business because you have to provide everything for yourself like electricity, water, and virtually all infrastructural facilities that you will need" (BL8-GS-SM).

This has resulted in private power generation involving mechanical power generators that utilise petroleum products for fuel. The erratic supply from the national grid means businesses must invest in their own's power generation at additional cost to the business, which ultimately impacts overall operation cost that consequently affects other aspects of the business such as pricing, profit, and developmental scope.

This increased operation cost for the execution stage entrepreneurs makes them struggle to compete, especially in a mature market, because their cost will affect pricing, contributing to their competitiveness. For the growth stage entrepreneurs that can absolve the additional operation cost, it may reduce their profit and their ability to compete internationally. For the exploration stage entrepreneurs, this impacts their choice to carry forward with their plans or not, depending on how their preparedness to navigate the effects identified on execution and growth-stage businesses. A growth stage entrepreneur sums up how this factor inhibits their development:
"At least with the generators, your power needs are sorted, and no need to build that into the cost of operations because it is the client that pays for that, and we do not bear that cost as we push that cost of generating power to the client. Locally that still leaves us competitive but internationally, no. And that is why we also need to think about the ways to generate power without using fuel and we been talking with some people who can produce generators without diesel" (BL2-GS-SM).

The above findings highlight taxation as a significant inhibitor and the fundamental effect being increased cost cut across all stages of entrepreneurship development. However, evidence emerging also showed that more than the idea of government tax itself, the related issues like rates, clarity, and enforcement are the real influencers of the decisions made by entrepreneurs. Also uncovered was that implementation/failure of other policies such as energy policy relating to electricity supply inhibits businesses in diverse ways through the additional cost implication. All are consistent with the findings from the executors.

6.2.3 Industry/market dynamics effects

Industry factors affect entrepreneurship development in different areas with varying effects at different stages of entrepreneurship development. The industry here is taken as any market/sector within which the entrepreneurs’ business is situated/affiliated. Evidence in this subsection covers direct generic market influences such as barriers to entry because of the lifecycle phase of the industry and technological advancement and adoption. Also, a business-specific experience that dovetails into sociocultural context like corruption and market influences that are spatial context-related like the impact of the level of commercialisation. Findings from this analysis revealed that the aggregate effect of these factors on entrepreneurship across stages of development is fundamentally a higher cost of client acquisition. By imposing the additional cost of operations, entrepreneurs at different levels of development are inhibited because of barriers presented by these industry/market drivers.
The first inhibitive effect that emerged from the study in this regard was the challenge of market acceptability suffered by new entrants. Execution stage entrepreneurs with no industry pedigree are viewed with scepticism, especially in mature markets/industries. This begins to beg for further investment in marketing to create brand awareness. Because this still does not guarantee sales/ adoption, they are forced to adopt promotional strategies that involve offering free services/ products, further impacting their bottom line. Where this approach is not adopted because of cost, most respondents (entrepreneurs) said they had to settle for only referral to grow their client base. This inhibits transitioning to the growth stage of development because the pace is much slower. As highlighted in Chapter 5, this situation was attributed to limited collaboration/networking opportunities between big businesses/potential clients and the nascent entrepreneur.

Furthermore, there is a notion that people buy from people they know. Culturally, business in Nigeria encompasses relational and transactional dimensions, especially in the service business and where innovation is concerned. One entrepreneur that runs an advertisement agency service highlighted the liability of newness.

“...we didn’t need to introduce a new form of advertising because we suffered market acceptability. So why not find a way to do what is already acceptable in the market and later on try to innovate” (BA4-GS-SM).

Other execution stage entrepreneurs that run service businesses highlighted enabling effects of networking and the inhibitive effect of lack of it as well as the liability of newness:

“We have not been able to get across to those bigger ones because the bigger boys in our industry are still there and sort of taking the big gigs. What I have understood over time is that if you don’t have people in
those big organisations, it will be difficult for you to crack in” (BL3-ES-MI).

"In this business, it is really hard to get customers when people do not know you or your brand. So, if you need customers, you have to give them very low pricing because it is a saturated market" (BL7-ES-MI).

These quotes highlight the barriers that inhibit the development of execution stage entrepreneurs, and these narratives are carried on to fora where exploration entrepreneurs participate and glean information.

This awareness shapes the perspective of exploration stage entrepreneurs in certain industries or markets and begins to have one of three selection choice effects (Autio et al., 2014) on their decision. The first is to avoid saturated sectors even if they have innovative offerings; second is to avoid certain geographical locations despite location-specific advantages because of incumbent players; and the third is to entirely jettison their business ideas and follow a trending idea into a trending sector and market. Additionally, concerning barriers to entry and business transition along stages of development, inhibiting industry practices that show how the market’s maturity affects entrepreneurship development were uncovered to involve adopted sales strategy and contract bidding practices. Although these are most relevant to entrepreneurs at all stages of development in the manufacturing industry, evidence shows that they result in cash flow problems, loss of sales, and increased cost.

Concerning sales strategy, due to the maturity of most industries, the bargaining power of suppliers is low because of buyers' low switching costs. This resulted in suppliers adopting credit sales as a strategy to increase sales and gain market share, leaving the seller at the buyer’s mercy. A situation adaptable to established big players but inhibiting to fringe players, especially budding entrepreneurs. This is because their income is tied with debtors, which, if not paid in good time, results in a cash flow problem that could lead the business to finance working capital with debt, and in the worst scenario, business interruption or
closure due to lack of financing. A growth stage entrepreneur highlighted how this industry practice affects business:

“…the open market is where we operate and sell on credit to distributors and retailers, and you have to have enough money to be able to stand strong in an open market because you are supplying on credit” (BL5-GS-SM).

The second practice uncovered was the unethical conduct among procurement managers/officers, whereby the contract bidding process is manipulated to deliberately frustrate entrepreneurs with the intention of financial extortion. This hinders patronage of small businesses by government agencies and big private businesses because the entrepreneurs that cannot meet the financial demands are tactically excluded from the bidding process. This results in increased cost of business procurement and loss of profit. A growth stage bulk cloth-making entrepreneur that supplies big organisations highlighted how this unethical practice inhibits their development:

“The procurement managers try to frustrate you getting the job. They know you are the best man for this job, but they would rather come up with their own companies, and sometimes even the pricing is so low that it will frustrate you out of the bidding process, and when the job is gotten, they will come back and point to you to go to that company that they are the one that can actually execute it for you” (BL2-GS-SM).

The other industry factor influences uncovered in this analysis relate to technological advancement and adoption and the level of commercialisation. The impact of technological advancement that is seen in improved product quality, speed of manufacturing, efficient customer service, and many more means to be competitive, especially globally, technological adoption needs to be prioritised. This affects the Nigerian entrepreneur in two ways. The first is the cost of keeping up with the technological change, and the second is the cost of not keeping up with the change. Due to financial constraints discussed in subsection 6.2.1,
exploration and execution stage entrepreneurs are unable to acquire the latest technologies. Thus inhibited because of the fast pace of change and rate of obsolesce of technology in their industries, as highlighted by an execution stage entrepreneur that provides videography services:

“Almost every year there is always new equipment been introduced in the market” (BL2-GS-SM).

The respondent further noted that “a huge hindrance is financing because if we are going to be producing those world-class films, we need to really spend money on props, technical and a whole lot of things” (BL2-GS-SM).

Evidence on inhibiting effects/cost of not keeping up with technological change was also uncovered. An example of such was from a growth stage entrepreneur who affirmed that “technology is very vital to us as a company that we just have no choice but to use the current technology” (BL2-GS-SM). This evidence showed that the issue of the cost of upgrades is a dilemma for entrepreneurs because the cost of not upgrading and keeping up with changing technology may become more expensive. An entrepreneur highlighted how the technological change made them less competitive against foreign competitors, even in the local market.

"Our colleagues in Europe, China and some part of America incorporated Artificial Intelligence into their processes, and that has actually helped them to deliver goods faster" (BL2-GS-SM).

"So that means that I won't be able to match up with cost from Asia, and that is why we need to adapt those technologies into our own production processes" (BL2-GS-SM).

Foreign competitors’ adoption of new technology reduces competitiveness at the business execution stage for entrepreneurs that cannot afford to do the same. Likewise, it has selection choice effects on exploration stage entrepreneurs that
are potential new entrants, thereby limiting the viable sector choices available to them in terms of cost of establishment.

Further evidence uncovered on technology relates to the role of the internet in business transactions across all activities. It emerged that slow technological advancement driving the high cost of internet service subscription due to limited service providers in Nigeria inhibits the scope of marketing activity in the exploration and execution stages of development owing to internet availability. This reduces their visibility and makes them less efficient in marketing and customer services. The final finding on the effect of the industry factor is the market influence that is spatial context-related in terms of the regional level of commercialisation. Evidence revealed that highly commercial cities/markets boast the availability of better-quality human resources, a higher concentration of suppliers, and support service organisations. This situation has a contrasting effect based on the location of the business. While on the one hand, entrepreneurs in commercialised cities are enabled because of access to better quality business support at minimal cost resulting from the concentration of suppliers; on the other hand, entrepreneurs in less commercialised regions are inhibited by limited availability. This results in the former saving money and improving their performance, and the latter, increasing their cost acquisition as noted by an entrepreneur located in Abuja:

"...most of the outsourcing companies I have seen are in Lagos, and the ones I have tried contacting here in Abuja have no structure and another too in Kaduna. I will really love it if I could get one in Abuja, and that is where the cost implication comes" (BA2-ES-MI).

The above finding highlighted the phase of the industry lifecycle and the inherent barriers, market acceptability of new entrants, technological change, corrupt practices, and level of commercialisation as determinants of industry/market sources emerging from this analysis. All of these pertain to the effects of the stage of the industry lifecycle (Porters 1980). The study
showed that the entrepreneurs’ aggregated perception of how these enable or inhibit them are in the areas of cost, competitiveness, and loss of sales.

**6.2.4 Informal institutions’ effects**

Informal institutional factors and their influences on entrepreneurship development stages were empirically observed through various drivers. Evidence from the entrepreneurs showed that certain entrepreneurial decisions in Nigeria are driven by certain informal institutional factors, including cultural notions, shared acceptable beliefs, established practices, and some social norms aligning with normative determinants suggested by Schillo et al. (2016). The findings showed that the cultural notion of entrepreneurship seen as quick money-making route has resulted in misconceptions that have led to a proliferation of exploration and execution stages entrepreneurs that discontinue their ventures upon realisation of the challenges inherent in entrepreneurship. Also revealed was the shared belief that entrepreneurship is a status symbol, thereby motivating exploration stage entrepreneurs to consider trending industries but plan poorly and execute ineffectively because of uninformed selection and lack of skill. Furthermore, an established practice of indistinct personal and business life among Nigerians emerged as an inhibitor of growth. Although these informal institution factors enable the exploration and execution stages of entrepreneurship development, the findings show they result in poor business execution challenges and stagnation.

Being generally communicated as an antidote to poverty and other social ills, entrepreneurship has also been misconstrued as a get-rich-quick route for many Nigerians, especially because it is heavily backed financially by the government and other corporate institutions. This cultural notion builds on two social norms (‘to be in control’ and ‘seeing government funding as free money’) highlighted in Chapter 5 and affirmed by findings from the entrepreneurs’ data analysis in this chapter. Many individuals erroneously gravitate towards entrepreneurship to fulfil their goal of getting rich without consideration for the
requirements for entrepreneurship. The notion that entrepreneurship gives total control to the entrepreneur feeds the notion that all monies are at the entrepreneur’s disposal and, therefore, able to attain that psychological state of being rich. Monies here include revenues, government grants (‘free money’), and any other monies coming to the business. One entrepreneur noted:

“The issue we have in Nigeria is that anyone coming to business is coming with the mindset of making profit/money and not creating value, and when they don’t see that money coming in, you see them pulling out of the business” (BI1-GS-SM).

This quote showed that the psychological boost of getting rich endears people to entrepreneurship without weighing all the costs and consequences. And when entrepreneurship development programmes and monies get thrown at people, as highlighted severally in this study, the tendency is to have a significant number of push entrepreneurs that are incentivised to participate (Abebe and Gebremariam (2021) rather than those motivated because of their perceptions of personal self-efficacy or external market opportunity (Dawson and Henley, 2012).

Another informal institutional factor revealed in this analysis was the shared belief that entrepreneurship is a status symbol. Therefore, it inspires and motivates a lot of exploration and execution stage entrepreneurs that usually do not make it to the point of growth or expansion. Although this could be considered to enable the drive to want to become an entrepreneur and go on to establish a business, however, the realities of organising for growth and the lack of skill to manage the growth (covered later in subsection 6.3.1) becomes an inhibitor to transitioning to the growth stage of the development. This finding partly explains Global Entrepreneurship Monitor’s observation that entrepreneurship enthusiasm within the Nigerian setting is among the top in the world (GEM, 2012:24), as earlier noted in the introduction chapter. One entrepreneur noted the pressure to fit with the shared socially constructed narrative:
“I wanted to do everything to look like I am succeeding and not look like a failure” (BL4-GS-MI).

When asked about succession planning, another entrepreneur highlighted that “we don’t have succession as a culture in Nigeria. Businesses are created as a form of lifestyle as opposed to the form of livelihood” (BL7-ES-MI).

The notion of entrepreneurship as a lifestyle highlighted above illuminates an established practice uncovered as endemic among Nigerians. This notion of entrepreneurship as a status symbol emerging here is corroborated by discussions that ensued during my observation of the next economy training programme at Fate foundation (summarised in subsection 4.5.4). During the session, I observed that the questions asked and answers the participating aspiring entrepreneurs offered showed that many intending entrepreneurs do not clearly see the distinction between their personal and business life. Evidence emerging from this study revealed that while fulfilling these needs is influenced by the entrepreneurs’ inspiration and motivation (covered in subsection 6.3.3), the lack of business management knowledge makes them prioritise fulfilling these needs for status and lifestyle through the execution stage rather than organising to transition the business into a proper enduring organisation by detaching self from the business.

This situation could be assumed for many entrepreneurs in Nigeria because only two respondents in this study noted their deliberate effort to separate themselves from their organisation, and they volunteered specifics on their approaches as follow:

"I am an entrepreneur, and I receive a salary, so I allow my people to buy into the idea that they are all managers" (BL5-GS-SM).

“The plan is to make the business an owner and employee business such that the employees will own it” (BL8-GS-SM).
Outside the two above, no other respondent offered any inclination to being separate from their businesses, affirming the EDI executors’ observation (discussed in Chapter 5) about how businesses stagnate due to ineffective post-entry strategic choices (Autio et al., 2014) at the execution and growth stages of development because of the endemic paradigm of unison of business and person among Nigerian entrepreneurs.

The drivers and the effects presented above so far showed broadly accepted perceptions of entrepreneurship, and they fuel another social norm that was uncovered in this analysis: pre-entry behaviour (Autio et al., 2014) of following current trends as the main influence of selection choice. The effects of this societal attitude and others uncovered align with Welter’s (2011) presentation of informal institutions as influencing opportunity recognition and exploitation. Typically, most entrepreneurs select trending sectors to start their businesses at points of industry saturation, struggle to find footing, and terminate at the shake-out stage of the sector/industry. Others get in at the right phase and grow with the trend but struggle to innovate when the trend dies out.

In conclusion, as earlier noted, while following a trend and need for status symbol seem to enable many exploration stage entrepreneurs from an informal institution standpoint, they inherently have inhibiting tendencies in the execution and growth stages of development because of uninformed selection at the exploration stage of development. Another respondent noted, “we just want to follow the trend without the knowledge of the market terrain” (BI1-GS-SM). When a sector is profitable, “a lot of people just rush and invest heavily in the business without the knowledge of the terrain” (BI1-GS-SM).

### 6.2.5 Effects of organisational factors

One of the components of organisational context, as suggested by Porter and McLaughlin (2006), is the legal form. This component emerged to influence business patronage (from customers, big players, and lenders) in the Nigerian
setting. It was uncovered that there is a general bias toward established and limited liability companies because of legal structure and trust issues. Evidence from this analysis showed that while these factors present execution challenges and business stagnation on the one hand, on the other hand, they could enable and facilitate growth depending on the legal structure preferences of the entrepreneur and the organisation. It emerged that while 'limited' companies are given a fair consideration enabling them to take advantage of market opportunities, the others are not, therefore inhibiting them at the execution stage of development. This is consistent with Porter and McLaughlin’s (2006) argument that elements of organisational context (including legal form) shape entrepreneurial actions. As highlighted in subsection 6.2.1, some financiers require businesses to be fully registered as a 'limited' company to qualify for financing. An entrepreneur also discussed similar discrimination from a potential customer:

"Before we became a limited liability, we were formally an enterprise with another name, and at some point, there was an opening at British Council for a videography company, and most of the things they were requesting for looked like we have to be registered as a limited liability company" (BL3-ES-MI).

Furthermore, it emerged that the purpose of the business affects entrepreneurship at the different stages of development. Evidence from this analysis showed that apart from the discriminatory treatment based on the legal form of businesses, the purpose of establishing the business is typically enabling at the exploration and execution stages because of the motivation and drive of the entrepreneur, but the ensuing organisational culture that develops based on informal institutions such as indistinct personal and business life and entrepreneurship as a status symbol (see subsection 6.2.4) are usually not always enabling at the growth stage.
6.2.6 Section summary

This section covered how contextual factors enable or inhibit entrepreneurship at the different stages of development. Five categories of contextual factors were uncovered, and evidence of their effects on entrepreneurs’ decisions and actions presented through findings from the analysis of interview transcripts of entrepreneurs who are beneficiaries of EDI support programmes. Financial resource constraint was uncovered as a result of eligibility and affordability limitations across stages of development. Also, institutional factors were revealed as important factors with evidence of both formal and informal dimensions resulting in attraction to the informal sector, high cost of operation, execution challenges, and business stagnation. The section also presented evidence of high customer acquisition as a consequence of wider industry/market factors, and finally, business execution challenges and stagnation due to organisational factors such as legal structure and purpose of the business.

To conclude, the factors and effects discussed above explain how contextual factors enable or inhibit the process of entrepreneurship. While these shed some light on this issue, to get further understanding, the individual-level factors and their effects need to be analysed and understood to the same degree as the contextual factors. The following section presents my findings on individual-level factors and their effects.

6.3 Individual-level Factors

Individual-level factors form a very significant part of enablers and inhibitors of entrepreneurship development because an entrepreneur’s perception of the influences of most contextual factors is a function of other factors attributable to the entrepreneur. These individual-level factors guide the entrepreneur's judgment, actions, and reactions. They determine whether the entrepreneur is proactive or reactive, a risk-taker or risk-averse, strategic or reckless. All of which gauge how the entrepreneurs perceive and act on external stimuli from the contextual factors. Schillo et al. (2016) highlighted these individual-level factors
as critical components of the determinant of entrepreneurship embodied in an individual’s entrepreneurial capability and willingness. For instance, an entrepreneur seeing and acting on a stimulus as an enabler or inhibitor could be a function of the individual’s reference point in relation to their capability and willingness, therefore making the personal features of the entrepreneur equally (if not more) important as the contextual factors.

To understand the entrepreneurs' personal features from this perspective, the results of the analysis of the individual-level factors are presented in an interrelated way comprising three features in a similar manner to the presentation of findings in Section 6.2. First, on what constitutes individual-level factors that inhibit or enable entrepreneurship development within the Nigerian setting, second, the effects of these factors on the action of entrepreneurs; and third, the different stages of entrepreneurship development at which the influences are identified. The summaries of these analytics are illustrated in Figure 6.2.
**Figure 6.2 Data structure of effects of individual-level factors on entrepreneurship development**

<table>
<thead>
<tr>
<th>First-order themes</th>
<th>Second-order themes</th>
<th>Aggregate Concept</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Poor or lack of business planning cause exploration stage entrepreneurs to</td>
<td>Executing poorly due to poor planning</td>
<td>Effects of entrepreneurs’ knowledge and experience</td>
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<td>misconstrue resource need and misunderstand the market.</td>
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<td></td>
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<tr>
<td>• Chaotic implementation of ideas at the business execution stage due to lack of</td>
<td>Managing effectively using sound capability</td>
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<td>effective planning.</td>
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<tr>
<td>• Haphazard decision-making and engagement that is not based on a properly</td>
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<td>documented business plan at all stages.</td>
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<tr>
<td>• Knowledge of business management informing quality of managerial capability.</td>
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<tr>
<td>• Experience in industry activities enhancing good business decisions.</td>
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<td></td>
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<tr>
<td>• Creativity and intuition enhance sensitivity to opportunities and business</td>
<td>Increasing exploration and commercialisation of ideas</td>
<td>Effects of entrepreneurs’ character/personal traits</td>
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<tr>
<td>exploration.</td>
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<tr>
<td>• Sensitivity to opportunities enables extensive gravitation towards idea testing</td>
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<td>and potential commercialisation.</td>
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<td>• Entrepreneurs’ risk appetite dwindling progressively with stages of</td>
<td>Reducing risk appetite stunting development</td>
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<td>entrepreneurship development.</td>
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<td>• Reduction in risk-taking propensity concerning strategic choices inhibits the</td>
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<td>growth stage businesses.</td>
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<td>• Confidence in own capability to scale up impacts on growth decisions.</td>
<td>Sealing decision dependence on personal</td>
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<td>• Entrepreneurs’ confidence defines whether transition occurs or not at the</td>
<td>confidence</td>
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<td>execution stage of development.</td>
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<td></td>
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<tr>
<td>• Entrepreneurs’ outright expression of contentment with smallness as an indicator</td>
<td>Generating enthusiasm about business</td>
<td>Inspiration and motivation effects</td>
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<tr>
<td>of disposition in terms of confidence.</td>
<td>exploration</td>
<td></td>
</tr>
<tr>
<td>• Individual’s background, experience, level of education, family orientation,</td>
<td>Maintaining enthusiasm about entrepreneurship</td>
<td></td>
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<tr>
<td>position, and social relationships inform the desire to pursue entrepreneurship.</td>
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<tr>
<td>• Personal realisation of financial freedom and transcending socio-economic</td>
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<td>challenges, particularly unemployment, informing gravitation towards</td>
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<td>entrepreneurship.</td>
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Source: Author’s elaboration from collected evidence
The results of this analysis reveal three key factors demonstrated within the Nigerian setting to include the following: first, the entrepreneurs’ knowledge and experience; second, their personal traits; and third, their inspiration and motivation. The analysis also revealed business performance challenges, stagnation and transition challenges, and business interest generation and enthusiasm as effects of these factors. The following subsections present evidence about these enabling and inhibiting effects, highlighting specifics of the three stages of entrepreneurship development.

6.3.1 Effects of entrepreneurs’ knowledge and experience

The entrepreneurs’ ‘knowledge and experience’ (KE) is critical to entrepreneurship development because “central to the entrepreneurial process is not whether or not opportunities exist but rather, what is done about them and by whom” (Acs et al., 2014). Whether an entrepreneur sees an opportunity or threat in a situation is usually a function of their KE. Knowledge here relates to entrepreneurship education acquired through entrepreneurship education programme (EEP) or tertiary education, as posited by Hamza et al. (2016) and Garcia (2014), while experience comprises knowledge and skill developed through practice from a past life, previous employment, or other means as argued by Shane (2003) and Cuervo (2005). Findings from this analysis revealed that the KE’s effects on entrepreneurship could be seen at all stages of development to include business execution challenges, stagnation, and mortality. These consequences can be traced to KE expressed through two components. The first is in business planning, and the second is in managerial capability much needed at the execution and growth stages of the business.

Since business planning is fundamental to any business, one could take for granted that all start-ups would have prepared one at some point in the exploration stage of development. However, this analysis’s evidence revealed that most entrepreneurs did not have one at the start because they did not know how to write one and did not see the need for one. Consequently, at the exploration stage, this lack of knowledge and, in some cases, poor business planning result
in a situation where entrepreneurs misconstrue the resource requirement for their start-up (especially financing) and therefore begin to look for the fund and waste valuable time or in some case take on too much debt that business is unable to repay. Apart from misreading resource requirements, evidence showed that they often misunderstand the market need and, consequently, invest in solutions and struggle with gaining up takers. This eventually leads the business into a cash flow problem that could escalate to mortality. An entrepreneur narrated an awakening on financing at the execution stage:

“...We had the capacity to deliver the service to the marketplace, but we were wasting our time looking for money, not until our mentor told us that we could deliver this service to the market. We didn't have to raise any money” (BA4-GS-SM).

Another entrepreneur that had closed his business at the point of this data collection and contributed as a failed entrepreneur highlighted that:

“I did not do a business plan because I thought I knew what I was doing” (BA3-FA-MI).

Aside from the effects on exploration stage entrepreneurs, it also emerged that lack of business planning has inhibiting effects on execution and growth-stage businesses as of chaotic implementation of ideas and haphazard decision making and engagement that are not based on properly documented business plans. Evidence showed entrepreneurs tend to be more reactive than proactive as they are continually surprised by the realities of the business environment.

The realities of the business environment dictate that the entrepreneur is equipped with a level of managerial capability, especially if the plan is to take the business through the growth stage of development. Managerial capabilities here comprise knowledge of business management and the industry experience or at least knowledge to make strategic choices that will enable the business to navigate the environmental drivers effectively and continue to propel the business forward. Findings from this analysis showed
that entrepreneurs with prior industry experience as an employee in a similar industry as their business are able to take their business to the growth stage despite the harsh business environment. Also, it was revealed that entrepreneurs with good managerial experience could transfer their skills to their new venture even when operating in a new industry. Furthermore, it was uncovered that entrepreneurs with no managerial level experience but who took internship programmes or technical training in the industry they intend to start a business were able to take their business to the growth stage despite the environment. The same goes for those who participated in entrepreneurship skill development courses. Quotes below show some extract of how KE enables execution and growth-stage entrepreneurs.

“While I was at Lagos state university, I stumbled upon Nobel Afrik at Maryland, so I went there myself, I registered to learn dressmaking” (BL2-GS-SM).

"I knew I had to do my own thing, and my plan was to acquire a bit of experience, and I worked with different consulting firms for nine years. In the year 2002, I decided to write a business plan for my business and decided to learn about entrepreneurship in a class due to the fact that I was a technical person and I wanted to learn about running a business” (BA8-GS-ME).

"After I settled down in the Fate Foundation(entrepreneurship) class, I decided I was going to do the paint manufacturing because I realised that with my experience, I could do start up the business with just ₦200,000” (BL5-GS-SM).

The respondents quoted above are growth stage 'GS' entrepreneurs with an average of nine years of operations and are poised for significant expansion at the time of this study. Consistent with Cuervo (2005), which described education and previous experience as an enabler of belief in own ability to achieve desired outcomes, evidence from them showed how KE enables all
stages of entrepreneurship development through effective business decisions, structure, and a good understanding of their market, especially experienced entrepreneurs.

6.3.2 Effects of entrepreneurs’ character/personal traits

Entrepreneurs’ character and attitude influence entrepreneurial decisions as suggested by Acs et al. (2014) that entrepreneurship is fundamentally individual-level behaviour. Their study further highlights the interactions between attitudes and aspirations. The findings from this analysis showed that most entrepreneurs demonstrate various expressions of positive disposition towards entrepreneurship, and most spoke enthusiastically about their ideation and journey toward establishing their businesses. From the evidence collected, it is fair to infer that the personality of most entrepreneurs enables them to consider entrepreneurship as a career option. It plays a key role in the conviction with which they pursue the potential of starting their own businesses and proceed with the exploration stage of their development (though it could be influenced by other factors, especially culture, as presented in 6.2.4). Some quotes from the entrepreneurs evidenced how their character and attitude enabled them on their entrepreneurial journeys.

"I was too inquisitive, too curious, I had too many storms in my head, and I think a lot. At some point, I came up with the idea that if I over-plan, I would never get to do anything. In my second year at the university, I decided to start up a magazine because of one of the things that came to my head" (BA3-FA-MI).

"I never had an idea of becoming an entrepreneur, but I was designing clothes, and when I see people wearing a particular cloth, I begin to analyse in the head ways to make the cloth design better" (BA2-ES-MI).

"I get bored easily, and one of the things about creativity industry is being able to play around and do things for yourself, to stretch yourself
out, try new things, but when you are working for someone, there are certain boundaries, unlike working for yourself where you have no boundaries” (BL4-GS-MI).

The above quotes are illustrative of the entrepreneurs’ narratives that show creativity and intuition as personal attributes that enable entrepreneurs to commit to exploring entrepreneurship as well as transition to executing a business. However, further evidence from the analysis revealed that while there are many testimonies of positive effects of attributes, some puzzling effects were uncovered attributable to confidence and risk-taking propensity. Results from this analysis showed that some entrepreneurs’ risk appetite dwindled progressively with stages of entrepreneurship development, indicating that time and experience may reduce risk appetite and consequently inhibits development at the growth stage even though the same entrepreneur could have had a high propensity for taking risks at the exploration stage. This factor causes stagnation and stops entrepreneurs from transitioning even when the contextual factors are enabling and adequately suitable for business growth. When asked about their vision of their businesses, some execution stage entrepreneurs noted their willingness to remain at the same level.

“No, I do not want it to grow bigger than this because of my age and my succession plan. I am not trying to or intent to expand because I do not have the energy to do that” (BLI-ES-MI).

“I am a small business, and there are small businesses out there who need my services, and it is not my goal to compete with any big digital agency” (BL7-ES-MI).

These entrepreneurs, like others quoted, have positive narratives about their attributes that saw them explore opportunities and establish their businesses. However, as time progresses and the businesses grow, they also started to show different sides that suggest the possibility of lack of confidence in their ability to scale their businesses up and transition along the stages of development. This
evidence captures the essence of Kerr et al. (2017) suggestion about ‘Entrepreneur self-efficacy’, which Chen et al. (1998) and Utsch and Rauch (2000) listed, including innovation and risk-taking propensity as valuable entrepreneurial traits. This outright expression of the desire to remain small is how confidence and risk appetite as factors inhibit the entrepreneurs’ ability to achieve growth and transitioning of their businesses by impeding them from making strategic choices on the direction of the organisation.

**6.3.3 Inspiration and motivation effects**

This subsection presents evidence of how entrepreneurs’ inspiration and motivation enable various stages of entrepreneurship development through various psychological and non-psychological drivers, as Schillo et al. (2014) suggested. Motivation and inspiration here refer to two distinct states of being that shape entrepreneurs’ perception of opportunities identification, ideation, and resolution to actualise the conceived ideas. Findings from this analysis showed nuances in the entrepreneurs' journeys that beg to understand how inspiration and motivation impact entrepreneurship in different ways. Though motivation and inspiration are typically used interchangeably, this analysis draws on the Chambers dictionary literal meaning and Mahto and McDowell (2018) to establish perspectives adopted in this analysis and to better present the findings uncovered to properly align the identified factors to their corresponding effects. Here, ‘motivation’ is taken as a stimulus to ‘act’, while inspiration is taken as the creation of ‘feeling’. ‘Action’ and ‘feeling’ being the differentiating emphasis. Mahto and McDowell (2018) suggest that while entrepreneurial motivation is the factor that is responsible for initiating the process of exploiting opportunity, an individual’s desire to seek a higher social identity or establish a new identity are the primary factors influencing formation of entrepreneurial motivation. This suggests a prelude to motivation, and this is taken as inspiration in this study.

Evidence from this analysis revealed that the creation of the feeling of the need to become an entrepreneur and acting on the feeling are driven by various personal experiences and attributes such as personal background, level of
education, family orientation, and social relationships. Also, personal endowments such as creativity and intuition, as discussed in 6.3.2, and personal realisation stemming from the effects of various life experiences. Through this analysis, it was uncovered that while inspiration enables exploration stage entrepreneurs taking them to the place of opportunity identification and ideation, motivation can be seen to enable all the stages of entrepreneurship development. For instance, actions like conducting market research and writing business plans at the exploration stage; seeking financing and launching the venture at the execution stage, guiding the venture into the growth process, and navigating the business environment for expansion opportunities at the growth stage are all driven by one motivator and (or) another.

In terms of inspiration, the desire to pursue entrepreneurship as a career choice could be triggered by a variety of drivers, and the result of this analysis showed a few. For example, some entrepreneurs have family situations at younger ages that created the feeling of becoming an entrepreneur as the antidote to the family situation. Others have family relationships that create the same feeling as the tenable career path. In both instances, the urge to become an entrepreneur was instilled or took shape at tender ages, which they carried to adulthood, while other factors motivated them to act on their childhood feeling. One entrepreneur reflected on how his father’s job loss inspired him to become an entrepreneur.

"...because we had limited number of radio and TV stations who could absorb him, so he was redundant, and he never really fit into the economy till he passed away two years ago. The opportunities were not just there for the brilliant mind that he was. So that sparked up an interest in an 8-year-old boy that my daddy stays at home all the time, but my friends whose dads were carpenters are at work" (BL2-GS-SM).

Another entrepreneur recounted another childhood experience trading with his mother:
"I go to the shop on Saturdays and Sundays, and she will rest at home. That was how my entrepreneurship journey started because I helped my mum sell Fish, and I will sell it and bring her the money. I began to develop the interest of making money" (BL8-GS-SM).

Albeit both respondents quoted above were motivated to explore entrepreneurship by building on childhood inspiration, transcripts from other entrepreneurs give evidence of triggers at later stages in life that got them feeling the need to become entrepreneurs through interest-generating experiences that developed their enthusiasm and then getting motivated to act on their desires.

In terms of motivation, various drivers emerged as stimuli that enable prospective entrepreneurs to act on their entrepreneurship aspirations even when the environment seems in conducive. Evidence uncovered on how the drivers listed earlier affect entrepreneurship development is demonstrated in a number of ways. First, data showed that personal realisation drives many entrepreneurs to pursue self-employment, starting with idea generation, pursuing the business idea till the establishment of business, and growing the business because of their desire for independence and power. Many of the respondents stated that “I want to be my own boss”, and this was their motivation to explore entrepreneurship and continue to put in the effort to grow their businesses despite contextual inhibitors. Also, others attributed their actions to their need for economic freedom (as another dimension of personal realisation) because they see entrepreneurship as their way out of unemployment, as noted by one entrepreneur. “I didn’t want to contribute to the unemployment saga, and I started to venture into the poultry business” (BI1-GS-SM). Another growth stage entrepreneur narrated how his tenacity to succeed as an entrepreneur remained his motivation to still have a go again after failing in the past. He stated that “I have always wanted to do my business; be a businessman, and I have explored businesses that failed in the past" (BL8-GS-SM).
Evidence uncovered and presented in this subsection showed that inspiration and motivation play a key role in how these entrepreneurs view entrepreneurship, navigate the environment, and make decisions at every stage of their development. It is noteworthy that out of all the drivers uncovered to inspire or motivate entrepreneurs, the level of education was the least influential, according to what arose from the investigation. While most of the entrepreneurs attested that completing tertiary education was useful for interaction and general business conduct, only one respondent attested that his degree influenced his choice of business as an entrepreneur. There was no evidence linking attainment of tertiary qualification to the motivation to become an entrepreneur.

This section covered how individual-level factors enable or inhibit entrepreneurship at the different stages of development. Evidence of three categories of individual-level factors was uncovered, and their effects on entrepreneurs' decisions and actions were presented through findings from the analysis of interview transcripts of entrepreneurs who are beneficiaries of EDI support programmes. Business performance challenges, stagnation, and mortality were uncovered as results of poor or lack of business planning, chaotic implementation, and haphazard decision-making across stages of development. Also, knowledge of business management and industry experience were revealed as contributors to these effects. Furthermore, achievement of transitioning or lack of it along the stages of entrepreneurship development was also revealed as an important effect of individual-level factors relating to entrepreneurs' attributes such as creativity and intuition, risk-taking propensity, and confidence in own capability. The section also presented evidence of interest generation in entrepreneurship as an effect of entrepreneurs' inspiration, which develops into keen enthusiasm. Also evidenced was the tenacity resulting from entrepreneurs' motivation factors such as past experiences, family orientation, and personal realisation.
To conclude, the evidence reported in this, and the previous section shows that entrepreneurs' preparedness and a conducive/supportive environment play significant roles in entrepreneurship development. To address entrepreneurs' preparedness and the need for a conducive environment, EDIs in Nigeria are established with mandates to deliver various interventions targeted at entrepreneurs at their different stages of development. It is expected that these interventions should contribute to entrepreneurs' capability to deal with inhibiting and enabling effects presented in these sections, thereby reducing early business mortality and enhancing their transition along the stages of development. Therefore, to develop a truly holistic understanding of the determinants of entrepreneurship, this study takes the role of EDIs as a third dimension of determinants with a view to establishing enabling and inhibiting effects in their activities and how they interact with entrepreneurs across the stages of development. The following section presents the results of the analysis of EDI activities to establish the effect of their role on choices made by entrepreneurs to theorise this as a dimension of determinants.

6.4 The Role of Entrepreneurship Development Initiatives EDI

This section presents findings from the analysis of the operations of EDIs to understand how the supports provided to entrepreneurs are informed and aligned to the effects of the factors highlighted in Sections 6.2 and 6.3 at the different stages of their development process. As highlighted in the literature review Section 2.8 and presented from the executors' perspective in Section 5.2, the EDIs are created intermediaries to serve as policy vehicles that facilitate entrepreneurs' readiness and support them through their development. Drawing on the two sections (2.8 and 5.2), the evidence of EDI's tendency to enable or inhibit entrepreneurship development begins to position it as a determinant referred to herein as the intermediation factor. Figure 6.3 represents an emerging theory depicting the construct of the intermediation factor, which is subsequently integrated into the emerging theoretical framework (Figure 7.1) of this study.
Intermediation factor as a theoretical concept was developed by critically reviewing different perspectives on the construct of institutional intermediation from extant institutional intermediary literature and the empirical evidence from the analysis of ten EDI executors across multiple cases of EDIs. The findings revealed that to effectively establish the role/influence of intermediation in entrepreneurship development, it needs to be viewed beyond the intermediation activities, which are merely end products of a slightly more intricate construct. This study revealed that institutional intermediation comprises four key components and two theoretical relationships, as depicted in Figure 6.3 below.

**Figure 6.3 Components of intermediation factor**

Source: Theorising the intermediation factor based on author’s analysis

The entrepreneurship orientation of the initiator (individual or public/private organisation) influences the choice of area of intermediation (need/void arising from contextual and individual factors) which influences the type of initiative established and the support activities offered. Gaining insight into these components’ relatedness is important for initiators and executors in intervention
creation and implementation and entrepreneurs seeking appropriate support (elaborated in subsection 7.4.3).

This theoretical concept was developed with three key assumptions. First is that all EDI initiators have genuine intentions and are unaware that their interventions could have inhibiting effects. Although the return on investment/benefit accrues to the initiators depending on their intention, it could be argued that the benefits are generated from helping other people. Moreover, because it is assumed that the primary intention is to do good, initiators and executors are typically oblivious to the potential adverse effects of the interventions. However, if initiators have ulterior motives, this may influence how they create and implement initiatives. The second assumption is that EDI initiators and executors have no challenges creating and implementing initiatives. The assumption that institutional intermediaries pursue good intentions usually afford them support from both public and private institutions; hence it is taken for granted that their operations are without hindrances. However, this may be different if the relationship between the intermediaries and these institutions is not cordial and potentially impact their ability to serve the entrepreneurs effectively.

The third assumption is that there are four fundamental intents (philanthropic, commercial, civic service, and self-sustenance) behind initiators’ actions through which they can be categorised. However, they may be other intentions not covered, which may affect how initiatives are created, and entrepreneurs served. It is taken that philanthropic initiators are motivated by society’s needs; hence they are typically social entrepreneurs whose benefit from intermediation is the recognition as a catalyst for positive societal change. The commercial initiators are motivated by financial gain; hence they are typically private entrepreneurs whose benefit is earnings maximisation through incubation programmes and the operation of business hubs. The civic service initiators are motivated by their civic responsibility; hence they are typically public entrepreneurs within the public administration system whose benefit is political
capital gains. The self-sustaining initiators are motivated by the need for survival in the midst of institutional void; hence they are typically institutional entrepreneurs whose benefit is usually communal capacity development.

Apart from the assumptions elaborated above, the concept of intermediation factor could be considered to have one main limitation from the perspective of developmental need/institutional void (component). Most of the listed features are characteristic of the situations prevailing in the developing and emerging economies, which may not necessarily be the same for many developed economies with low unemployment rates and robust social welfare systems. While aspects of capacity development needs such as co-working spaces, business management training, and financing may exist, others listed may not be evident because of the system and the society. Therefore, it may be misleading to extend the use of the theoretical concept in its entirety to the developed economy but extremely effective for the developing economies, such as in West Africa, where the research (through which the concept was developed) was conducted.

Building on the above, this section further uncovered evidence on the notion of whether EDI activities indeed help entrepreneurs develop capabilities to navigate development challenges, thereby firmly establishing the EDI support activities in themselves are enablers or inhibitors and supporting this study’s proposal that the intermediation factor combines with contextual and individual-level factors to influence the process of entrepreneurship development. By applying the theoretical framework developed and aggregating evidence using thematic coding, the role of EDIs and their effects are identified as illustrated in Figure 6.4, highlighting the entrepreneurs’ perspective. Though the support activities sought in the analysis of data from the entrepreneurs are guided by those that emerged from the analysis of the EDIs’ perspectives, the aggregate concepts emerging from these set of data comprised only three areas out of the ones that were uncovered from the EDI data analysis in Chapter 5. These support areas include capacity development support, mentoring, and awareness creation. Figure 6.4 presents the data structure summaries.
**Figure 6.4 Data structure of role of EDI and the effects on entrepreneurship development**

<table>
<thead>
<tr>
<th>First-order themes</th>
<th>Second-order themes</th>
<th>Aggregate Concept</th>
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<tbody>
<tr>
<td>• Aspiring entrepreneur’s skill development programme targets exploration stage</td>
<td>• Developing business management skills</td>
<td>Capacity development</td>
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<tr>
<td>entrepreneurs to fine-tune ideation.</td>
<td>• Facilitating financing support</td>
<td>Support</td>
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<tr>
<td>• Emerging entrepreneurs programme offered to budding entrepreneurs to support</td>
<td>• Direct financing attempt inhibits and enables at different stages</td>
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<td>execution.</td>
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<td>• Scaleup management skill programmes focusing on business expansion and</td>
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<td>architectural development.</td>
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<td>• Referral support for executing stage entrepreneurs that are unable to meet all</td>
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<td>eligibility criteria for funding.</td>
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<td>• Awareness of third-party funding and application coaching support for growth-stage</td>
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<td>entrepreneurs to access grants.</td>
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<tr>
<td>• CBN MSME funding programmes model raises the barrier to the eligibility of</td>
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<td>execution stage entrepreneurs.</td>
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<td>• Loans are channels through commercial banks and microfinance banks.</td>
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<td>• Discriminatory financial support for established businesses by DFIs.</td>
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<td>• Co-working facilities offered to execution stage entrepreneurs in industrial</td>
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<td>parks in partnership with the government.</td>
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<td>• Using co-working facilities facilitate business setup and cost-saving at early</td>
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<td>stage.</td>
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<tr>
<td>• Co-working office spaces offered to tech-based exploration stage entrepreneurs</td>
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<td>within an incubation hub to facilitate ideation, prototyping, and networking.</td>
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<td>• Use national newspapers to create awareness and reach all stages of development</td>
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<td>in all regions.</td>
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<tr>
<td>• Dependence on word of mouth/referrals creates discrimination, thereby alienating</td>
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<td>certain prospects.</td>
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<tr>
<td>• Heavy dependence on social media to advertise support programmes targeted at</td>
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<td>youth.</td>
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<tr>
<td>• Inspires and motivates business exploration focusing on urban cities with</td>
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<td>significant internet penetration.</td>
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</table>
- Networking opportunities created through alumni and training events, conferences, and seminars for client prospecting, business partnership, and sharing best practices.
- Information dissemination on current and useful capacity development opportunities available in the environment.
- Post-capacity development periodic visitation to execution stage entrepreneurs.
- Follow up to monitor implementation progress and give advice where needed.
- Facilitation of periodic one-to-one sessions with service experts and government agency officers.
- Arranging access to free consultations in various support services areas with volunteers.
- Scheduled weekly consulting clinic targeted at execution stage businesses to access free management consulting and business coaching sessions.
- Direct mentoring programmes, pairing new execution stage entrepreneurs with established entrepreneurs for hand-holding and practical guidance.

Source: Author’s elaboration from collected evidence
The data from transcripts of interviews granted by entrepreneurs on the role of EDIs were analysed in steps to address the other task of this study which is to understand how initiatives set up to implement entrepreneurship development policies contribute to entrepreneurs’ capacity to deal with inhibiting and enabling effects emanating from individual-level and contextual factors. The following subsections detail the entrepreneurs’ perspectives on how each support area of the operations of the EDIs enables them to create, operate and sustain micro, small, and medium-sized enterprises.

### 6.4.1 Capacity development support

The result of the analysis of how capacity development interventions enhance entrepreneurship development is presented in this subsection, adopting similar perspectives as presented in Chapter 5, taking components of capacity development to encompass intellectual, financial, and physical capacities. Evidence uncovered showed that intellectual capacity development is a major enabler, and it is carried out through entrepreneurship skill development training or management skill development training, as referred to by some. Financial capacity development relates to activities that enable entrepreneurs’ access to financing at the various stages of development. This could be through loans, grants, equity contributions, and coaching toward eligibility for financing. Physical capacity development relates to the provision of co-working physical facilities to enable entrepreneurs to access shared business premises at the early stage of their entrepreneurial journeys. Findings from the analysis revealed that depending on the source of the support and how they are structured, these capacity development interventions are usually through direct EDI engagement or indirect through nominations, recommendation, or facilitation.

Concerning intellectual capacity development, evidence revealed that most training sessions are targeted at acquiring various business management subject knowledge, acquaintance with government policies, and other management skill development to enable the entrepreneur to navigate the multiple factors that impact entrepreneurship development. For instance, generic areas of concern that
address certain factors are packaged in occasional one-off interventions like financial literacy or digital marketing training and delivered as open-access training for all comers. Financial literacy training, for instance, is targeted at helping entrepreneurs to develop capabilities to address financial resource constraint challenges (see subsection 6.2.1). Likewise, digital marketing training is offered to help entrepreneurs address customer acquisition and market access challenges (see 6.2.2). Interview excerpts below attest to the usefulness of these training sessions.

"Before Fate Foundation, it was garbage in and garbage out, as there was not any form of accountability, no bookkeeping at all" (BL3-ES-MI).

"So, because I saw the need for getting understanding of the marketplace, that was the need for me going for the programme at Fate Foundation, which was a Facebook sponsored Programmes where they taught us how to use digital skills to build your business" (BA4-GS-SM).

Further findings showed that some EDIs design and deliver stage-specific interventions over an extended period incorporating various subject knowledge acquisition and skill development components. Examples are 'Aspiring entrepreneur's skill development programme' that targets exploration stage entrepreneurs to fine-tune their ideation and prepare them for launching their business; 'Emerging entrepreneurs programme' offered to nascent entrepreneurs to support business execution and 'Scale-up management skill programme' that focuses on business expansion. These programmes target entrepreneurs with stage-related curricula that enable them to navigate the various factors (listed in Sections 6.2 and 6.3) and their influences at every stage of development. Some entrepreneurs highlighted their experiences:

"Yes, we had classes like operation management, finance, business ethics, marketing, customer journey mapping, and all these things. All
these experiences actually allowed us to come back and apply it to our own business” (BL2-GS-SM).

"...it was a very good learning course that brought conversations about creating sustainable structures in my business which I am still putting in place, and I am really positive about the ones that I have implemented" (BL4-GS-MI).

"I think I applied last year, around February or March, and went for a SCALE-UP Agribusiness lab for six months. We had experts from the government, investors, and management experts, and we also had one-on-one sessions" (BI2-GS-SM).

According to most of the respondents, the programmes provoke a rethinking of their business plans, decision making and overall management of their business. Also, they serve as networking opportunities to enable access to market (covered in 6.4.2).

In terms of financing capacity, awareness, eligibility, and affordability were uncovered as drivers through which the effects of financing could be seen (see 6.2.1). Like capacity development, data analysis revealed that direct and indirect approaches are adopted to cater to entrepreneurs’ financial capacity development. In the indirect approach, it was revealed that entrepreneurs are enabled across all stages of development through EDI’s facilitation of access by providing information to make entrepreneurs aware of sources of financing and provide them with referral/recommendation support in instances where they are unable to meet the eligibility criteria set by the financier. Such were the cases of the following entrepreneurs:

“...through Fate Foundation, we got to know that we could get about ₦5,000,000 from Lagos State Employment Trust Fund and ₦10,000,000 from Bank of Industry” (BL5-GS-SM).
"We only paid for the registration, but all other things like learning materials were being paid for by the CBN, and after the training, they asked us to notify them if we were interested in funding" (BI1-GS-SM).

“I went back there to ask them (EDI) to give me ₦1,000,000 to execute the contract, and they said they don’t have money, but the executive director gave me a referral letter to the then Habib bank, who sent me to their one of their financing subsidiaries who gave me that money based on the referral letter” (BA8-GS-ME).

The entrepreneurs further affirmed that they were not only made aware of sources of financing but were also coached to prepare to ensure they addressed all requirements to access the finance pursued.

Although the indirect activities evidenced by the entrepreneurs enable them with access to financing, especially when they are adequately coached to fulfil the requirements, evidence from the entrepreneurs revealed inhibiting tendencies in the direct approaches, especially in relation to the execution stage entrepreneurs. For instance, financing programmes offered by development finance institutions such as the bank of Industry and commercial banks that warehouse the Central Bank of Nigeria (CBN) MSME funds that are directly offered to entrepreneurs raise the barrier to the eligibility of execution stage entrepreneurs. This is because these offerings are administered using commercial bank loan models with stringent qualification requirements and exorbitant interest rates that inhibit the entrepreneurs' development, as presented in subsection 6.2.1. Furthermore, this evidence showed that most indirect financing support might enable more growth-stage businesses because they would have passed the threshold requirement for eligibility.

“*This fund is made available to those that are big out there, ones that sort of have names or that are already producing like K.A and co. But for the younger ones like us, it is quite difficult to even have access to them*” (BL3-ES-MI).
“I am quite familiar, and like BOI, sometimes they ask for ridiculous requirements” (BL4-GS-MI).

These findings on this contrast between direct and indirect financing activities showed that while some EDI funding activities are generally enabling, other discriminatory approaches inhibit entrepreneurs at certain stages of their development.

Albeit there was no mention of physical capacity support by the entrepreneurs in this study sample, in my informal discussion (summaries in subsection 4.5.5) with an EDI executor (EDI-7-NA) before commencing the formal interview, he shared his personal experience of receiving physical capacity support as a beneficiary participating in a BMO industrial park programme. He corroborated the executors’ claim that co-working facilities offered to execution stage entrepreneurs in industrial parks enable them to save costs through communal utilities (electricity and water) and save money on rent through subsidised letting. This affords them speedy approvals from regulatory agencies like NAFDAC and SON because the entrepreneurs are able to meet application qualification criteria better communally rather than individually.

In further informal discussions that I had with an entrepreneur (NBL1-ES-MI) and another EDI executor (EDI-8-CC) during my visit to an incubator (that offers shared office facilities), it was revealed that co-working office spaces offered tech-based exploration stage entrepreneurs within the hub enabled ideation, prototyping, and networking. The excerpt below includes an entrepreneur's description of the process and offerings of the incubator.

“...here is the sixth floor, and it is the community, and they receive applications from entrepreneurs, either a business start-up or social media entrepreneurs, then you pay for your space. What they offer you is internet and workspace for 12 hours from 9 am-9 pm Monday through Fridays, then Saturdays from 10 am-6 pm. You have internet;
you have a community of co-creators that you can interact with” (NBL1-ES-MI).

### 6.4.2 Mentoring support

Mentoring, as captured here, involves post-capacity development activities directly provided or facilitated by the EDI executors in continued support of the entrepreneurs that participated in their programmes to ensure effective implementation of the plan, growth, and general health of the business. Evidence from analysis of entrepreneurs' interview transcripts showed how various EDI mentoring activities contribute variously to their ability to navigate various inhibiting factors and fully harness the enabling one. The first evidence uncovered was the entrepreneurs' ability to take their product/services to market by leveraging networking opportunities created by the EDI through various fora. Second is the effective implementation of business plans enabled by continuous information dissemination and purposeful monitoring and evaluation activities that guide entrepreneurs as their businesses unfold. The third evidence bordered around entrepreneurs' ability to continue to operate with cost efficiency and operational effectiveness that help them address various performance-related issues emanating from the effects of the various factors highlighted in Sections 6.2 and 6.3. The result of the analysis showed that while the mentoring activities are beneficial to entrepreneurs at all stages of development, the execution stage entrepreneurs demonstrated the most impact from mentoring.

It is interesting to note that the first part of the mentoring activities literally starts mostly during the intellectual capacity development activities. Evidence from the entrepreneurs revealed that training sessions are huge opportunities for networking and seeking potential clients. While this is not the primary purpose, relationships are inevitably forged and translated to business acquaintances, contacts, and connections that enable entrepreneurs to take their products/services to the market. Also, some EDI executors convene entrepreneurs regularly to share information and best practices (as in the case of
BMOs). In contrast, others run periodic alumni events to share information and best practices and create opportunities for nascent entrepreneurs to forge relationships with established ones.

The information-sharing element dovetails into the second activity, which relates to monitoring and evaluation, as it was uncovered that the enabling effects of information sharing were not only traced to training and conferences but also to periodic visitation conducted by some EDI executors in follow-up on entrepreneurs that pass through the programmes. Evidence revealed that upon visitation, EDI executors bring current information on market leads, relevant policy issues, and various capacity development opportunities available in the market/environment. That not only do they visit to see and motivate the entrepreneurs, but they also continue to furnish valuable information via media to ensure consistency of contact and support. Interview extracts below narrate some of these experiences.

“The training also expanded my network; I had more people that I met in the training to work with today, and sometimes if I have a service that someone in my network is good at, I bring them in. Therefore, I got a lot from knowledge and value network” (BA3-FA-MI).

“I mean they come here also to see what is happening and advise us to do something in a different way. They will look at our books and give advice” (BL3-ES-MI).

“...the quality of information they send back to us via email and text messages that this opportunity is here, that opportunity is there to positions and scale your business to meet all these opportunities” (BL2-GS-SM).

These supports described above helped the entrepreneurs address some of the factors earlier highlighted, such as high cost of client acquisition.
The third effect of mentoring uncovered in this analysis relates to how entrepreneurs are able to improve their operational effectiveness, thereby improving their business performance and confidence to pursue growth targets. Evidence showed that using direct and indirect approaches, EDI executors provide consultancy and business support services to entrepreneurs at all stages of their development by scheduling one-to-one sessions with management consultants and government agency officials. These sessions are designed to run regularly without restrictions on entrepreneurs' number of visits. This way, the entrepreneurs can enjoy continual guidance at every stage of development at no cost. Moreover, when they attain the growth stage and want to engage the consultants officially, they already have history and therefore continue to enable their growth.

“We had experts from the government, investors and management experts, and we also had one-on-one sessions with them where you tell them how you are running your business, and they advise you on what to do to make your business better” (BI2-GS-SM).

“…we also go for consulting clinic every Tuesday of every week, and it is as a big opportunity to go as a company, and we have actually been leveraging on it” (BL3-ES-MI).

Furthermore, the data analysis showed that some EDIs use scheduled regular events to provide business coaching to entrepreneurs and incorporate a semi-formal mentor-mentee arrangement where they match an established entrepreneur with an execution stage one who just completed a programme with them. According to an entrepreneur, "the fact that after the training they paired us with a mentor who also took us like a son" (BL3-ES-MI) is a laudable approach. Another entrepreneur that had issues with financing described how mentoring addressed the challenge.
“I don’t believe that the number one problem is finance because I believe the number one problem is mentorship as I can trace every breakthrough that I had to a particular insight that came through my mentor” (BA4-GS-SM).

The quote above sums up the entrepreneurs’ perspective on how mentoring shapes their capability. All evidence on this EDI activity showed that the entrepreneurship terrain and the influencing factors are easier to navigate in the company of another entrepreneur that has been through the journey.

6.4.3 Awareness creation

Although the impact of awareness creation activities carried out by EDIs in itself cannot be directly linked to enhancing the capabilities of entrepreneurs, however, when viewed from the perspective of how it facilitates the engagement of prospective beneficiaries (entrepreneurs) to participate in the various capacity development programmes, a subtle connection could be examined. Evidence from this analysis revealed that the connection between awareness and engagement facilitation could be seen through how the suitability of media for creating awareness of EDI programmes informs the conversion of prospects to nascent entrepreneurs. The analysis of the entrepreneurs' interviews revealed that the most popular sources for awareness creation were newspapers, word of mouth, and social media, as 70% of the respondents became aware through these sources.

Although advertisement of upcoming EDI programmes in the national newspapers is supposed to reach entrepreneurs at all stages of development in all regions, only one entrepreneur (respondent) in the study sample attests to becoming aware of the programmes through the newspapers. A few said they did through word of mouth, and the most through social media platforms, which indicated that though the intention may be justified, the EDIs that use national newspapers may not be as effective in their recruitment of entrepreneurs onto capacity development programmes. Likewise, awareness creation through word of
mouth may limit the scope of reach. Moreover, while social media platforms emerged to be the most effective in terms of reach, as revealed in the result of the analysis, the evidence raises the question of inadvertent discrimination in recruitment. This is because heavy dependence on social media automatically targets younger entrepreneurs at the exploration and execution stages of development and focuses on urban cities with significant internet penetration. This unconscious bias may theoretically inhibit certain demographics by being alienated because of the EDI’s preferred medium of awareness creation. This was corroborated by findings from one of the informal discussions (summaries in subsection 4.5.5) with an entrepreneur. When asked about awareness of capacity development opportunities, it emerged the entrepreneur (NBL2-GS-SM) was unaware of any government programme or BMO for small businesses and even the activities of Bank of industry.

To conclude, this section covered how EDI support activities contribute to entrepreneurs' capability to address various factors within the business environment, thereby enabling or inhibiting them at the different stages of development. Three categories of activities were uncovered, and evidence of their effects on entrepreneurs' capability was presented through findings from the analysis of interview transcripts of entrepreneurs who are beneficiaries of EDI support programmes. Also, perspectives from other entrepreneurs that are not beneficiaries of any EDI were introduced just for corroboration and sense-making. Capacity development supports comprising intellectual, financial, and physical capacity development interventions were uncovered to help entrepreneurs address management challenges and financial constraints, thereby enabling them to sustain and grow their businesses. Also, mentoring was uncovered as a set of support activities comprising facilitation of access to market, monitoring and evaluation, and consultancy and business support services. These activities enable entrepreneurs' development by enhancing their capability to avoid the high cost of customer acquisition, effectively implement their business plans, and maintain effective operation management.
The final activity that emerged from this analysis was awareness creation which revealed that national newspapers, word of mouth, and social media platforms were the media used by EDI executors to recruit entrepreneurs into their capacity development programmes. While the activities in the first and second support areas above were mostly aligned to those that emerged in the EDI executors’ perspective analysis presented in Chapter 5, there was a noticeable difference in the evidence on awareness creation. The implication of this will be discussed further in the next chapter. Also, activities under advocacy that emerged in the result presented from the EDI executors’ perspectives analysis in the similar section of Chapter 5 were not evidenced in the findings in this chapter. This will also be discussed further in the next chapter.

### 6.5 Conclusion

The chapter presents the results of the analysis of entrepreneurship determinants as perceived by entrepreneurs. It presents the results of their perspectives on the role that the EDIs' engagement plays in their capability to navigate the contextual and individual-level factors. The analysis considered influences at the different stages of development to determine whether the EDI role enables or inhibits entrepreneurship development in Nigeria and to what extent. The chapter uncovers how contextual and individual-level factors determine how the entrepreneur approaches entrepreneurship in terms of readiness to navigate the contextual factors towards establishing and operating micro, small, or medium enterprise. Further analysis of the factors reveals the ways in which EDIs serve as policy vehicles for facilitating entrepreneurs’ readiness and support throughout their development.

The first finding emerging from this chapter on the influence of factors generally is that while both enabling and inhibiting effects are evident, the inhibiting effects are quite rampant among entrepreneurs. This empirical finding corroborates that from the EDI executors’ perspective providing the basis for taking this argument forward as a valid and possible cause of business stagnation and early mortality within the Nigerian setting. The second finding is that
individual-level factors are fundamental and literally hold the entrepreneurship process together, supporting Cuervo (2005), Schillo et al. (2016) and Acs et al. (2014) notion that the impact of contextual factors, whether enabling or inhibiting, is dependent on the entrepreneurs' attributes thereby implying the importance of addressing individual-level factors.

This finding is pivotal because the results of this analysis show that in addition to 'knowledge and experience' (as a component of individual-level factor) identified by EDIs in Chapter 5, evidence from the entrepreneurs reveals that their inspiration/motivation and character seriously influence their entrepreneurial intention, action, and outcomes. This finding indicates that these three components present a more rounded perspective to gaining a good understanding of how individual-level factors enable/inhibit entrepreneurship development. Thus, the significant difference between EDI executors’ and entrepreneurs' perspectives on the scope of individual-level factors observed in this study explains why most EDI executors espouse intellectual capacity development at the expense of other needs, thereby inadvertently inhibiting the entrepreneurs they support. Likewise, concerning contextual factors, the evidence alludes to formal institutions and access to financing as top sources of inhibiting effects. This explains why some EDI executors espouse financial capacity development at the expense of other needs, also inadvertently inhibiting the entrepreneurs.

Apart from the two findings on the impact of factors above, a third finding from the analysis of the role of EDIs is that Mentoring support, especially 'monitoring and evaluation' and 'consultancy and business support', are considered to have tremendous value because evidence from the analysis showed most entrepreneurs remain in contact and continue to engage with the EDI even those at the growth stage of development. Furthermore, continued relationship with the EDIs fosters continued networking and collaboration with other entrepreneurs. This corroborates the findings from the EDI executors' perspective, and it is particularly valuable for the execution stage entrepreneurs because the evidence on mentoring support indicates enabling effects only.
To summarise, the findings of this chapter establish that contextual and individual factors inhibit entrepreneurship development in the Nigerian setting more than they enable it. While this is noticeable at the three stages of development, it is most prominent at the execution stage because many interventions dwindle post-business establishment. At this point, entrepreneurial readiness (Schillo et al. 2014), which is a function of individual-level factors, becomes pivotal to business sustenance and growth. This is because the state of the individual-level components is what determines how the contextual factors are continually addressed. Thus, mentoring support through the EDIs becomes valuable, and these findings confirms that EDIs activities are indeed enablers of entrepreneurship development, but not without some inhibiting tendencies. The inhibiting tendencies that emerged include bias in recruitment, jettisoning other support areas for intellectual and financial capacity development, inadequate mentoring support, and limited attention to all components of individual-level factors.

Although this chapter shows there are many aligning views between the EDI executors and the entrepreneur’s perspectives on the role of the EDIs, there are some contrasting views. For example, while the EDI executors are confident in highlighting their activities and taking for granted that all stages of development are adequately supported, issues emerging show that most EDIs (as policy vehicles) have extensively contributed to entrepreneurs’ capability mainly to create micro and small businesses. These businesses rarely operate effectively and do not grow or transition to medium and big businesses. Furthermore, it is interesting that while all the executors elaborately discuss their role in advocacy, this support activity was not mentioned by any entrepreneur in the study sample. The next chapter discusses the interpretation of these results and presents the significance of these findings in the conclusion of this study.
CHAPTER 7

Discussion and Conclusion

7.1 Introduction

This thesis develops and critically explores the case of EDI by applying theoretical framework that integrates dimensions of entrepreneurship, entrepreneurial contexts, stages of entrepreneurship, and institutional intermediaries to the Nigerian setting. This was done to address the research questions on ‘how individual and contextual factors inhibit/enable entrepreneurship development’, and ‘how entrepreneurship development initiatives influence the creation and operation of micro, small and medium-sized enterprises in Nigeria’. To answer these questions, the main objective of this study was to ‘investigate the determinants of entrepreneurship development, with a focus on entrepreneurship development initiatives’ by doing the following: first, identifying factors that inhibit or enable the different stages of entrepreneurship development. Second, examining the effects of identified factors on entrepreneurs’ decisions at various stages of the enterprise life cycle. Third, analyse how the structures and operations of EDIs enable entrepreneurs to navigate inhibiting influences and harness enabling influences emanating from individual and contextual factors.

This study explored contextual, individual and intermediation factors to examine their inhibiting and enabling tendencies. This was implemented by seeking the perspectives of the EDI executors and the entrepreneurs they support to establish what factors influence entrepreneurial decisions and at what level of development. Through this, various sub-factors were identified, as illustrated in Figures 5.1, 5.2, 6.1, 6.2, and 6.4. Evidence was drawn by mapping enablers and inhibitors across the three categories of factors (shown in Table 7.1), thereby achieving the first objective of this study. Furthermore, Tables 7.2 and 7.3 illustrate identified enablers and inhibitors (respectively) and their effects at the different stages of development in which they are experienced, thereby achieving the second objective of this study. Through the outcomes of these two research
objectives, the first research question is answered by showing that while on the one hand, entrepreneurship development in Nigeria is enabled through access, competence, enthusiasm/resolve, and market opportunities (Table 7.2), on the other hand, it is inhibited by increase cost, loss of income, poor planning/execution, and lack of market opportunities (Table 7.3).

The third objective was carried out by implementing three steps. First was to conduct desk research to identify institutional intermediations players in the Nigerian setting to categorise them using their size, expertise/focus of intermediation, national-level presence, key sponsors, and their perspective on entrepreneurship. Second step was to select categories of intermediation representative of the group through which the role of EDIs can be investigated. This resulted in the selection of four categories elaborated in Chapter 4 (Table 4.5). Third and final step was to seek the perspective of the EDI executors on the establishment and structure of EDIs, also executors’ and entrepreneurs’ perspectives on EDI activities, how they affect entrepreneurs’ capabilities to navigate contextual and individual influences, and the impact of these activities at the different stages of development. Table 7.1 illustrates the enabling and inhibiting tendencies of the intermediation factor, while Table 7.4 illustrates how intermediation supports entrepreneurship at both entry and post-entry stages of entrepreneurship development.

Achieving the third objective alongside the first two addressed that second research question by showing that institutional intermediation is a much-needed enabler of entrepreneurship, especially in a setting such as Nigeria, where there are significant issues of commercial institutional void. It shows that intermediation activities such as advocacy, mentoring, capacity development, and ‘awareness and access creation’ (presented in Figures 5.2 and 6.2) enable the creation of micro, small and medium-sized enterprises (MSMEs) in Nigeria by enhancing intending entrepreneurs’ capabilities to navigate pre-entry contextual and individual level sub-factors that influence entrepreneurial intention and
exploration. In the same manner, these activities enable the operation of MSMEs by enhancing the nascent and established entrepreneurs’ capabilities to navigate post-entry contextual and individual level sub-factors. Tables 7.1 and 7.4 illustrates how the intermediation factor impacts the creation and operation of MSMEs in Nigeria.

The Nigerian setting was deemed suitable for this research because of three key features. First is the proliferation of entrepreneurship activities (by entrepreneurs and support institutions), second is the massive fund injection toward entrepreneurship development in the past two decades, and third is the high rate of micro and small business mortality despite support and funding. The decisions of a group of entrepreneurs comprising fourteen enterprises at different stages of development and the activities across seven EDIs of different entrepreneurship orientations were investigated and analysed, and the pieces of evidence that emanated from the investigation were cross synthesised to generate these thesis findings.

This chapter proceeds to illustrate how these findings inform the introduction of the intermediation factor as a new theoretical construct, along with other contributions that culminate in the proposed integrated framework (Figure 7.1) for studying entrepreneurship development in similar settings to Nigeria. The rest of this chapter is structured as follows: Section 7.2 identified the enablers and inhibitors and aligned them to the proposed theoretical framework and the stages of entrepreneurship development. Also, identified specific entry and post-entry sub-factors to corresponding source categories (individual, contextual and intermediation factors) for a better understanding of how they influence entrepreneurial decisions. Section 7.3 discusses the interpretation of the results of the findings through the cross synthesis of perspectives of executors and the entrepreneurs that emanated from the cases of EDIs. This is followed by Section 7.4, which synthesises identified factors and sub-factors, their enablers and inhibitors effects, and the stages of entrepreneurship development where
these are experienced to develop and propose an integrated theoretical framework as this study’s main theoretical contribution alongside other contributions to literature. It also presents the contributions to practice and policy. Section 7.5 highlights the study limitations and future directions of studies. Section 7.6 concludes the chapter.

7.2 Research Findings: Enabler/Inhibitors Influences on Stage of Development

This section synthesises the factors and sub-factors to identify enablers and inhibitors and their effects and align them to the theoretical framework proposed in this study. This was done through three illustrations presented in the following subsections.

7.2.1 Enablers and inhibitors

Drawing on the pieces of evidence that emerged on enablers and inhibitors and aligning them to their sources as categorised in the theoretical framework below, Table 7.1 identifies and illustrates the weighting of the enablers and inhibitors according to their sources. It emerged that while all three factors (individual, contextual and intermediation) have both inhibiting and enabling tendencies, entrepreneurs currently experience more inhibitors from contextual sub-factors than from the other factors. It also emerged that the entrepreneurs currently experience more enablers from intermediation factor than from the others. It can be seen that the bulk of enablers from intermediation address inhibitors from contextual factors. These findings support the positions of various extant works (Armanios et al., 2016; Sutter et al., 2017; Mair et al., 2012; Kerlin et al.; 2021; Dutt et al., 2016) on the positive role of intermediaries. However, the discovery of inhibiting tendencies also confirms the call to investigate potential inhibiting influences of intermediary by Eberhart and Eesley (2018). These findings contribute to our understanding of ‘how entrepreneurship development initiatives influence the creation and operation of micro, small and medium-sized enterprises in Nigeria’ as set out in one of this research’s questions.
<table>
<thead>
<tr>
<th>Factor</th>
<th>Enablers</th>
</tr>
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<tbody>
<tr>
<td>Contextual level</td>
<td>Availability of opportunity for idea testing</td>
</tr>
<tr>
<td></td>
<td>Availability of opportunity to secure start-up funding /perception of the availability.</td>
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<td></td>
<td>Availability of co-working spaces (offices/factories).</td>
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<td></td>
<td>Private sector and government emphasis on start-up support.</td>
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<tr>
<td></td>
<td>Availability of opportunity to secure expansion funding.</td>
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<td></td>
<td>Availability of opportunity to secure operations funding.</td>
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<td></td>
<td>Financing opportunities viewed as easily accessible with proper preparation.</td>
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<td></td>
<td>High level of regional commercialisation.</td>
</tr>
<tr>
<td>Market acceptance (by customer/incumbent players).</td>
<td>Acceptability challenges because of newness.</td>
</tr>
<tr>
<td>Legal form (limited liability) informs general perception, acceptability, and engagement decisions by key stakeholders.</td>
<td>Low level of regional commercialisation determining the availability of resources and discouraging business exploration.</td>
</tr>
<tr>
<td>Attractiveness of trending sector.</td>
<td>Self-provision of public goods (water, power, and road) due to abandoned public infrastructure policies by successive governments.</td>
</tr>
<tr>
<td>Highly developed level of regional commercialisation creating availability of resources and encouraging business exploration.</td>
<td>Corrupt practices relating to procurement process within government agencies.</td>
</tr>
<tr>
<td>Legal form (limited liability) informing general perception, acceptability, and engagement decisions by key stakeholders.</td>
<td>Limited/inaccurate information about regulatory requirements resulting in legal intermediation.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Inhibitors</th>
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<tbody>
<tr>
<td>Multiple taxations and non-discriminatory rates.</td>
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<td>Perceived cost of formalisation.</td>
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<tr>
<td>Obstruction from access to affordable finance due to ineffective policy.</td>
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<td>Unethical practices masked in administrative bureaucracy in government agencies.</td>
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<tr>
<td>Unattainable commercial bank loan eligibility requirement.</td>
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<td>High interest rates of commercial bank funds.</td>
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<td>Expensive technological upgrades requirement for competitiveness.</td>
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<td>Concentration of internet service providers limiting choice of business activities.</td>
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<tr>
<td>Acceptability challenges because of newness.</td>
</tr>
<tr>
<td>Low level of regional commercialisation determining the availability of resources and discouraging business exploration.</td>
</tr>
<tr>
<td>Self-provision of public goods (water, power, and road) due to abandoned public infrastructure policies by successive governments.</td>
</tr>
<tr>
<td>Corrupt practices relating to procurement process within government agencies.</td>
</tr>
<tr>
<td>Limited/inaccurate information about regulatory requirements resulting in legal intermediation.</td>
</tr>
<tr>
<td>Limited/inaccurate information about industry changes, entrepreneurship support opportunities resulting in missed opportunities.</td>
</tr>
<tr>
<td>Limited source of funding due to financiers’ lack of understanding of the entrepreneurs’ business.</td>
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<tr>
<td>Delayed operation due to administrative bureaucracy.</td>
</tr>
<tr>
<td>Private sector and government emphasis on start-up support reducing funding available to established businesses.</td>
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<tr>
<td>Lack of patronage by big businesses.</td>
</tr>
<tr>
<td>Market saturation as a consequence of trending sector.</td>
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<tr>
<td>Acceptability challenges because of limited networking and collaboration opportunities.</td>
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<tr>
<td>Market acceptability challenge because of legal form (enterprise).</td>
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<td>Complacency resulting from high level of historical regional commercialisation.</td>
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<td>Factor</td>
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<tr>
<td>Individual level</td>
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<td>Factor</td>
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<td>Institutional intermediation</td>
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Source: Author’s illustration from collected evidence
7.2.2 Enablers and inhibitors corresponding to stages of development

The illustration in Table 7.1 only identifies and reveals the enablers/inhibitors and their sources. While this is good, it partially addresses this research’s questions and its objectives. The critical dimension to the research questions is the ‘how’ aspect which requires investigating the effects of factors. Through the illustration in Tables 7.2 and 7.3, this subsection presents pieces of evidence that depict specific enablers and inhibitors affecting the different stages and aggregating influences to establish the effects of these factors, thereby achieving the research objecting and addressing both research questions.

Table 7.2 illustrates various pieces of evidence of enablers and the different stages of entrepreneurship development where they are experienced. Upon proper mapping of the enablers and the stages, four key areas of effects that emerged include ‘access’ ‘competence’, ‘enthusiasm/resolution’, and ‘market opportunity’. Likewise, Table 7.3 illustrates various pieces of evidence of inhibitors and the different stages where they are experienced and four key areas of effects emerged to include ‘increased cost’ ‘loss of income’, ‘poor planning/execution’, and ‘lack of market opportunity’.

In addition, the entry and post-entry enablers identified were mapped (Table 7.4) to correspond with their source category, especially intermediation factors for better understanding of how they influence entrepreneurial decisions. The outcomes illustrated in Tables 7.2, 7.3 and 7.4 form the bases for some of the resolutions proffered by this study especially the adoption of stage-specific intervention design.
Table 7.2 Mapping enablers according to stages of development

<table>
<thead>
<tr>
<th>Determinants</th>
<th>How determinants ENABLE stages of development</th>
<th>Business Growth Stage</th>
<th>Influences/effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opportunity for idea testing.</td>
<td>Legal form (limited liability) informing perception, acceptability, and engagement decisions by stakeholders.</td>
<td>Opportunity to build business networks and alliances.</td>
<td></td>
</tr>
<tr>
<td>Availability of opportunity to secure start-up funding /perception of the availability.</td>
<td>Availability of opportunity to secure operations funding.</td>
<td>Availability of opportunity to secure expansion funding.</td>
<td></td>
</tr>
<tr>
<td>Private sector and government emphasis on start-up support.</td>
<td>Market acceptance (by customer/incumbent players).</td>
<td>DFI's preference for supporting established businesses in direct funding.</td>
<td>Access</td>
</tr>
<tr>
<td>Potentials for government patronage initiated through EDI policy dialogues.</td>
<td>Private sector and government emphasis on start-up support</td>
<td>EDI partnering with import/export banks to facilitate borrowing at a discounted rate in indirect funding.</td>
<td></td>
</tr>
<tr>
<td>Government patronage initiated through EDI policy dialogues.</td>
<td>Government patronage initiated through EDI policy dialogues.</td>
<td>DFI's preference for supporting established businesses in direct funding.</td>
<td>Access</td>
</tr>
<tr>
<td>Enabler</td>
<td>EDI fostering collaboration among entrepreneurs through conferences, seminars, and alumni and training events.</td>
<td>EDI fostering collaboration among entrepreneurs through conferences, seminars, and alumni and training events.</td>
<td></td>
</tr>
<tr>
<td>Potentials for subsidised/free commercial services (E.g., advertisement) facilitated by EDI.</td>
<td>EDI fostering collaboration among entrepreneurs through conferences, seminars, and alumni and training events.</td>
<td>EDI fostering collaboration among entrepreneurs through conferences, seminars, and alumni and training events.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>EDI's continued visitation, information dissemination, free consulting clinic, performance evaluation, and feedback.</td>
<td>EDI's continued visitation, information dissemination, free consulting clinic, performance evaluation, and feedback.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>EDI partnering with service providers to offer subsidised/free commercial services (E.g., advertisement).</td>
<td>EDI partnering with service providers to offer subsidised/free commercial services (E.g., advertisement).</td>
<td></td>
</tr>
<tr>
<td>Ability to analyse and accurately interpret market situations.</td>
<td>Business management knowledge and experience.</td>
<td>Strategy management knowledge and/or experience.</td>
<td>Source: Author’s illustration from collected evidence</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>------------------------------------------------</td>
<td>-------------------------------------------------</td>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>Ability to identify market opportunities.</td>
<td>Having market/sector knowledge.</td>
<td>Financial management knowledge and/or experience.</td>
<td></td>
</tr>
<tr>
<td>Ability to identify appropriate resource needs.</td>
<td>Having industry experience.</td>
<td>Managerial level management experience.</td>
<td></td>
</tr>
<tr>
<td>Effective business planning.</td>
<td>Possession of required technical know-how.</td>
<td>EDI Management skill development intervention.</td>
<td></td>
</tr>
<tr>
<td>Possession of required technical know-how.</td>
<td>EDI Management skill development intervention.</td>
<td>EDI facilitating mentor-mentee relationships between established and budding businesses.</td>
<td></td>
</tr>
<tr>
<td>EDI Management skill development intervention.</td>
<td>EDI facilitating mentor-mentee relationships between established and budding businesses.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EDI partnering with established businesses to provide apprenticeship opportunities.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inspiration for idea generation and idea testing.</td>
<td>Realisation of financial freedom and transcending socio-economic challenges, particularly unemployment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motivation to create business.</td>
<td>High risk-taking propensity.</td>
<td>Confidence in own ability to scale the business.</td>
<td></td>
</tr>
<tr>
<td>Drive to raise funds from friends and family.</td>
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<tr>
<td>High risk-taking propensity.</td>
<td>Desire to be own's boss.</td>
<td>High risk-taking propensity.</td>
<td></td>
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<tr>
<td>Desire to be own boss.</td>
<td>Need for societal conformity and high social status.</td>
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<td></td>
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<tr>
<td>Need for societal conformity and high social status.</td>
<td>Need for societal conformity and high social status.</td>
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</tr>
<tr>
<td>Potential for financial freedom through self-employment.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attractiveness of trending sector.</td>
<td>Attractiveness of trending sector.</td>
<td>High level of regional commercialisation.</td>
<td></td>
</tr>
<tr>
<td>Highly developed level of regional commercialisation creating availability of resources and encouraging business exploration.</td>
<td>High level of historical regional commercialisation.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Author’s illustration from collected evidence
### Table 7.3 Mapping inhibitors according to stages of development

<table>
<thead>
<tr>
<th>Determinants</th>
<th>Business Exploration Stage</th>
<th>Business Execution Stage</th>
<th>Business Growth Stage</th>
<th>Influences/effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple taxations and non-discriminatory rates.</td>
<td>Multiple taxations and non-discriminatory rates.</td>
<td>Multiple taxations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived cost of formalisation.</td>
<td>Self-provision of public goods (water, power, and road) due to abandoned public infrastructure policies by successive governments.</td>
<td>Self-provision of public goods (water, power, and road) due to abandoned public infrastructure policies by successive governments.</td>
<td></td>
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<tr>
<td>Obstruction from access to affordable finance due to ineffective policy.</td>
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<tr>
<td>Unethical practices masked in administrative bureaucracy in government agencies.</td>
<td>Obstruction from access to affordable finance due to ineffective policy.</td>
<td>Limited source of funding due to financiers’ lack of understanding of the entrepreneurs’ business.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial bank loan eligibility requirement.</td>
<td>Unethical practices masked in administrative bureaucracy in government agencies.</td>
<td>Corrupt practices relating to procurement process within government agencies.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High interest rates of commercial bank funds.</td>
<td>Technological upgrades requirement for competitiveness.</td>
<td>Technological upgrades requirement for competitiveness.</td>
<td></td>
<td>Increase cost</td>
</tr>
<tr>
<td>Concentration of internet service providers limiting choice of business activities.</td>
<td>Commercial bank loan eligibility requirement.</td>
<td>Private sector and government emphasis on start-up support reducing funding available to established businesses.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DPFs’ preference for supporting established businesses through direct funding limiting funding source options to family and friends.</td>
<td>High interest rates of commercial bank funds.</td>
<td>High interest rates of commercial bank funds.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inhibitors</td>
<td>Limited/inaccurate information about regulatory requirements resulting in compliance challenges and legal intermediation.</td>
<td>Limited/inaccurate information about regulatory requirements resulting in compliance challenges and legal intermediation.</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Misconstruing resources needs resulting avoidable.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Concentration of internet service providers reducing media for business marketing activity.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source: Author’s illustration from collected evidence</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Issue</th>
<th>Cause</th>
<th>Consequences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delayed operation due to administrative bureaucracy.</td>
<td>DFI's preference for supporting established businesses limiting available funding sources to accept and execute big contracts.</td>
<td>Loss of income. Dwinding risk-taking propensity and contentment with smallness.</td>
</tr>
<tr>
<td>Limited/inaccurate information about industry changes, entrepreneurship support opportunities resulting in missed opportunities.</td>
<td>DFI partnering with commercial and microfinance banks for indirect financing support raising borrowing costs to accept and execute big contracts.</td>
<td></td>
</tr>
<tr>
<td>Entrepreneurs’ interpretation of lenders’ perception of poor readiness for funding.</td>
<td>Lack of strategic leadership capabilities evidenced in lack of structure and micro-management.</td>
<td>Fund misappropriation and consequent stagnation in government incentive-driven businesses.</td>
</tr>
<tr>
<td>Misconstrued resource needs frustrating business exploration.</td>
<td>Uninformed pre-entry choices at start-ups because of private sector and government emphasis on start-up support.</td>
<td>Lack of strategic leadership capabilities evidenced in lack of structure and micro-management.</td>
</tr>
<tr>
<td>Financing opportunities viewed as inaccessible.</td>
<td>Desire for sole control. Misunderstanding the market opportunities. Misunderstand the concept of profitability. Mixing business and personal life. Unwilling attitude toward personal development resulting in continuous knowledge gap. Financing opportunities viewed as inaccessible.</td>
<td>Poor planning/execution Unwilling attitude toward personal development resulting in continuous knowledge gap.</td>
</tr>
<tr>
<td>Acceptability challenges because of newness.</td>
<td>Lack of patronage by big businesses.</td>
<td>Market saturation as a consequence of trending sector.</td>
</tr>
<tr>
<td>Low level of regional commercialisation determining the availability of resources and discouraging business exploration.</td>
<td>Acceptability challenges because of limited networking and collaboration opportunities.</td>
<td>Complacency resulting from high level of historical regional commercialisation.</td>
</tr>
<tr>
<td>Low level of regional commercialisation determining the availability of resources.</td>
<td>Market acceptability challenge because of legal form (enterprise).</td>
<td>Low level of regional commercialisation determining the availability of resources.</td>
</tr>
<tr>
<td>Market acceptability challenge because of legal form (enterprise).</td>
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</tr>
</tbody>
</table>

|
Table 7.4 Critical entry and post-entry sub-factors

<table>
<thead>
<tr>
<th>Contextual level</th>
<th><strong>Entry factors</strong></th>
<th><strong>Post-entry factors</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Availability of opportunity for idea testing</td>
<td>Opportunity to build business networks and alliances.</td>
</tr>
<tr>
<td></td>
<td>Availability of opportunity to secure start-up funding</td>
<td>Cost of formalisation.</td>
</tr>
<tr>
<td></td>
<td>/perception of the availability.</td>
<td>Ease of dealing with government agencies.</td>
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<tr>
<td></td>
<td>Availability of co-working spaces (offices/factories).</td>
<td>Technological advancement.</td>
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<tr>
<td></td>
<td>Attractiveness of trending sector.</td>
<td>Level of regional commercialisation.</td>
</tr>
<tr>
<td></td>
<td>Highly developed level of regional commercialisation.</td>
<td>Availability of public goods (water, power, and road).</td>
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<tr>
<td></td>
<td></td>
<td>Availability of information about regulatory requirements, industry</td>
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<tr>
<td></td>
<td></td>
<td>changes, and entrepreneurship support opportunities.</td>
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<tr>
<td></td>
<td></td>
<td>Patronage by big businesses and the government.</td>
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<tr>
<td></td>
<td></td>
<td>The phase of the industry life cycle.</td>
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<tr>
<td></td>
<td></td>
<td>Organisation’s legal form (enterprise/limited).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Availability of opportunity to secure business funding.</td>
</tr>
<tr>
<td>Individual level</td>
<td>Effective business planning.</td>
<td>Effective business planning.</td>
</tr>
<tr>
<td></td>
<td>Possessing technical know-how.</td>
<td>Business management knowledge and experience.</td>
</tr>
<tr>
<td></td>
<td>Ability to analyse and accurately interpret market situations.</td>
<td>Strategic leadership capabilities.</td>
</tr>
<tr>
<td></td>
<td>Inspiration for idea generation.</td>
<td>Understand the concept of profitability.</td>
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<tr>
<td></td>
<td>Ability to identify appropriate resource needs.</td>
<td>Confidence in own ability to scale the business.</td>
</tr>
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<td></td>
<td>Ability to identify market opportunities.</td>
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<td></td>
<td>Business management knowledge.</td>
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<td></td>
<td>Market/sector knowledge.</td>
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<td></td>
<td>Industry experience.</td>
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<td></td>
<td>Motivation to create business.</td>
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<tr>
<td></td>
<td>Strategy management knowledge and/or experience.</td>
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<tr>
<td></td>
<td>Financial management knowledge and/or experience.</td>
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<tr>
<td></td>
<td>Realisation of financial freedom and transcending socio-economic challenges,</td>
<td></td>
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<td></td>
<td>particularly unemployment.</td>
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<tr>
<td></td>
<td>High risk-taking propensity.</td>
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<tr>
<td></td>
<td>Desire to be own’s boss.</td>
<td></td>
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<tr>
<td></td>
<td>Drive to raise funds from friends and family.</td>
<td></td>
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<tr>
<td></td>
<td>Need for societal conformity and high social status.</td>
<td></td>
</tr>
<tr>
<td>Intermediation</td>
<td>Description</td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Apprenticeship opportunities.</td>
<td>Direct and indirect business support services.</td>
<td></td>
</tr>
<tr>
<td>Aspiring entrepreneurs’ development intervention.</td>
<td>Direct and indirect funding through EDI.</td>
<td></td>
</tr>
<tr>
<td>Collaboration and business networking opportunity.</td>
<td>Visitation, information dissemination, free consulting clinic, performance evaluation, and feedback.</td>
<td></td>
</tr>
<tr>
<td>Availability of co-working spaces (offices/factories) opportunities.</td>
<td>Management skill development intervention.</td>
<td></td>
</tr>
<tr>
<td>Business planning and documentation intervention.</td>
<td>Reference for patronage given by EDI executors.</td>
<td></td>
</tr>
<tr>
<td>Collaboration and business networking opportunities (conferences, business forum, alumni events, training and trade fairs) initiated through EDI.</td>
<td>Availability of subsidies secured through EDI partnering with services providers.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Internationalisation opportunities through EDI partnership with international eCommerce giant.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mentoring relationship opportunities through EDI Programmes.</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author’s illustration from collected evidence
7.3 Research Findings: Cross-synthesis of perspectives

This section discusses the interpretation of the results of the findings through the cross synthesis of executors and the entrepreneurs’ perspectives that emanated from the cases of EDIs in this case study. This is a case of EDI in Nigeria embedded with EDI executors’ activities and entrepreneurs’ decisions as sub-units of analysis from multiple cases of EDIs. The sample selection was criteria-based to ensure maximum variation in data. Upon application of the theoretical framework developed in Chapter 2 to the Nigerian setting, findings that emerged from the study through within-case analysis and presented in Chapters 5 and 6 are discussed and the summary is illustrated in Table 7.5. The cross synthesis entails a compilation of data from multiple cases of EDIs from which executors’ and entrepreneurs’ perspectives on enablers, inhibitors, and the role of EDIs were empirically generated and examined to ensure evidence is seen through structured and diverse lenses, thereby improving the likelihood of reliable theory (Eisenhardt, 1989). In an approach similar to cross-case synthesis (Yin, 2014), patterns of perspectives across the cases of EDIs are observed and collated to synthesise EDI executors’ positions and the entrepreneurs’ positions to establish how contextual, individual, and intermediation factors enable and(or) inhibit the creation and operation of MSMEs thereby deepen our understanding of entrepreneurship development in Nigeria.

The cases of EDIs selected comprise seven EDIs of different entrepreneurial orientations. Specifically, private-social, pure-public, and institutional-private entrepreneurship orientation. These categorisations were conceptualised as earlier presented in Chapter 2 and are adopted as important in the sample selection for this study because of the influence on the choice of intermediation implemented through the respective EDIs and the consequence on their roles. Though diverse in entrepreneurial orientation, the EDIs share commonality in geographical reach (nationally), catering at all levels of development and being established for over a decade. Furthermore, entrepreneurs supported through these EDIs were included in the study sample to collect data on perspectives from
the EDI executors and the entrepreneurs they support across the cases of EDIs. The group comprises fourteen execution and growth-stage entrepreneurs operating in different sectors and across three regions of the country. They have operated their businesses for 2-15 years and have all passed through a minimum of one entrepreneurship support programme provided by the EDIs between 2000 and 2017. Furthermore, they are a mix of micro and small businesses run by sole proprietors or individuals in collaborative entrepreneurship.

The cross-synthesis of findings from the within-case analysis (presented in Chapters 5 and 6) of EDI executors and entrepreneurs' perspectives generated five principal findings. First, it shows that while the EDI executors and entrepreneurs generally agree on many aspects of entrepreneurship determinants, there are notable rival views on certain factors and issues. Specifically, both have rival views on sub-factors that constitute individual-level factors; also, they have rival views on the role of EDIs in relation to identified support activities. However, both agreed on all contextual factors identified as influential in entrepreneurship development. Second key finding is that both agree on the effect of contextual factors. It emerged that the inhibiting effects are rampant. Therefore, understanding specific inhibiting factors, their effects, and at what stage of development become a critical gap to fill to alleviate early enterprise mortality.

Thirdly, on individual-level factors, although the lists of sub-factors emerging from both perspectives differ (elaborated later in the chapter), there is an agreement that individual-level factors have a significant effect on how entrepreneurs address contextual factors. Thus, the better addressed the individual-level factors are, the less the inhibitive effects of the contextual factors. Fourthly, both agreed on the role of EDIs in relation to mentoring. It emerged that while capacity development support meets the foundational needs of the entrepreneurs, the mentoring support activity is a necessary post-capacity development activity without which most enterprises stagnate and eventually die. Finally, on the role of EDIs, apart from mentoring activity, which emerged to have enabling effects in all its sub-activities, the cross-synthesis shows rival views on
the effects of the other identified EDI support activities. Some of these activities were viewed by some respondents to have inhibiting tendencies and therefore contribute to early mortality of MSMEs. This finding establishes the EDIs as determinants of entrepreneurship as argued in this study, thus, affirming the pivotal role of EDIs.

Table 7.5 summarises the results from the cross-synthesis of findings using each aggregate concept (from data structure) as themes to highlight agreed and rival notions within the copious data. To adequately understand the effects of these determinants through this cross-synthesis, each theme is presented, starting with its overarching effect on entrepreneurship development as emerging from the study to better understand the generic consequences of the factors. This draws on the similar views on each factor as emerged across the cases. The findings on the effects of each factor from both perspectives are further cross synthesised to highlight the specific in terms of the inhibiting and enabling tendencies and how these contribute to the problem of early mortality despite huge funding commitment and the proliferation of EDI support. The following subsections discuss each area of findings.
Table 7.5 Cross-synthesising perspectives: The effects of contextual, individual, and intermediation factors on entrepreneurship development.

<table>
<thead>
<tr>
<th>Key themes</th>
<th>EDI executor perspectives</th>
<th>Entrepreneur perspectives</th>
<th>Category of factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed notion on contextual influence</td>
<td>The evidence of inhibiting effects of the contextual factors is more apparent than their enabling effects.</td>
<td></td>
<td>Contextual factors</td>
</tr>
<tr>
<td>Formally institutions' effects</td>
<td>Formal institutions inhibit through <strong>high cost</strong> at execution and growth stages.</td>
<td>Same as EDI executors’ perspective</td>
<td></td>
</tr>
<tr>
<td>Industry dynamic effects</td>
<td>Industry factors inhibit through <strong>higher cost</strong> of client acquisition.</td>
<td>Industry factors inhibit execution and growth-stage businesses through <strong>high cost</strong> of client acquisition.</td>
<td></td>
</tr>
<tr>
<td>Access to Financing effects</td>
<td><strong>Financing constrains</strong> development through stringent conditions for access, also aided by entrepreneurs’ lack of funding readiness.</td>
<td><strong>Financing constrains</strong> development through stringent <strong>qualification</strong> requirements, <strong>cost of financing</strong>, misappropriation in the implementation of government funding and the reluctance of entrepreneurs to pursue financing outside of family and friends.</td>
<td></td>
</tr>
<tr>
<td>Information availability effects</td>
<td>Lack or ambiguity of information inhibits through the <strong>additional cost</strong> of</td>
<td><strong>Not</strong> highlighted as significant influence.</td>
<td></td>
</tr>
<tr>
<td>Informal institutions’ effects</td>
<td>Informal institutions inhibit through <strong>execution challenges</strong> and poor business performance.</td>
<td>Same as EDI executors’ perspective</td>
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<tr>
<td>---</td>
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<td></td>
</tr>
<tr>
<td>Effects of organisational factors</td>
<td>Not highlighted as significant.</td>
<td>Factor such as legal form inhibits execution stage businesses through lack of <strong>market acceptability</strong>.</td>
<td></td>
</tr>
<tr>
<td><strong>Perceived role of individual-level factors (agreed)</strong></td>
<td>Mastery in managing the influences of contextual factors enables entrepreneurship, and it is dependent on entrepreneurs’ attributes (Knowledge, character, and motivations).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneurs’ knowledge and experience</td>
<td>Business management <strong>knowledge and experience</strong> enable entrepreneurship development.</td>
<td>Business management <strong>knowledge and experience</strong> enable/inhibit entrepreneurship development.</td>
<td></td>
</tr>
<tr>
<td>Entrepreneurs’ character</td>
<td>Not highlighted as significant.</td>
<td>Entrepreneurs’ <strong>characters</strong> enable/inhibit entrepreneurship development.</td>
<td></td>
</tr>
<tr>
<td>Entrepreneurs’ motivation</td>
<td>Not highlighted as significant.</td>
<td>Entrepreneurs’ <strong>motivations</strong> enable/inhibit entrepreneurship development.</td>
<td></td>
</tr>
<tr>
<td><strong>Agreed notion on Institutional intermediation</strong></td>
<td>Institutional intermediation is a much-needed enabler of entrepreneurship, especially in a setting such as Nigeria, where there are significant issues of commercial institutional void.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awareness and access creation</td>
<td>Enables entrepreneurs to see and participate in interventions offered by the EDIs.</td>
<td>Communication via social media is most popular but alienates certain demographics.</td>
<td>Institutional intermediation</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Capacity development support</td>
<td>Management training, financing, and co-working spaces enable at all stages of development.</td>
<td>Is generally enabling; however, certain financing models inhibit entrepreneurs.</td>
<td></td>
</tr>
<tr>
<td>Mentoring support</td>
<td>Access facilitation, monitoring, and business support enable execution and growth stage entrepreneurs.</td>
<td>Same as EDI executors’ perspective</td>
<td></td>
</tr>
<tr>
<td>Advocacy</td>
<td>Contribution to policy dialogue and intervention with government enforcement agencies enable entrepreneurs at all stages</td>
<td>Not highlighted as significant.</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author’s depiction of cross-synthesis of findings drawn from empirical chapters
7.3.1 Contextual influence: Effect of contextual factors on enterprise development

Generically, there is a consensus across both perspectives examined in this study that conditions, circumstances, and situations external to the entrepreneurs enable and inhibit them, as suggested by Welter (2011). It emerged that the inhibiting tendencies of the contextual influences are rampant, thereby contributing to mortality. Within-case analysis of the executors’ perspectives shows that out of five entrepreneurial contexts examined, all but the financing sub-factor emerged to have inhibiting effects on entrepreneurship. Moreover, the enabling effect of financing is seen only at the growth stage of development, where the enterprise would have gained enough experience to surpass the eligibility threshold set by the financing institution. Likewise, the findings emanating from entrepreneurs’ perspectives show that all but organisational sub-factors have inhibiting effects, and the enabling effect seen from the legal form of the enterprise is only when the business is registered as a limited company. In the same breath, registration as a business name emerged to be limiting as it is less acceptable in the market. Though the evidence above shows that most contextual factors inhibit entrepreneurship in the Nigerian setting, it is important to understand further the ‘how’ by looking deeper at the factor-specific influences to see how each factor contributes to the problem of early mortality.

*Formal institutions* emerged in the findings from both perspectives as inhibiting in a few ways. Taxation is consistent in both perspectives as topmost, with multiple taxes and non-discriminatory tax rates being the main source of inhibition. This supports Aribaba et al. (2019) notion that inconsistent tax rate with inherent multiple taxations is inimical to sustainability of Nigerian entrepreneurs. Also, the design and implementation of public policies on public amenities (road, electricity, and water) emerged in both perspectives as indirect inhibitors because of the poor state of these services resulting in additional cost of operation at all stages of development. Findings from the executors’ perspectives further highlight the disconnect between policy formulation and the
reality of entrepreneurship as a hindrance to development. An example noted by a respondent is the trade agreement signed by the government with the Economies of West African States (ECOWAS), which consequently exposed local manufacturers to unfair competition, loss of sales and profit. These findings support Welter’s (2011) suggestion that informal institutions create or restrict fields of entrepreneurship. Also uncovered in the findings is the issue of administrative bureaucracy, which hinders execution stage entrepreneurs. These issues, according to the EDI executors, in part inform advocacy (discussed in 7.2.3) as role of EDIs. Although these issues from executors’ perspectives are important, the entrepreneurs’ perspectives emphasised only inhibitors that directly impact the cost of business operations. This begins to point to the role of intermediation in identifying and addressing inhibitors that are not immediately pressing for entrepreneurs, such as representation and intervention with government enforcement agencies.

*Industry factors* emerged from findings from both perspectives to inhibit execution stage entrepreneurs through high cost of client acquisition. This effect results from the influence of various market/industry drivers. Executors and entrepreneurs likewise stress the influence of technological change, which means gaining clients and meeting their demands will require costly acquisitions or upgrades to remain competitive. Furthermore, on the influence of technology, an interesting finding from executors’ perspectives is that financiers tend to refuse technology entrepreneurs financing because they (financiers) are not conversant with the industry. This suggests that entrepreneurs are subtly forced to go into trending industries, resulting in saturation and oversupply. According to industry life cycle theory (Johnson et al. 2011), this results in a competitive rivalry that inhibits small businesses. The other findings from entrepreneurs’ perspectives showed a different dimension of influence of technology relating to the high cost of internet access due to limited penetration. Like public service costs earlier mentioned, access to internet service inhibits development through high prices or inability to afford it. Furthermore, executors’ perspectives show that limited
collaboration between incumbent players and new businesses inhibits development hence the need for networking for visibility. One could infer from the within-case analysis that the EDIs tend to view inhibition from industry factors beyond cost, but the entrepreneurs tend to emphasise cost and financing.

The influence of financing factor emerged in two dimensions as it relates to financing from public and private sources. Concerning private sources (through commercial banks), executors, though acknowledged challenges with eligibility criteria, citing instances such as funding collateral requirement, highlighted entrepreneurs' readiness (business planning) for financing as the more pertinent inhibitor. On the contrary, the entrepreneurs emphasise the stringent loan requirement without much attention to how to prepare to meet the criteria. Concerning the public funding with less stringent requirements, although findings from executors and entrepreneurs show that ineffective implementation involving poor recruitment laden with misappropriation and corrupt practices results in funding constraints, the executors further noted that emphasis on start-ups results in a plethora of funding, which enables exploration and execution stage businesses but inhibits growth-stage businesses that are starved of financing because of limited attention.

Furthermore, findings from the entrepreneurs show that they link their reluctance to seek financing outside of friends and family to the awareness created, portraying those other sources of financing as unattainable. This is a position missed in the evidence from executors as a significant financing challenge. Although a consistent thread of argument from both perspectives is how financing inhibits entrepreneurship, this study shows that increased 'cost' in one way or another is simply a consequence of wider sub-factors (inhibitors) that are less visible. These findings indicate that access to financing may not necessarily always contribute directly to early mortality but more indirectly due to other issues. This notion challenges practitioners' position that more financing will reduce mortality which has been the justification for the massive spending by the public, private, and philanthropic institutions but to limited avail and
supports Balkienè, and Jagminas (2011) suggestion that SME needs that reduce costs such as tax concessions, business support, and skill development for self-evaluation should also be considered when addressing financing issues.

*Informal institutions* emerged to have significant influences on entrepreneurship, as evidenced across the findings. As discussed by Salimath and Cullen (2010), a country's culture, values, beliefs, and norms affect the entrepreneurial orientation of its residents. Findings from the executors show that regional culture of commercial activity enables exploration and execution stage businesses to develop through apprenticeship and enterprise culture embedded in social networks and a value system (Ogunsade and Obembe, 2016). However, evidence for entrepreneurs offered an alternative view, claiming that there is a shared acceptable belief that entrepreneurship is a status symbol, and this is the main driver for the proliferation of exploration and execution stage businesses in the country. Either way, according to evidence from the executors, this situation is also aided by shared acceptable behaviour of financial dependence on the government for entrepreneurship development through various funding programmes for start-ups. It was uncovered that while this enables early-stage entrepreneurship, it inhibits transition to growth stage because the establishment of the businesses is often incentive-driven, and the incentives end up being misappropriated, resulting in mortality. In other findings, there is a consensus that the culture of mixing business and personal life inhibits development, resulting in early mortality or stagnation even when the business survives.

Apart from the sub-factors above on which evidence from both perspectives provided similar and different opinions at the same time, there are two areas of very distinct views as follows: First, is about the influence of *lack or ambiguity of information*, while this was uncovered as pertinent inhibitor highlighted by many executors, interestingly, it was not mentioned by any entrepreneurs as having any influence on development. This shows that the EDIs recognise information as a source of awareness which consequently influences entrepreneurs' ability to harness opportunities presented by enablers and avoid the threats posed by
inhibitors affirming Kumar and Borbora (2016) and Igwe et al., (2018) notion that access to information as a determinant of entrepreneurship. On the contrary, the evidence shows entrepreneurs focus on other factors in comparison to information hence the heavy dependence on EDI mentoring support (discussed in 7.2.3) as the main source of information.

The second area concerns the influence of the legal form of the business. The general perception of a business by key stakeholders (especially customers, big players, and lenders) in its sector informs its acceptability. It determines whether opportunities will be extended to it or not. While the pieces of evidence from the entrepreneurs show that new entrants are not readily accepted because they lack pedigree, especially in mature markets/industries, the influence of the legal form of the business did not come up from any executors as critical. This in part, may explain why the majority of MSMEs supported through EDIs in Nigeria are one-man micro-businesses that are not registered as limited companies, seldom transition, and typically cease after a while.

In conclusion, although contextual factors influence entrepreneurship development significantly, it will be misleading to conclude that an absolute causal relation exit between contextual factors and entrepreneurship development without exploring the role of individual-level factors. Schillo et al. (2016) argued that entrepreneurs' readiness from an individual-level perspective informs the degree of contextual influence. This suggests that how contextual factors result in early mortality can be better understood by understanding individual factors. The following subsection discusses findings from the analysis of components of the entrepreneurs' attributes and their role in entrepreneurship development.

### 7.3.2 Individual-level Factor: The influence of entrepreneurs’ attributes

The cross-synthesis of findings on the influence of individual-level factors from the executors and the entrepreneurs uncovered an interesting difference in perspectives that is significant to understanding the issue of early mortality despite a substantial level of EDI support. This difference relates to identified
components of individual factor that were considered contributory to entrepreneurial action. Although findings from both perspectives show similar views about the importance of entrepreneurs' actions, thereby affirming Zahra et al. (2014) and Acs et al. (2014) argument about the need for individual action as a sequel to opportunity discovery, the difference in perspective comes from the support for what Acs et al. (2014) identified as the regulators of individual action. Acs et al. (2014) identified motivation, perception, cognition, and judgement. While the entrepreneurs align with all these regulators of action, the executors align with only cognition, citing only entrepreneurs' knowledge and skill developed as the only individual-level component that influences entrepreneurs. This partly explains EDIs prioritising intellectual capacity development programmes over others to address knowledge gap to reduce early mortality.

Albeit the executors’ position is acceptable, evidence from the entrepreneurs shows that motivation, character, sentiments, and other psychological factors influence individual action upon opportunity discovery and continue to influence their conduct in managing the enterprise post establishment. Concerning the consensus on knowledge gap, it emerged that poor planning or lack of business planning due to knowledge gap cause exploration stage entrepreneurs to misconstrue resource need and misunderstand the market, and execution stage entrepreneurs to misunderstand the concept of profitability. In both stages, haphazard decision-making and engagement that is not based on a properly documented business plan result in poor pre- and post-entry choices and thus business mortality. Addressing this aspect, the individual factor was extensively evidenced and will be covered adequately under the intermediation factor in the next section.

Concerning the other components uncovered through the entrepreneurs’ perspectives, entrepreneurs' motivation and character emerged as two individual-level influences on entrepreneurial action. The findings show that personal background, experience, level of education, family orientation, position, and social relationships motivate individuals to pursue entrepreneurship as a career choice.
This confirms that entrepreneur motivations are dynamically interrelated with social circumstances usefully conceived of as life course domains as suggested by Jayawarna et al. (2011). These circumstances generate entrepreneurs’ interest in exploring business opportunities, also enthusiasm and tenacity to establish and operate an enterprise. Evidence collected on individual-level factors included various personal stories attesting to how these life course domains initiated and continue to sustain the entrepreneurs’ journeys despite their inhibiting environment.

Furthermore, creativity, intuition, risk appetite, and confidence are identified as part of entrepreneurs' characters that influence their development. An interesting character influence uncovered through this case study relates to inhibition of transition/growth. It was uncovered that while these character traits tend to enable the entrepreneurs at the exploration and execution stages of development, there is evidence of dwindling risk appetite progressively with stages of entrepreneurship. Also, confidence in own ability to scale up emerged as an inhibitor to growth. Some entrepreneurs outrightly expressed their willingness to remain small because of the commitment required to scale up. Others struggle with the concept of calculated risk and would rather play within their safe space.

These issues become very useful, especially for practitioners in terms of planning, designing, and implementing interventions, because it provides a deeper understanding of the entrepreneurs they are trying to support. This way, a balance in support can be achieved to avoid the incommensurate result currently experienced in EDI interventions. The following subsection will discuss EDI activities and their influence on the creation and operation of enterprises.

**7.3.3 Institutional Intermediation: The role of EDIs as intermediation factor**

Generally, findings across this case study show that institutional intermediation, defined in this study as 'interventions designed and executed through programmes or organisations to address institutional void/socio-economic need',
is a much-needed enabler, especially in a setting such as Nigeria, where there are significant issues of commercial institutional void (Dutt et al., 2016). However, it was uncovered that EDI activities are not without inhibiting tendencies. Thus, while all respondents lauded the role of EDIs in this study as enabling, in-depth analysis of individual activities uncovered how these activities, on the one hand, enable entrepreneurship but inhibits it, on the other hand, depending on the stage of development. Thereby capable of contributing to enterprise mortality. Another intriguing finding relates to the executors’ perspective on the scope of their activities. Within-case analysis showed that all the executors perceive their EDIs as adequately providing all support areas (directly or indirectly). However, evidence from the entrepreneurs showed otherwise. It emerged that though every EDI seems to be designed to provide all supports, they all tend to specialise in a particular area of intermediation activities, thereby supporting the positions of extant literature on institutional intermediaries.

For example, SMEDAN tends to be most effective in bridging entrepreneurs from one institutional level to another (Sutter et al., 2017); Fate Foundation channels resources, knowledge, and legitimacy to new firms (Eberhart and Eesley, 2018); BOI, bridging the access void between ventures and public funding (Armanios et al., 2016), and the BMOs, as organisations that redefines market architecture and legitimises new actors (Mair et al., 2012). These findings become significant for practice and policy because practitioners can become deliberate about collaboration based on expertise and intermediation requirements to serve entrepreneurs better, and policymakers can better design and coordinate the implementation of EDI activities because evidence currently shows more competition and less collaboration/complementarity among EDIs resulting in less effective support.

In further findings, different perspectives emerged on advocacy, a support activity that the executors lauded but never mentioned by the entrepreneurs as critical to entrepreneurship. This shows an interesting perspective on intermediation that can help us better understand the role of EDIs. Three out of
the four EDI activities (capacity development, mentoring, and awareness and access creation) emerged from the analysis of executors’ and entrepreneurs’ perspectives; however, ‘advocacy’ emerged from the executors’ only. This subsection discusses the findings on the four EDI activities and how they influence the creation and operation of enterprises in the Nigerian setting.

Capacity development support activities emerging in this study is three dimensional; intellectual, financial, and physical capacity development. Findings from the case study show intellectual and physical capacity development are enabling and contributing significantly to entrepreneurs' development through various stage-specific management training and provision of shared physical resources (factories, co-working spaces and public amenities like energy and water). However, there are interesting financial capacity development findings that lend to our understanding of how EDI activity could negatively influence enterprise creation and operations. Findings from the within-case analysis of the executors’ perspective show non-DFI executors criticising the DFI’s (BOI) executors and other government funding agencies:

"BOI is the organisation to contact when prospective businesses that need heavy machinery funding seek funds at some affordable interest rate. But we see that even the interest rate sometimes can be outrageous with 19-25% which are usually not affordable to entrepreneurs" (EDI-1-ME).

"CBN, for instance, when CBN is providing funds for entrepreneurs, they will not give directly, so they use participating banks, commercial banks. But what they do is give the participating banks this money at 6%, but still want the bank to give it to entrepreneurs by one digit, which means up to 9%. So that means the bank's spread is 3% while 6% goes back to CBN. But the fact is that the entire risk is put on the commercial banks, ... so those banks are not ready to take that kind of
high risk with expected low return where they are getting 3%, and the entire risk is on them" (EDI-1-SU).

Furthermore, one could infer directly from findings from BOI that some of their practices may have inhibiting tendencies.

"...because of the need to reach every nook and crane of the country, we also lend to commercial banks as well as microfinance banks. For the microfinance bank, we do it for the bottom of the pyramid, people that ordinarily there is no way they can access our funds. But the microfinance banks are set up primarily for them. In microfinance banks in Nigeria, the rate of loans to these guys is quite at an expensive rate. By the time you look at it, you could see them giving individual loans at about 40% per annum. So, you see a lot of people that they even run away from microfinance bank" (EDI-3-BOI).

The situations from the quotes above show that BOI adopting a commercial banking model and partnering with microfinance banks to address stringent eligibility conditions increases the interest rate making loans unaffordable for exploration and execution business. This leaves them with the option of family and friends financing. This finding corroborates GEM’s (2015) report on high personal financing versus formal borrowing. Likewise, the CBN routing financing through the commercial bank further restricts rather than enable access to it as intended. These findings are consistent with those from the entrepreneurs' that highlighted that direct financing from DFIs is typically more affordable to growth-stage businesses.

Mentoring support targets execution and growth-stage entrepreneurs, and it comprises facilitation of access to market, monitoring and evaluation, and consultancy and business support. Findings from the case study generally show that mentoring enables the implementation of business plans and the achievement of consistent growth through continuous guidance on addressing contextual influences. While capacity development (discussed above) adequately
aligns with three (capital, physical space, training) out of the four types of intermediation services provided by institutional intermediaries, as suggested by Dutt et al. (2016), the fourth (consulting) falls within the mentoring activity in this study but does not fully capture mentoring as uncovered in the findings.

In addition to consulting services, also uncovered as enablers are access to market and 'monitoring and evaluation', which are continuous support activities unlike many one-offs or occasional support identified by many works on institutional intermediation, including Dutt et al. (2016). These findings show that this approach to mentoring coupled with other factors is very effective in tackling early mortality. The case study shows that one of the EDI cases incorporating a robust mentoring programme has recorded considerable success in alleviating early mortality. Excerpts of interviews with current growth stage entrepreneurs (alumni) that participated in the EDI’s activities as exploration and execution stage businesses show evidence of continuity in approach to support.

“I and Fate Foundation are still close because I could have simply lost the project, and with Chevron on your profile, that opens door” (BL8-GS-SM).

“One thing is that Fate Foundation is like a family to me” (BL5-GS-SM)

“I have been to Fate Foundation, and I have been to Lagos Business School, and I think Fate Foundation actually understands the process more from infancy, they know when you need to move to the next phase, and they keep following up with you” (BL2-GS-SM).

The third support activity is awareness and access creation, conducted using various media to enable prospective, nascent, and established entrepreneurs to see and participate in various interventions offered through the EDIs. Although this activity does not directly influence business creation and operation, it exposes entrepreneurs to the activities that do. Balkiene and Jabminas (2011) highlighted the need for stimulation through awareness creation and education, a notion espoused by many works that cover the concept of
inspiring entrepreneurial attitude. Many of these studies investigate or propose the development of entrepreneurial attitude at the tertiary institution level. The limitation of this stream of studies is that they play to the disproportionate emphasis on start-up (earlier discussed) compared to other stages of entrepreneurship development. The findings of this study show how this issue becomes important in avoiding business mortality as evidence shows that neglect of execution and growth-stage entrepreneurs in the advertisement of intervention opportunities results in these later-stage entrepreneurs being oblivious to support available to them. Consequently, the businesses die not from lack of support but the lack of awareness of the existence of support.

While the findings show that the EDI executors are confident in their approaches to awareness creation, evidence from the entrepreneurs shows otherwise, especially among the execution stage entrepreneurs that are unaware of some of the support available in the ecosystem. Moreover, when entrepreneurs are aware of opportunities, the narratives projected about support activities such as financing sometimes imply that the supports are unattainable. Hence the entrepreneurs are reluctant to approach EDI to take the opportunities. Furthermore, while it might be justifiable from their perspective, it is noticeable that all the EDIs use discriminatory awareness and access creation approaches which could be deemed inhibiting to specific demographics. For example, the executors of the BMOs specifically noted that their preferred awareness medium is word of mouth, and particular criteria restrict their membership. Fate Foundation mainly uses social media for awareness and recruits only individuals with tertiary education as the minimum qualification. BOI requires the entrepreneurs seeking loans to provide proof of sustainability agenda in their business to be eligible for financing. These conditions mean that getting support from the BMOs requires entrepreneurs to have personal contact with existing members; from Fate Foundation, they must have internet access and tertiary education, and from BOI, they must be conversant with sustainability issues. One could argue that these restrictions indirectly contribute to business mortality.
Advocacy as a support activity emerged from the perspective of the executors as an important enabler of entrepreneurship at all stages of development because it involves intermediation at the policy level from two perspectives. First in influencing policies towards creating enabling environment through dialogue and recommendations on pertinent entrepreneurship development issues, for example, recommending tax amnesty for informal businesses to encourage them to join the formal sector:

"What we proposed was for the government to give people Tax Amnesty because it is not like people do not want to pay their taxes, but the backlog of taxes that they have is just too much... Ex Lagos State Governor Babatunde Fashola saw reasons for that, and he implemented a two months' tax window" (EDI-1-PO).

Second, it entails the representation of entrepreneurs at the execution stage of business in regulatory and compliance matters in their interaction with government agencies to demand fair and equitable treatment by the enforcement agents, as highlighted throughout this thesis in the case of NAFDAC. Although this activity did not emerge from the findings from the entrepreneurs, the executors think that it is a significant activity because it contributes to how the entrepreneurs are able to address challenges arising from formal institutions, which has been shown in this study as one of the top two contributors to business mortality. Advocacy, as emerged in this study, aligns with institutional intermediaries’ gap bridging and legitimation roles suggested by Sutter et al. (2017) and Kerlin et al. (2021), thereby further affirming the role of EDIs in intermediation as a determinant of entrepreneurship.

To reiterate, through the synthesis and cross synthesis of identified factors and the perspective of key players, many of the findings discussed in this section and the one before (7.2 and 7.3) have highlighted various issues that affirm the positions of many extant works. However, certain context-specific issues emerged to be contributing significantly to the practice and policy problems within the
Nigerian setting identified and explored by this study. First is the general emphasis on start-up stage support without commensurate consideration for other stages of development. This has led to a plethora of incentives (from public, private, and philanthropic sources) to create businesses. Albeit the intention is good, this has led to the second context-specific issue of the proliferation of replicative entrepreneurs who are typically held back by regulation instead of opportunity entrepreneurs whose activities are positively correlated with economic development, as argued by Ács, Szerb, Lafuente, and Lloyd (2018:2).

Furthermore, being incentive driven, most of the owner-managers of these newly created businesses engage in routine and not high-growth entrepreneurship, which “ensures that utilisation of invention contributes to increased productivity and facilitates and contributes to economic growth” (Ács et al., 2018). A third issue identified relates to the influence of social-cultural sub-factor of the subsistence mindset approach to entrepreneurship. Evidence in the findings show how entrepreneurship is a means of survival and fulfilment of lifestyle aspiration rather than a high-impact enterprise that benefits the wider economy. While these three issues are across levels (policy, individual, and societal) and separate, when aligned, the situation shows the uniqueness of the Nigerian situation in the sense that when a population with a predominant subsistence paradigm to entrepreneurship are incentivised to create business by a system that emphasises start-up and not scale-up, the result will be birth of less innovative businesses with limited impact on the economy. This is evidenced in the National Bureau of Statistics data showing 99.8%³ of Nigerian MSMEs are micro enterprises, as highlighted in Chapter 3.

A final context-specific issue is the lack of collaboration among EDI initiators/executors within the Nigerian setting. To the detriment of support

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³ National Survey of Micro Small & Medium Enterprises (MSMEs) 2017  
https://nigerianstat.gov.ng/elibrary/read/966 (Accessed 03 October 2020)
beneficiaries, various EDIs created are subtly positioned to compete rather than complement one another because of anticipated gains. This final issue is critical because the ‘Government-Intermediator’ partnership model (elaborated later in subsection 7.4.3) that this study suggests as a resolution to tackling this issue does not only address the EDI issues but also aids the resolutions for tackling other issues. These resolutions include stage-specific intervention design, appropriateness of EDI to entrepreneurs’ needs, adopting a collaboration and synergy approach to EDI implementation, and aligning incentives to the aspiration of target beneficiaries. The following section discusses the research contributions.

7.4 Research Contribution

7.4.1 Theoretical contribution

This study contributes to the theory of entrepreneurial process (Shane, 2003; Cuervo, 2005) by integrating theoretical perspectives from institutional theory and stages of entrepreneurship to develop and critically explore an integrated theoretical framework for uncovering how entrepreneurship development initiatives serve as determinants of entrepreneurship. The framework illustrated in Figure 7.1 reveals contextual factors, individual-level factors and introduces another category—‘the intermediation factor’, each of which has been analysed to evidence how they influence entrepreneurship through their enabling and inhibiting effects on entrepreneurs at different stages of their development. Through its application to the research setting of Nigeria, empirical findings from the study show the framework contributes to our understanding of the relationship between contextual factors, individual-level factors, and intermediation factors. Through the implication of how they enable/inhibit entrepreneurs at the different stages of entrepreneurship development, causes of early enterprise mortality and how to avoid them are elucidated.

Although individual concepts in the framework can provide a degree of understanding of the entrepreneurship development process, they do not
exhaustively depict the process for an adequate understanding. The EDI integrated framework addresses this gap by integrating the extant concepts drawn in addition to the intermediation factor to illustrate a more holistic entrepreneurship development process.
Figure 7.1 Determinants of entrepreneurship development: An integrated framework

**Individual Factor**
- Entrepreneurs’ knowledge and experiences
- Entrepreneurs’ character
- Entrepreneurs’ inspiration and motivation

**Contextual Factor**
- Formal institutions
- Informal institutions
- Access to financing
- Industry/market factors
- Information availability
- Organisational factors

**Intermediation Factor**
- Developmental need/commercial institutional void
- Initiator/institutional intermediaries
- Entrepreneurship development initiatives
- EDI support activity

**Entry and Post-entry Influences**

**Enabling**
- Access
- Competence
- Enthusiasm/resolve
- Market opportunities

**Inhibiting**
- Increased cost
- Loss of income
- Poor execution/performance
- Lack of market opportunities

**Stages of Entrepreneurship**
- Opportunity identification and business exploration
- Business execution
- Business growth

Source: Author’s theorising of determinants of entrepreneurship based on cross analysis of cases of EDIs.
The contribution of the EDI integrated framework to theory is unique in two ways. First, in the sense of the introduction of the intermediation factor. By drawing on the application of institutional theory (North 1990) in the studies that focus on the role of institutional intermediary in addressing commercial institutional void as categorised by Dutt et al. (2016), this study extends the notion of intermediation by introducing it in a new construct to compliments the categorisation of determinants of entrepreneurship development as posited in extant works (Cuervo, 2005; Schillo et al., 2016; Acs et al., 2014). Rather than viewing institutional intermediaries’ engagement in entrepreneurship development only from the perspective of what they do, which includes business capability and market infrastructure development (Dutt et al., 2016), certification of quality (Armanios et al., 2016), and legitimation (Kerlin et al., 2021), this study improves our understanding by elaborating the 'how' of the process (driver, purpose, creation, and target) of intermediation. This is in addition to what intermediaries do (offerings) to illustrate how the intermediation factor enables or inhibits entrepreneurship development. Evidence from this study uncovered four sub-components of the intermediation factor to comprise initiator, need/gap, initiative, and support activities as theorised in Chapter 6 (Figure 6.3). This study proposes intermediation factor as the third category of determinants in the development of the EDI integrated framework.

Furthermore, theoretical relationships emerging from the study increase our understanding of the importance of the role of the intermediation factor and the influences on entrepreneurship development when properly harnessed and implemented. It was uncovered that theoretically, the influences of contextual factors are manageable depending on individual factors. However, how to best harness the enabling inclinations and avoid inhibiting tendencies of individual factors in using them to manage the influences of contextual factors are fostered through the contributions from the intermediation factor. For example, knowledge gained (individual) through intellectual capacity development (intermediation) will enable entrepreneurs at all stages of development to address most of the tax-
related issues (contextual) that inhibit development. Likewise, financial literacy (individual) developed in an intellectual capacity development programme (intermediation) will not only enable the entrepreneurs to prepare to be eligible for financing (contextual) but also enable them to manage the business efficiently.

In another instance, the challenge of financing (contextual) faced because of the entrepreneur’s social status (individual) is addressed through cooperative membership (BMOs intermediation) to entrepreneurs to raise the business financing needed. Furthermore, the challenge of client acquisition (contextual-industry) emanating from entrepreneurs' newness and lack of social connection (individual) is addressed through shared resource and collaboration opportunities (intermediation) provided through EDIs to enable entrepreneurs to gain easy access to market. If thoroughly established, considering all contextual factors at play in a setting, and analysing the individual factors, the intermediation factor component of these theoretical relationships could be better harnessed to sustain effective entrepreneurship development at every stage from awareness to ideation and all the way to execution and growth. This way, early mortality can be alleviated, and transitioning to a medium enterprise and possibly a large corporation may become possible.

Concerning other concepts, contextual and individual-level factors are two categories of determinants proposed by Shane (2003) as fundamental to understanding the entrepreneurial process. This study also extends and complements the concepts by introducing further sub-components that emerged for the data to both factors as specific to the Nigerian setting. Shane’s (2003) model introduced psychological and non-psychological factors as elements of individual-level factors and industry and macro-environmental as elements of the environment. This was later expounded by Cuervo (2005), redefining the contextual factors to include economic and institutional environments and introducing more sub-divisions/drivers, presenting more components for better understanding. In isolation, these provided only identification of factors, however, integrating the stages of entrepreneurship in the theoretical framing of this study
further elaborated on the potential effects of the sub-components and additionally those of the intermediation factor by empirically exploring entrepreneurs' decisions at the different stages of development. Thus, giving us a better understanding of how each factor enables/inhibits entrepreneurship and at what stage.

The second uniqueness of the framework relates to adopting exploration, execution, and growth stages of development as component and enhancing it by incorporating identified categorisations of enabling and inhibiting effects which can be investigated and analysed as pre-or post-entry (Autio et al., 2014) influences. This extends how the theories of entrepreneurship have been applied in this regard. For example, Shane's (2003) individual-opportunity nexus theory introduced discovery, exploitation, and execution as stages of entrepreneurship. This was supported by Pryor et al. (2016) and Griffin-EL and Olabisi (2018) by aligning with the stages proposed by Shane and furthered the work in various directions. However, both works limited their investigation to the creation/execution stage, leaving a gap for a better understanding of what enables/ inhibits transitioning at the post-entry stage. This study addresses this gap not only by introducing the growth stage in its theoretical framing but also by improving our understanding through critical findings emerging as effects of the intermediation factor on the growth stage.

By integrating these theories, this study does three things. First, it presents a more elaborate framework for understanding the process of entrepreneurship development by addressing the gaps created by extant theories of entrepreneurship, which individually could only afford us siloed understanding of various components of the development process. Second, it identifies and highlights the various components that logically should be considered as part of the explanation of the phenomenon (Whetten, 1989) and their individual contributions while extending and complementing extant theories on each component. Third, it illustrates the interdependencies of the components through the theoretical relationship to help elaborate on causality.
In addition to the contributions to the theory above, this study makes other contributions to literature, advancing knowledge by complementing and extending the perceptions provided in some of the literature drawn upon for the theoretical framing of the study.

### 7.4.2 Empirical contributions

- **Entrepreneurship development initiative**

  This study fills the identified gap in the literature that touched on support provision in their study of entrepreneurship in the Nigerian setting (e.g., Adekunle, 2011; Ojiaku et al., 2018; and Abioye et al., 2017). These works either focus on singular support or generically consider the condition of available support. Ojiaku et al. (2018) merely included government support as a mooring factor (from the Pull-Push-Mooring migrating model) that determines entrepreneurial intentions. Adekunle (2011) explored financing support focusing on the impact of membership of Cooperative Thrift and Credit Societies similar to the Cooperation model of the BMO that emerged from this study. The evidence of eligibility and affordability challenges advances this financial support literature in response to a call from Adekunle (2011) for further investigation into why some entrepreneurs prefer to bootstrap financially rather than seek external finance. Also, findings on the effects of contextual factors respond to a second call on whether there are other factors other than financing that affect enterprise performance since understanding barriers to small business development may be context-specific.

  Furthermore, although Abioye et al. (2017) explored support agencies, the focus was on the challenges faced by the agencies in the largest commercial city (Lagos) and the extent of their effectiveness. In addition to responding to the call to broaden the scope of respondents nationally by including entrepreneurs from two other regions of the country (Abuja and Ibadan), this study advances this support agency literature in the following ways: First, further broadening the respondents by including EDI executors for more rounded perspective rather than
only entrepreneurs, second, presenting EDI support beyond support agency identification of players and their classification, for better understanding of the role of the support agencies, and third, empirically providing evidence of support activity design, implementation methods engaged and enabling and inhibiting effects of the EDI activities on the stages of entrepreneurship. These contributions significantly advance extant knowledge on the support-related aspect of entrepreneurship development in Nigeria.

- *Determinants of entrepreneurship*

By incorporating stages of entrepreneurship development into the theoretical framing of this investigation, this study addresses Schillo et al. (2016) suggestion that it would be useful to extend this research on individual-level and country-level factors beyond the intention stage in the entrepreneurial process. Through an original analysis, this study explores the effects of individual-level and contextual factors by linking the factors to entrepreneurs' decisions at pre- and post-entry phases. By using entrepreneurial activities at the business exploration/opportunity identification, business execution, and business growth stages as bases, the findings from this analysis respond to the call to go beyond the intention stage. The results present a scope that advances our knowledge of the effects of various factors on entrepreneurship development beyond ideation and offers perspectives on the later stages of entrepreneurial journey. Furthermore, evidence of entrepreneurs' attributes and motivation that emerged from this study extends the argument Schillo et al. (2016) presented on the individual-level factors. Their individual-level factor emphasised only ‘cognitive dimension’ centred on the entrepreneurs' knowledge. However, evidence from this study introduces inspiration, motivation, and character as pivotal components of the individual-level factor.

In addition, to capture problems identified more closely as suggested by Okpara (2011) in his work on factors that constrain the growth and survival of SMEs in Nigeria, the adoption of qualitative case study approach (as against quantitative used by Okpara) allowed the emergence of new paradigms and
adaptation to fresh analytical insight (Miles and Huberman, 1994). As a result, this study advanced the knowledge from Okprara (2011), complementing and extending the findings by applying the theoretical framework developed for this investigation in two ways. First, the evidence from this study uncovered the four factors (financial constraints, management problems, corruption, and poor infrastructure) identified by Okpara (2011) and uncovered further drivers suitably categorised under individual-level, contextual, and EDI factors, thereby responding to the call for further study of the identified factors. Second, while Okpara’s focus was on constraints, this study offers a balanced perspective by exploring enabling effects of the identified factors (in addition to the constraints) to present a more rounded knowledge about these factors and their effects.

7.4.3 Implication for practice and policy

The findings from this study have implications for entrepreneurs at their different stages of development (exploration, execution, and growth), EDI initiators and executors, and policymakers. If properly propagated, the implications presented in this subsection have the potential to guide all the stakeholders listed toward the main goals of reducing early business mortality and increasing business transitions and growth in the Nigerian setting, and potentially multiplier effects on the wider socio-economic situation of the country. The implications are presented.

To the entrepreneurs, the study informs implications that will better their potential to create, operate and sustain their businesses over a long period and possibly enable medium-sized enterprises to organise and operate through a system model rather than an owner-manager model. First, it informs the need to develop the capability to mitigate risks inherent in the creation and operation of business and identify and harness available opportunities. By offering a holistic view of factors influencing entrepreneurs’ ability to create and run their businesses through the integrated framework developed in this study (Figure 7.1), knowledge is made available for them to implement this suggestion in three critical steps. 1) By using the contextual sub-factors on the framework and their
influence, entrepreneurs will be able to scope the business environment to analyse threats and opportunities continuously. 2) By using the individual level sub-factors listed as bases for analysis, they can continuously assess their strengths and weaknesses and the implications of their entrepreneurial journey.

Having learned to complete these two steps, the entrepreneurs will be able to draw analytical summaries of their strengths and weaknesses and existing opportunities and threats to achieving their entrepreneurial goal (irrespective of the stage of development). This way, they can identify appropriate sources of support to enhance their strength, improve their weakness, maximise opportunities and avoid threats. This adjoining activity dovetails into the third step. 3) Using knowledge offered on the construct of EDI, entrepreneurs can continuously explore options of available EDI support as suitable to the needs identified from the outcome of steps two and three. Here, the entrepreneurs can choose EDIs with support design suitable for their stage, competency requirement, market challenge and other individual capability need. This is because findings show that different EDIs are created to address specific areas and needs, thus having developed areas of expertise.

For instance, intellectual capacity development is not BOI's expertise, nor is financial capacity that of Fate Foundation. Growth stage respondents affirmed that it is useful to seek financial literacy and business planning skills at Fate foundation; then use the knowledge gained to prepare your business to qualify for BOI financing. Likewise, growth stage entrepreneurs may be better off joining a BMO because this category of EDIs is positioned to provide more market access and expansion support than other categories of EDIs. Further considerations for entrepreneurs in the process of seeking support is the choice of appropriate sources of gaining practical knowledge/experience (training programmes, apprenticeships, mentoring) because the suitability of the different sources will depend on the stage of development, personal, and business needs. If followed thoroughly and effectively, the three steps offered above should enable entrepreneurs (prospective and established) to develop the capability to mitigate
risks and harness opportunities by making effective pre-entry choices at the exploration stage and strategic choices at the execution and growth stages. Thereby increasing their chances to create and operate their businesses successfully.

To the EDI initiators and executors, there are implications on the need to be mindful of their biases and the wider implication on how interventions are chosen and support activities are designed, offered, and delivered to would-be and established entrepreneurs. The components of intermediation factor (Figure 6.3) developed from the findings of this study can be used to conceptualise EDIs better when being created. The findings and call from a previous study (Oriaifo et al., 2019) suggest that the orientation of the EDI initiators not only influences sponsorship decisions but continues to be significant in the operations of the EDI activities. This, according to evidence, begins to impact how well entrepreneurs are served through the EDIs. By understanding the theoretical relationship between the components of the intermediation factor, EDI initiators and executors can be deliberate about how they approach the creation of every intervention to ensure suitability and effectiveness.

This can be done by first establishing and accepting potential influences of the following two key biases: Initiators entrepreneurial orientation (as illustrated in multiple cases of EDIs that were studied), and the identified need/institutional void that inspired the initiator. The initiators’ clear identification of need and an understanding of contextual influences and the implications of stages of development to the required intervention will help determine the most suitable initiative to be created. Second is the alignment of the initiator’s biases and inspiration to the suitable initiative and subsequently, the activities drawing on the clarity of theoretical relationship to create an intermediation vehicle that enables and does not inhibit entrepreneurship development, as hinted about institutional intermediaries by Eberhart and Eesley’s, (2018). Moreover, implementing this approach to EDI creation will not only enable the initiators’ ability to design EDIs better in terms of the support activities they specialise in
and offer directly. It also enables them to be aware of the complementary activities to be provided collaboratively (with other EDIs) to ensure the entrepreneurs they support are adequately served. At a wider practitioner level, this will help address the EDI competition currently experienced to the detriment of the entrepreneurs.

Further considerations worth reiterating for initiators and executors of EDI activities can be seen in these two pieces of evidence. First, on the recognition of stage-specific interventions. Findings show most EDIs do not adopt this approach. Two examples of those that do are Fate Foundation and NASSI. In its intellectual capacity development programmes, Fate Foundation adopts stage-specific training programmes. The respondents that participated in their programmes attested that attending tailored training programmes at every stage of development over the years helped to address stage-specific challenges. Also, the continued interventions gave opportunities for continuous networking and contact development. Similarly, NASSI focuses on providing shared physical resources and financing to execution stage entrepreneurs but focuses and market access through international trade fairs and collaboration for growth-stage entrepreneurs. This approach will be useful for DFIs like BOI by adopting stage-specific lending criteria rather than the current blanket approach to enable entrepreneurs to access financing. By incorporating stage-specific analysis of the effects of factors in this study, the findings affirm that stage-specific interventions are best practices that can contribute to reducing early mortality.

Second, evidence showing consistent enabling effects of mentoring activity from this study reinforces the need for mentoring activities (in all its components as indicated in this study) to be adopted as critical in every intervention to cater to post-entry stages of development. Evidence from the study shows that while capacity development activities such as training and financing programmes are one-off activities typically directed at the needs of start-ups, mentoring is continuous and cuts across stages of development. As highlighted by some EDI executors, monitoring and evaluating entrepreneurs’ implementation and performances, particularly during mentoring exercises, have been evidenced to
help curb early mortality. The lack of it has been noted as contributing to early mortality by others. This informs that mentoring is a good practice to be adopted.

To the policymakers, the study informs on the holistic view of entrepreneurship determinants and why this should be considered in future decisions of government support for entrepreneurship development. As highlighted in the research problem, the approach of continuous injection of government funding on the assumption that lack of financing is the inhibitor of entrepreneurship is unsustainable. The current mortality rate, despite the funding, begs for a rethinking of the model of government support, and the findings of this study could adequately provide some guidance on how to proceed. Three key approaches emerged during the pilot study (2018) and PhD fieldwork (2019) to be most prominent in the Nigerian government’s current approach to entrepreneurship development. These involve three government agencies (SMEDAN, CBN, and BOI). SMEDAN is tasked with developing the MSME subsector at the national level by engaging in what one could argue as an ambitious list of activities.\(^4\) This informed SMEDAN's opinion that it is Nigeria's custodian of entrepreneurship development, as uncovered during the pilot study. Within case analysis in the final study showed critique of this notion and an apparent lack of synergy. Evidence from respondents that are SMEDAN stakeholders shows that SMEDAN is unable to fulfil its mandate in its current state for two reasons. According to one respondent (EDI-2-AS), SMEDAN is not adequately resourced to take on its tasks, and its operations are heavily politicised.

The SME fund department of BOI was initially tasked with being the conduit through which affordable (government) financing is provided to entrepreneurs. According to one of the executors (EDI-3-BO), the department's task expanded to involve sourcing for non-government funds, thereby introducing the need for

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\(^4\) Small and Medium Enterprise Development Agency of Nigeria: (https://smedan.gov.ng/about/).
profit generation and adoption of some commercial banking models to mitigate the risk of default. It also began to engage in training programmes as part of the financing pre-qualification criteria, monitoring and evaluation to ensure loans do not go bad. An activity confirmed by the executors as challenging for them to continuously carry out because of resourcing challenge. CBN, like BOI, is a custodian of government funding targeted at entrepreneurs. According to another EDI executor (EDI-1-CD), CBN arbitrarily implements programmes that are always financing-related without an adequate framework for beneficiary vetting and monitoring, thereby attracting many opportunistic individuals that see this as free money.

There are two key issues arising from these agencies’ approaches. The first is that BOI and CBN do not have adequate knowledge of the entrepreneurs they serve. Therefore, they could be more effective using an intermediator that knows the entrepreneurs to conduct lending and other related activities. Second, is that while SMEDAN’s list of tasks is laudable and useful, the scope of activities involved in operationalising the list requires a public-private partnership to be fully actualised. An EDI executor (EDI-2-AS) had serious criticism of data published by SMEDAN on entrepreneurs querying the authenticity because members of their association did not participate in the survey which is meant to be representative of the country's entrepreneurs. Also, SMEDAN’s approach of organically implementing programmes across the 36 states and their 774 local governments could be deemed unattainable without a well-coordinated partnership model.

Currently, the entrepreneurship development support scene in Nigeria could be described as a bit chaotic, where every player is attempting to do everything. The recommendation proceeding from this study will be a thoroughly designed Government-Intermediator (EDI) partnership model comprising three interrelated constructs. First, for the government to assume the administration and coordination role solely using SMEDAN. Second, government to create a framework for assessing and aligning other intermediation entities (including BOI)
according to their core competence and license them to provide particular service(s). This will create a national-level entrepreneurship development value chain where every category of intermediorator is clear about their contribution to the process. This Framework creation and implementation will be best handled by the Federal Ministry of Industry, trade, and investment (being umbrella agency for others such as SMEDAN and BOI), in partnership with private consultancy companies with expertise in operation management. After which, SMEDAN can assume coordination as per the first recommendation. The third recommendation is for government to create enabling environment for EDI collaboration through conferences, programmes, and other incentives for partnership. By doing these, financial resources can be better utilised because they will be made available to expert players, providing specific support to specific entrepreneur demographics. This way, the problem of incommensurate entrepreneurship development result in relation to government spending can be addressed.

Further on policy, entrepreneurship development in Nigeria is currently guided by the National MSME policy, which literature reviewed on entrepreneurship in Nigeria deemed limiting. This is because it targets only established businesses and does not cater to inspiring entrepreneurial attitudes, which literature argued is the beginning of the entrepreneurship process. Therefore, there is a need to develop an entrepreneurship policy that extends the current National MSME policy to cater to pre-entry policy needs. Furthermore, other findings that specifically uncovered non-entrepreneurship policy as inhibiting to entrepreneurs begs for a look at them for reviews. For example, according to a respondent from the Manufacturers Association of Nigeria, it emerged that Economic Trade Liberalization (ECOWAS ETLS) allows certain finished goods (e.g., vegetable Oil) to be imported into Nigeria through the ECOWAS states at Zero duty, whereas local manufacturers import the raw materials for same products at 35% customs duty (EDI-6-MA). Likewise, government policy through the central bank listed items not valid for FOREX as a ban on importation, for example, materials for dairy products. Dairy production
in Nigeria adopts a mix and package model, which depend on the importation of concentrate. These policies inhibit entrepreneurship, and the EDIs that interact directly with entrepreneurs are in the best position to guide policy formulation in this regard.

7.5 Limitations and Future Directions for Studies

This study was conducted to explore the role of EDI as a determinant of entrepreneurship in Nigeria to address the gap between entrepreneurship development efforts and the results. It investigates contributing factors to early business mortality using qualitative case study. Although the influence of factors on entrepreneurial actions were the main findings in this study which was thoroughly done through a qualitative case study, a more precise cause and effect may have been established between factors and the actions at different stages of development if a quantitative analytical approach is employed. Therefore, the framework developed can be applied in future research by using the themes and relationships to design questionnaires that can be analysed to quantify some of the relationships explored to yield more generalisable findings. Although various contributions to theory and practice are achieved, there are design and methodological limitations that need to be acknowledged.

First, a theoretical limitation is observable from how context is approached. Though the study acknowledges that entrepreneurial context was adequately explored and applied in the theoretical framing; by aligning with the ‘broader’ context perspective that looks at the wider environment, history, and transitions rather than mainly the immediate business environment as suggested by Ferlie and Ongaro (2015), the study offers a general perspective to determinant. A study that approaches context and emphasises immediate business environment perspective will allow for a more sector-specific analysis that could uncover more detailed contextual effects. For example, financiers denying entrepreneurs access to funding because they do not understand the information technology business, as uncovered in this study, is the kind of more specific understanding of determinants possible with this different theoretical framing of context.
The second relates to the study’s empirics, which involve multiple cases of EDIs and their beneficiaries. Despite the study being related to enterprise mortality, only one respondent is a failed entrepreneur. Although purposive sampling was adopted to ensure selected participants adequately fulfilled the data sources required to carry out the study, the study could have benefitted from the inclusion of more failed entrepreneurs to provide further insight into the issue of mortality. For example, data from failed entrepreneurs may help to further understand MSME failure factors identified, including entrepreneur incapacity, environmental inauspiciousness, and enterprise incompetence (Bushe, 2019). Also, what is considered a failure, and at what point is business closure inevitable, as highlighted by Everett and Watson (1998). Understanding these issues will complement the general knowledge of determinants uncovered and further enhance the design and implementation of EDI activities.

The third limitation relates to the implication of the geographical coverage of the respondents. (Geographical context-related issues were discussed within market/industry context because of the interdependences.) Although respondents gotten from three regions of the country gave considerable geographical scope to offer adequate entrepreneurs' perspectives for the study, the initial plan after the scoping study was to cover two additional regions in the core north and southeast of the country with significant cultural influence but unsuccessful due to security reasons. These regions would have offered two complementary perspectives to our understanding of determinants. First is how religion influences entrepreneurial choices in regard to sectors and products/services in the north, and second is how a generational culture of trading in the southeast (Madichie et al., 2008) influences choices. While some of these issues came up and were covered under informal institutions, selecting indigenous entrepreneurs in these regions would have significantly broadened our understanding of the influences, thereby validating perspectives offered by the EDI executors. Therefore, replication studies using participants from other regions may be used to validate the findings in this thesis.
The fourth limitation still relating to cultural context is how women entrepreneurship is influenced in certain regions because of religion and other social norms. The study seems to take for granted that determinants are not gender-specific. However, some of the issues that came up in the interviews highlight these perspectives of cultural context, therefore, supporting the interest of studies such as Mordi et al. (2010), which identified the challenges faced by female entrepreneurs in Nigeria as including gender discrimination, sexual harassment, lack of recognition from the business community, negative attitudes and lack of support from their spouses. Although these are useful issues, they were not analysed and explored further as the interview protocols were not framed to capture these in detail because the focus of the study is on EDI support which is not gender-biased. A related study on Cameroon also highlights the slow growth process in women-owned businesses, compared to those owned by men, despite both displaying similarly high-growth aspirations (Ngoasong and Kimbu, 2019). However, a study dedicated to determinants relating to female entrepreneurs may offer insights into how EDIs may be created and implemented to serve female entrepreneurs better in regions with significant evidence of inhibiting factors.

The fifth relates to the stages of entrepreneurship represented among the respondents. Incorporating stages of development in the theoretical framing makes it appropriate to seek perspectives from participants at all stages for data collection. Although this was achieved by leveraging the experience of execution and growth-stage entrepreneurs in the sample, exploration stage entrepreneurs were not included. Data from those at their later stages adequately provided insight into the pre-establishment phase of the development. The study may benefit from intending entrepreneurs' current psychology and experiences rather than relying on data with the likelihood of risk of retrospective distortion and selectivity (Guba and Lincoln, 1985).

In summary, future researchers considering replicating this research approach, especially in other parts of Africa or developing countries, may consider the following: First, ensuring each category of EDI has a minimum of two
selections in the sample. Second, ensuring direct inclusion of entrepreneurs at the intention/exploration stage. Third, include other categories of entrepreneurs comprising failed entrepreneurs and entrepreneurs that are non-beneficiaries of EDI support. Fourth, ensure an even mix of selected entrepreneurs in terms of stages of development. Fifth, ensure a national-level spread of participants to achieve adequate representation. Finally, incorporate some gender-specific components in the interview protocol to capture the peculiarity of women entrepreneurship.

7.6 Conclusion

The main aim of this study is to critically explore the determinants of entrepreneurship with a view to understanding the problem of business stagnation and early mortality. I developed an integrated framework, having drawn from different literature comprising works on stages of entrepreneurship, institutional intermediaries, entrepreneurial context, entrepreneurs' attributes, and dimensions of entrepreneurship. I applied this to the research setting of Nigeria to explore the issues raised above, and the analysis and findings were presented in this thesis. I have discussed the findings to generate theoretical and empirical contributions with policy, practice, and research implications.

This research journey was inspired by my desire to have clarification on some bugging issues arising from my observations and experiences in my past life. The issues are as follows: first, is a significant gap between the level of entrepreneurship development and government efforts through entrepreneurship development interventions in Nigeria. Second, while many businesses are created in Nigeria, most are micro-businesses that survive for less than 5 years. Third and personal is why I could not access support to transition my business as a nascent entrepreneur shortly after graduating from university. Finally, understanding how the individual factors play key roles in entrepreneurial journey. This study has helped me gain a better understanding of these issues through the following findings on the context-specific issues that determine entrepreneurship development in Nigeria.
First is the general emphasis on start-up stage support without commensurate consideration for other stages of development, leading to a proliferation of incentive-related business creation. Second, this incentive-related motivation resulted in an abundance of replicative entrepreneurs that engage in routine entrepreneurship and not opportunity entrepreneurs whose activities involve high-growth entrepreneurship that contributes to increased productivity and are positively correlated with economic development. The third is the influence of a subsistence mindset which sees entrepreneurship as a means of survival and fulfilment of lifestyle aspirations rather than a high-impact enterprise that benefits the wider economy. A final issue is the lack of collaboration among EDI initiators/executors to the detriment of the entrepreneurs they support.

Although these issues are across levels, when aligned, they show the uniqueness of the Nigerian situation. That is a setting where people with a predominant subsistence paradigm to entrepreneurship are incentivised to create businesses by a system that emphasises start-up and not scale-up. Also, it is a situation where the lack of collaboration among executors of policy vehicles perpetuates the approach through efforts to outdo one another in how many businesses are created (but not transitioned) to accumulate statistics and gain popularity, thereby positioning for more government support and international organisations’ support. The result being the birth of less innovative businesses with limited economic impact, as evidenced in the National Bureau of Statistics data showing 99.8% of Nigerian MSMEs are micro-enterprises.

Having conducted this study, it suffices to conclude that to reverse the imbalance experienced in Nigeria between funding commitment and the quality of businesses created and sustained, EDIs will continue to play a significant role, especially through how they are approached because they are the vehicle with the most proximity to entrepreneurs at all stages. How EDIs are created and implemented would have far-reaching positive effects in addressing the issues highlighted above if the initiators ensure stage-specific intervention design, appropriateness of EDI to entrepreneurs’ needs, adopting collaboration and
synergy approach to EDI implementation, and aligning incentives to aspiration of target beneficiaries.

Finally, while this study has successfully established EDI as bona fide determinant of entrepreneurship hence the inclusion of intermediation factor as a component of the framework developed, an examination of EDIs in Nigeria will benefit from further investigation utilising the intermediation construct embedded within this framework to identify the drivers and rationale for current approaches of EDI creation and implementation. Identifying these drivers and rationale will be of interest given their critical role and will have significant implications for continued effective entrepreneurship development in Nigeria. Thus, the integrated model developed and proposed here makes the first step towards understanding determinants of entrepreneurship in Nigeria and therefore offers scope to strengthen the argument by further exploring the framework components, possibly by utilising a mixed method research approach and introducing quantitative elements to the study.
REFERENCE


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Human Research Ethics Committee

Research study participant information sheet (01/05/2019)

Study title:

Determinants of Entrepreneurship and the Role of Entrepreneurship Development Initiative

Information on who is running the study:

Adewale Adeyemi is Doctoral Researcher with focus on Entrepreneurship in Nigeria. He has over twenty years’ experience as an entrepreneur, eight of which included also teaching and consulting in business and strategy management in business schools in West Africa and the United Kingdom.

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Invitation

You are being invited to take part in a research study on Entrepreneurship in Nigeria. According to Hisrich et.al, (2010):

“Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence.”

Before you decide whether or not to take part, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully.

Why have you been chosen?

I have studied programmes and published documents that emanate from the Nigerian entrepreneurship ecosystem and you or your office emerged as a key source of potential contribution to my study, which offers the opportunity for you to lend your thoughts to inform, assist and shape research outcomes that could inform positive transformation in economic area where you are a key contributor to the ultimate outcome (economic development) for the great nation, Nigeria. To achieve my research goals, I will also be seeking contributions of entrepreneurship developmental initiatives, such as finance development institution, not-for-profit business incubators and accelerator, and entrepreneurs that have benefited by the actions of these initiatives.

General information about the research study and collected research data

Entrepreneurship is often cited as a crucial in facilitating the transformation of a country's economy from developing to a developed one. Nigeria has been at the forefront of this effort through entrepreneurship development initiatives from both public and private organisation nationally. However, despite successes recorded in increased number of business start-ups, longevity, and transition from small to medium and large enterprises remain a challenge. From literatures reviewed, two underlining understandings have contributed to outcomes of entrepreneurship development. These include understanding of dimensions of entrepreneurship, and contextual influences on how entrepreneurship unfolds. Extensive
understanding of dimensions of entrepreneurship and their determinants as an expression of contextual variables may help to develop better understanding of above-mentioned challenge, and possibly help create a framework that could address the need in Nigerian setting.

This study will help me conduct an effective Nigeria specific related entrepreneurship determinant investigation that should highlight gaps peculiar to the Nigerian setting and provide framework that may help with better understand how to design and implementation of entrepreneurship development programme that ensures business start-ups’ longevity and transition from micro and small to medium and large enterprises through various public and private initiatives.

To proceed on this study, my proposal has been reviewed and agreed by the Human Research Ethics Committee HREC and adheres to Open University OU ethics review processes. HREC reference number: HREC/3181/Adeyemi (http://www.open.ac.uk/research/ethics/). I have also fulfilled the requirements and obtained data protection registration (reference number 4310) to ensure I conduct my research to highest standard so that you(participant) do not suffer any harm as a result of your participation in my study.

This study will involve semi-structured interviews, informal discussions and observation carried out with development finance institutions, business incubators and entrepreneurs across six cities, including Lagos, Ibadan, Makurdi, Port Harcourt and Kaduna and Abuja. This will be over three months beginning from first of May to end of July 2019.

**What will I be asked to do if I agree to take part?**

If you volunteer to participant in my study, you will be given this information sheet to keep, and will be required to read and confirm your understanding of the content of this information sheet regarding your right as a participant. You will do this by signing a consent form that authorises me to carry on relating with you as a contributor to my study. If you change your mind about participating, you are free to withdraw at any time and without giving a reason. If you decide to take part you will confirm a suitable time and place to meet, and you will take part in interview conducted by me. It will a be semi-structured interview where I ask questions and allow you to answer without following any rigid prescribed order. I will take note or record your responses using an audio recording device depending on what you confirm is suitable
to you. The interview should take 30mins to 1hour to ensure you are able to effectively contribute as you desire. Participation in my study is entirely voluntary. As an employee, it will not impact of your employment proceeding in any way whether you decide to participate or not.

Participating in this study give you the opportunity to lend your thoughts on the subject of entrepreneurship thereby assisting in shaping research outcomes that could inform positive transformation in the economy of the country through entrepreneurship development.

**How will the data I provide be used?**

Data collected during my fieldwork will be stored as live research data in the Open Research Data Online ORDO for the duration of my analysis, discussion and report writing after which it will be destroyed upon completion of my project. This will help ensure the data is protected and does not violate the information provided upon which you granted your consent to take part in my research. Also, sharing of these data has not been envisaged as part of this study at this moment, however, should this become a need at a later stage, the data will only be shared exclusively for research purpose, and will be shared with only academic colleagues upon receipt of fresh consent to share from you directly. The processing of the data you provided will involve transcribing which will be done securely and personally by me, and the transcribed format analysed using analysis software and sometimes manually where applicable. All of which will be done using passworded personal computer and electronic files.

Throughout my study, no personally identifying information will be recorded, quotes will be anonymised/paraphrased (except where interest is shown, and consent given by the participants to use identifiable quotes) to ensure confidentiality/anonymity. While signatures on consent form and email addresses (where consent is granted electronically) will be collected, it will be for consent and initial contact only and will not be included in the data analysis. All such data will be stored as live research data in the Open Research Data Online ORDO for the duration of research and will never be shared with anyone and will be destroyed upon the completion of the research. Maximum period for keeping any data will be five years. Although data from this study will only be presented in the completed thesis in an anonymised form and will not be shared with anyone outside of this medium, you (as a participant) however, have the right to request for your data and/or the outcome of the research. If you are interested in the outcome, the consent form will have provision for you to
indicate this and the medium through which you will like to receive the outcome, and summary of the outcomes will be forwarded to you through your selected medium.

**Your right to withdraw from the study**

You have the right to withdraw from the study at any time during your participation by informing me verbally or in an email or phone call where possible. If you wish to withdraw while the interview is going on, you may do so by saying you do not wish to continue, and that all data provided so far be destroyed and not used for purpose of the research. Also, if you wish to withdraw after the interview, you have the right to ask for your data to be removed after your participation in the study at any time up until all data is being analysed. Where it is impossible to inform me verbally, you may do so via email, and I will respond within one month of receipt of request as stipulated by the Information Commissioner’s Office.

**Data Protection**

Here is a summary of the rights you have as a participant on this study. :

- To request a copy of the personal data we have about you
- To rectify any personal data which is inaccurate or incomplete
- To restrict the processing of your data
- To receive a copy of your data in an easily transferrable format (if relevant)
- To erase your data
- To object to me processing your data

If you are concerned about the way I have processed your personal information, you can contact the Information Commissioner’s Office (ICO).

**How do I agree to take part?**

If you are happy to participate in my study, you may confirm by responding to my email or phone call to arrange a suitable time and place to meet, where I will provide you with a consent form to complete, sign and return to me to continue with the data collection. If you would rather have the interview via telephone, you can opt in by completing, signing and returning the consent form which I will send to you electronically.

**Thank you**

Thank you very much for taking the time to read and understand this information sheet. You may keep it for your reference. You can find my profile on my personal page at The Open
University (http://business-school.open.ac.uk/research/research-degrees/adeleyemi).

http://www.open.ac.uk/research/ethics/
Appendix 2

Human Research Ethics Committee

Consent form template

Informed Consent for:

Determinants of Entrepreneurship and the Role of Entrepreneurship Development Initiative

Name, position, and department/faculty of researcher:

Adewale Adeyemi (PhD Student)
Department for Public Leadership and Social Enterprise
Faculty of Business and Law

Name, position, and department/faculty of alternative independent contact:

Dr Michael Ngoasong (Lecturer/Supervisor)
The Open university
Department for Public Leadership and Social Enterprise
Faculty of Business and Law
Email: michael.ngoasong@open.ac.uk
Phone: +447500637658

Please tick the appropriate boxes

1. Taking part in the study

I have read and understood the study information dated 01/05/2019, or it has been read to me. I have been able to ask questions about the study and my questions have been answered to my satisfaction.

☐ ☐

I consent voluntarily to be a participant in this study and understand that I can refuse to answer questions and I can withdraw from the study at any time up until data collected from me have been analysed and included as part of the researcher’s thesis without having to give a reason.

☐ ☐

I understand that taking part in the study involves informal discussion, observation and interview sessions.

I agree to note/audio recording being taken during the observation sessions.

☐ ☐

I agree to the interview to be audio-recorded.

☐ ☐

I understand that there is no recompense offered to research participants or volunteers on this study.

I understand that taking part in the study has re-identification of pseudonymised data as potential risk.
I understand that choosing to either take part or not take part in the study will have no impact on my evaluation and progression at work.

2. Use of the information in the study

I understand that information I provide will be used for purpose of research into determinants of entrepreneurship in Nigeria and will be used in completing a PhD thesis as the outcome of the project.

I understand that personal information collected about me that can identify me, such as my name or where I live, will not be shared beyond the study team.

I understand that my data will be stored in Open Research Data Online (The Open University Data Bank) for the duration of the project through till thesis is produced after which the data will be destroyed.

I understand that if I wish to withdraw after the interview, I have the right to ask for my data to be removed after my participation in the study at any time up until 31st August 2019 after which all data analysis will commence.

. Please tick the appropriate boxes

I agree that identifiable information I provided can be quoted in research outputs

I agree that my personal information (Name/Title/Office) can be used for quotes

I have been given contact details for a person whom I can contact if I have any concerns about the way in which this study is being conducted

3. Future use and reuse of the information by others

I give permission for the content of interview that I provide to be deposited in a specialist data centre as de-identified (anonymised) transcripts and audio recording, after it has been anonymised, so it can be used for future research and learning.

I have been informed that summary outcome of the research will be forwarded to me, if I request this.

I wish to receive a copy of the summary of the outcome of the research

If yes, please indicate what email or postal address to which a summary should be sent.................................

4. Signatures

__________________________  ____________________________  ____________________________
This research project has been reviewed and agreed by the Human Research Ethics Committee HREC and adheres to Open University OU ethics review processes. HREC reference number: HREC/3181/Adeyemi
http://www.open.ac.uk/research/ethics/
Appendix 3
INTERVIEW GUIDE
(Entrepreneurs/Beneficiaries)

Title: Determinants of Entrepreneurship: The Role of Entrepreneurship Development Initiative

Entrepreneurs Motivation

• How did you become an entrepreneur? Can you describe your inspiration, motivation and getting started?
  o In what way did your background, ethnicity, religion or any cultural influence impacted your decisions?
  o Giving the chance and environment otherwise, would you still choose to be an entrepreneur? And WHY?

Entrepreneurs Challenges

Finance

• What was your experience with financing at the creation level of your business?
  o How did you engage or overcome financing challenge at the start of your business? Would you describe?
  o How do you currently deal with the need for financing for expansion?
  o How aware are you about available MSME funding in Nigeria?
  o What are your main constraints with financing?

Formal institutions

• What are your reasons for running a formal/informal organisation?
  o How do you think formalisation (business/product registration) has impacted on your business?
  o How do you deal with business disputes, and enforcing contracts as MSME?
  o Can you describe your experience with land/business premises registration issues if you have had any?
  o Can you describe your experience with taxation?
  o How has the labour laws impacted your business operation?
  o Can you describe your experience with any standard and quality regulation agency? (NAFDAC, SON etc)
  o Are there any other government related challenges you have experienced?
**Skill Development**

- What specialist skill set are required for your area of business?
- How do you address your skills development and that of your teams?
- Can you describe a time when business management skill issue played a significant role (negative/Positive) in your organisation?
- What are your views on entrepreneurship and business skill development in Nigeria today?

**Technology**

- What role does technology play in your areas of business?
- Can you describe a situation where technology adoption has impacted your business positively/negatively?
- How aware are you about the government’s commitment to development of technology infrastructure in Nigeria? (tech acquisitions through tech promotion institutions, grants)

**Market access**

- Can you describe challenges you encountered in your effort to access the market? And how did you overcome the challenges?
- In what way has government support for promotion of locally competitive product/services been experienced by your business?

**Infrastructure and cost of doing business**

- What physical infrastructure (or otherwise) are most critical to the success of your business?
- Can you describe challenges faced in the availability, accessibility and affordability of these infrastructures?
- How are you addressing these needs in your business currently?

**Extension and Support Services**

- Are you aware of BDSPs engaged by the government to provide business support services for entrepreneurs?
- Can you describe a past or current interaction with any BDSP?
- In what way has this interaction met your expectation? Can you describe an example of BDSP impact on your business?
- Can you describe any other business support intervention you have interacted with at any point in your business?
Role of EDI

- How did you view the need for developmental support for potential and established businesses in Nigeria when you were starting your business?
- How aware were you about development support provider options available to you as a budding entrepreneur when you started your business?
- What informed your choice of developmental support provider to engage?
- How did you find the one you chose? And what was the process for participating on their programme?
- Can you describe your experience (what happened) of the support you were given?
- What developmental needs/support did you have prior to the intervention?
- In what way did the intervention/programme meet your developmental need and overall expectation?
- Without such interventions/programme, how would you have dealt with your developmental needs?
- Were there things that could have been done to better your experience of the intervention/programme?

Outcome of Intervention

- After the intervention/programme, how different is your vision of your successful business? i.e. was there a change in how you see success? If yes, what was different?
- What informed this redefinition or lack of it?

Transition & Longevity

- What was your vision of your successful business? i.e. what did you see success look like for your organisation?
- What do you consider could be a major hinderances to transitioning your business to the next level?
- How do you view the need for succession planning?
- In what way do you think this will impact on the future of your business?
- How are you able to supervise your business in your absence if you need to be away from about 6 months?
- Giving the chance, what would you do differently on your entrepreneurship journey?
**Mortality**

- How aware are you about early mortality and their causes in new businesses in Nigeria?
- How can budding entrepreneur avoid early mortality of businesses?

**OTHER THEMES Areas**

**Institutions (informal) context**

- What cultural influences impact your entrepreneurship choices?
- How do these cultural expressions affect your mode of operation and outcomes?
- How were these issues addressed during the programme you attended?

**Geographical context**

- How did your regional origin impact your entrepreneurial choices?
- In what way do these affect your business operation and growth?

**Social context**

- How important are networks to your business?
- Can you share your experience of networking opportunities available in your area of entrepreneurship?
- How do you access these networks?
- How readily accessible are the networks and what are the conditions if any?
INTERVIEW GUIDE
(EDI Executors)

Title: Determinants of Entrepreneurship: The Role of Entrepreneurship Development Initiative

Background
- What were the founding tenets/beliefs behind your programmes? Are there commercial, philanthropic, social goals pursued?
- How are you structured and operated?
- What is your position here? How long have you been with your organisation?
- How did you come into our current role? What has been your experience carrying out your responsibility?

Activities
- What are the support activities do you offered to entrepreneurs?
- How do you determine what category of entrepreneurs to support and what stage of development are your interventions targeted?
- Can you briefly describe the process of recruiting participant on your programmes?
- How do you define development support and how does that translate in your activities?
- What are the challenges you have encountered in carrying out your support activities?

Relationships
- What government agencies do you interact with in the course of carrying out your responsibilities as an organisation?
- In what way have these relationships enhanced or inhibited your effort in entrepreneurship development?
- What other organisations do you interact with within the entrepreneurship ecosystem to provide support for your participants?
- In what way have these relationships enhanced or inhibited your effort in entrepreneurship development?

Policy
- What are your views on the seven policy areas in the National MSME policy?
  Can you describe how these policy areas are taken into account in your engagement?
your opinion, how successful has the implementation been? Which one and why?

What is your understanding of the role of BDSPs in the revised National MSME policy?

• How has this impacted entrepreneurship development generally?

**General determinants**

• What are the most critical determinants of entrepreneurship development in Nigeria? Why?
• How do you think entrepreneurship development will fear without programmes like yours?
• Are there areas of improvement in your opinion?

**OTHER THEMES Areas**

**Mortality**

• How is early mortality/succession planning awareness addressed in your interaction with you participants?
• How can budding entrepreneur avoid early mortality of businesses?

**Formal institutions**

• In your opinion, what government policies (apart from MSME National policy) supported or inhibited entrepreneurship development and how?

**Informal institutions**

• What cultural influences have you seen to have impact on entrepreneurship choices/activities in Nigeria?
• How does your interventions address these? Can you give example?

**Business management skill of entrepreneurs**

• In what way do you believe prior education/business management competence affects quality of business management of entrepreneurs you have observed?

**Social context**

• How important are networking to entrepreneurship development in Nigeria?
• How do you address the networking needs of the entrepreneurs you support?
## ENREPRENEURS’ DEMOGRAPHIC DISTRIBUTION

<table>
<thead>
<tr>
<th>QUESTION</th>
<th>OPTIONS</th>
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<tbody>
<tr>
<td>What is the legal form of your business</td>
<td>Enterprise</td>
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<td>What is your organisation’s ownership structure and profit orientation?</td>
<td>Sole Proprietorship</td>
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<td>How long have you been running your organisation?</td>
<td>Less than 2 yrs</td>
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<td>How would you class your business?</td>
<td>Micro</td>
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<td>How many employees do you currently have?</td>
<td>Less than 10</td>
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<td>What is your annual turnover?</td>
<td>Less than N20m</td>
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<td>What is your organisation’s total asset including land and building?</td>
<td>Less than N5m</td>
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<td>What is your entrepreneurial expertise?</td>
<td>Area(s)</td>
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<td>In what industry/sector(s) do you conduct your business activities?</td>
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<td>What is your subject expertise?</td>
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<td>How has your prior education impacted your entrepreneurial choice and business management?</td>
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<td>how did you become an entrepreneur?</td>
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Appendix 4

TAXES AND LEVIES (APPROVED LIST FOR COLLECTION)
ACT 1998 NO. 2, 1998

LAW

ARRANGEMENT OF SECTIONS

1. Responsibility for collecting certain taxes and levies, etc.
2. Assessment and collection of taxes.
3. Offences.
4. Interpretation.
5. Citation.

CHAPTER T2
TAXES AND LEVIES (APPROVED LIST FOR COLLECTION) ACT
[1998 No. 21.]
[30th September, 1998]
[Commencement.]

1. Responsibility for collecting certain taxes, and levies, etc.
   (1) Notwithstanding anything contained in the Constitution of the Federal Republic of Nigeria 1979, as amended, or in any other enactment or law, the Federal Government, State Government and local government shall be responsible for collecting the taxes and levies listed in Part I, Part II and Part III of the Schedule to this Act, respectively.

   (2) The Minister of Finance may, on the advice of the Joint Tax Board and by Order published in the Gazette, amend the Schedule to this Act.

2. Assessment and collection of taxes
   (1) Notwithstanding anything contained in the Constitution of the Federal Republic of Nigeria 1979, as amended, or in any other enactment or law, no person, other than the appropriate tax authority, shall assess or collect, on behalf of the Government, any tax or levy listed in the Schedule to this Act, and members of the Nigeria Police Force shall only be used in accordance with the provisions of the tax laws.
(2) No person, including a tax authority, shall mount a road block in any part of the Federation for the purpose of collecting any tax or levy.

3. Offences
A person who—
   (a) collects or levies any tax or levy; or
   (b) mounts a road block or causes a road block to be mounted for the purpose of collecting any tax or levy,
in contravention of section 2 of this Act, is guilty of an offence and liable on conviction to a fine of N50,000 or imprisonment for three years or to both such fine and imprisonment.

4. Interpretation
In this Act, unless the context otherwise requires—
“Government” means the Federal, State or local government;
“Joint Tax Board” means the Joint Tax Board established under the provisions of Personal Income Tax Act 1993;
[1993 No. 104.]
“levy” includes any fee and charge;
“tax authority” means—
   (a) the Federal Board of Inland Revenue, the State Board of Internal Revenue or the Local Government Revenue Committee; or
   (b) a Ministry, Government department or any other Government body charged with responsibility for assessing or collecting the particular tax.

5. Citation
This Act may be cited as the Taxes and Levies (Approved List for Collection) Act.

Schedule
[Section 1.]
PART I
Taxes to be collected by the Federal Government
1. Companies income tax.
2. Withholding tax on companies, residents of the Federal Capital Territory, Abuja and non-resident individuals.
4. Value added tax.
5. Education tax.
6. Capital gains tax on residents of the Federal Capital Territory, Abuja, bodies corporate and non-resident individuals.
7. Stamp duties on bodies corporate and residents of the Federal Capital Territory, Abuja.
8. Personal income tax in respect of—
   (a) members of the armed forces of the Federation;
   (b) members of the Nigeria Police Force;
   (c) Residents of the Federal Capital Territory, Abuja; and
(d) staff of the Ministry of Foreign Affairs and non-resident individuals.

PART II

Taxes and levies to be collected by the State Government

1. Personal income tax in respect of—
   (a) Pay-As-You-Earn (PAYE); and
   (b) direct taxation (self-assessment).

2. Withholding tax (individuals only).

3. Capital gains tax (individuals only).

4. Stamp duties on instruments executed by individuals.

5. Pools betting and lotteries, gaming and casino taxes.

6. Road taxes.

7. Business premises registration fee in respect of—
   (a) urban areas as defined by each State, maximum of—
      (i) N10,000 for registration; and
      (ii) N5,000 per annum for renewal of registration; and
   (b) rural areas—
      (i) N2,000 for registration; and
      (ii) N1,000 per annum for renewal of registration.

8. Development levy (individuals only) not more than N100 per annum on all taxable individuals.

9. Naming of street registration fees in the State Capital.

10. Right of Occupancy fees on lands owned by the State Government in urban areas of the State.

11. Market taxes and levies where State finance is involved.

PART III

Taxes and levies to be collected by the local government

1. Shops and, kiosks rates.

2. Tenement rates.

3. On and off liquor licence fees.

4. Slaughter slab fees.

5. Marriage, birth and death registration fees.

6. Naming of street registration fee, excluding any street in the State Capital.

7. Right of Occupancy fees on lands in rural areas, excluding those collectable by the Federal and State Governments.

8. Market taxes and levies excluding any market where State finance is involved.


10. Domestic animal licence fees.

11. Bicycle, truck, canoe, wheelbarrow and cart fees, other than a mechanically propelled truck.

12. Cattle tax payable by cattle farmers only.


14. Radio and television licence fees (other than radio and television transmitter).
15. Vehicle radio licence fees (to be imposed by the local government of the State in which the car is registered).
16. Wrong parking charges.
17. Public convenience, sewage and refuse disposal fees.
18. Customary burial ground permit fees.
20. Signboard and advertisement permit fees.

CHAPTER T2
TAXES AND LEVIES (APPROVED LIST FOR COLLECTION) ACT
SUBSIDIARY LEGISLATION

No Subsidiary Legislation
Appendix 5

Thematic scheme of contextual factors

Source: Author’s illustration from NVivo thematic analysis
Appendix 6
Thematic scheme of individual-level factors

Source: Author’s illustration from NVivo thematic analysis
Appendix 7

Support letters

Email from FATE Foundation agreeing that the research can take place
Email from Bank of Industry agreeing that the research can take place
Appendix 8

Screenshots of Annotations in Nvivo

BL2-GS-SM: Growing up in Abeokuta, my dad happened to be a technologist in a Federal Radio Cooperation of Nigeria. He was very brilliant and he studied abroad as he worked with transmitters with radio and television station. I was 8 years old when he lost his job and I saw that he couldn’t fit in back into the society because we had limited number of radio and TV station who could absorb him, so he was redundant and he never really fit in into the economy till he passed away 2 years ago. The opportunities were not just there for the brilliant mind that he was. So that sparked an interest in an 8 years old boy that my daddy stays at home all the time but my friends who their dads were carpenters are at work. I realized that they were working and they were putting food on this table. As at that time, I began to tell myself that something is not working with my brilliant dad but it is working with people who were not as learned as he was. From then, I have been telling myself that I need to acquire a skill because those friends of mine knew and understood their dad carpentry business and mechanics of the business also, and I felt that I should toll that line. But throughout secondary school there was really no opportunity to do that. I couldn’t even voice it out that I have interest in doing something with my hand. After my Diploma in Accounting from the Ogun state Polytechnic, I ran away from home and went to Ibadan where I decided to learn how to sew. For about two weeks I was moving from one place to another as they said bring your parent and my parent were not ready to come so they brought me back to Lagos. While I was at Lagos state university, I stumbled upon Nobel Akin at Maryland so I went there myself.
I know how much you are spending because I realised when I started I had money and used it for things without a record on what I spent the money on. All I know is that I had money, bought sewing machines, rented a shop, transportation and I really didn’t have an understanding on how to document my expenses. At that period a lot went into transportation and realised that all was pretty. I did not take the cost of my moving from a particular point to another into consideration. So I will advise new entrepreneurs have a background on that and also knowledge in whatever field you are because some of us are usually saying because I love doing a particular thing will make me succeed in doing that as a business without really having a knowledge of the industry. Even I started like that. I love clothes and sewing but I never sat down to know what fashion is really about until when I started my courses before I got to realise that there is more to it than just cutting and making cloths. So, you have to keep learning about your industry and I am still working on that.

One of the major challenges in my type of industry is people that you recruit so you have to know how to manage people working for you. The tailors do not stay, and you have to go through a get a tailor that will stay for at least 5 years. So, after getting a tailor and he leave after few months, you have to go through the process of getting another tailor again. The best way to overcome that is to outsource tailors and realise that how much I pay my outsourced tailors compared to my full-time tailors is not that much. The main issue is going back and forth and shipping your goods because most of the outsourcing companies I have seen are in Lagos and the ones I have tried contacting here in Abuja have no structures and another too in

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<td>6</td>
<td>Networking to build community enables but to early stage</td>
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<tr>
<td>7</td>
<td>technological change-social media enable but most significantly at early stage</td>
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<td>8</td>
<td>lack of planning early stage</td>
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<tr>
<td>9</td>
<td>Industry experience enable at all level particularly at early stage</td>
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</table>
| 10   | location specific drivers such as level of commercialisation inhibit growth stages because of degree of commercial
Appendix 9

Screenshots of enabler/inhibitors and EDI role schematics developed in Nvivo
## Appendix 10

Screenshots of spreadsheet of preliminary schedule of interview

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