



Effect of Central Bank of Nigeria (CBN)'s empowerment schemes on development of entrepreneurship in Maiduguri Borno State Nigeria.

Abba Mohammed Kyari¹

Lecturer,

Department of Banking and Finance,

Faculty of Management Science,

Ramat Polytechnic Maiduguri PMB1070,

Borno State, Nigeria.

Email: amohammedkyari81@yahoo.com

Abubakar Alhaji Ahmad²

Senior Lecturer,

Department of Banking and Finance,

Faculty of Management Science,

Ramat Polytechnic Maiduguri PMB1070,

Borno State, Nigeria.

Email: abubakarmafoni76@gmail.com

Babagana Ali³

Lecturer,

Department of Banking and Finance,

Faculty of Management Science,

Ramat Polytechnic Maiduguri PMB1070,

Borno State, Nigeria.

Email: babaganaali446@gmail.com

ABSTRACT

Most of the policies of governments and other agencies on economic development in developing countries like Nigeria are entrepreneurship development policies. Entrepreneurship programs are observed to be most reliable policy for employment creation in the country. The present study was to examine the Effect of Central Bank of Nigeria (CBN)'s empowerment schemes on development of entrepreneurship in Maiduguri Metropolitan Council of Borno State ad in Nigeria. Descriptive survey was adopted. Structured Questionnaire was used to collect data from the entrepreneurs within the Maiduguri metropolitan council of Borno state through survey and available data methods of data collection. Responses collected were analyzed with aid of simple percentage. Hypothesis was tested with the aid of chi-square test. The study found out that Central Bank of Nigeria Maiduguri Branch has significance relationship with the entrepreneurship skills development in Maiduguri Borno state. Despite the contribution of Central Bank of Nigeria through Maiduguri Branch in several areas toward entrepreneurship skills development in Maiduguri Nigeria, there are still much to be done in order to feel the desired effect. The Central Bank of Nigeria (CBN) through Maiduguri Branch and other government and non-governmental agencies that are geared toward entrepreneurship development in Maiduguri Borno state and in Nigeria at large should continue with the numerous roles played and this will go a long way in reducing the level of unemployment, expansion of existing businesses and creation of new once. This actually boosts the economy of Maiduguri and the state at large. There should be increased in fund mobilization by the Central Bank of Nigeria (CBN) and other organizations to promote entrepreneurship skills development in Maiduguri Borno state and in Nigeria at large.

Keywords: Entrepreneurship, Empowerment scheme, Entrepreneurship skills, Development, Government Agencies, Non-governmental organizations.

INTRODUCTION

Entrepreneurship is a process of job creation for reduction of unemployment in any developing nation. Studies often suggested entrepreneurship vary essential because it create job opportunities especially to teeming youth (Acs et al., 2018; Acs & Szerb, 2007) It has a special home in the industrial development process of every developing country. In a narrow sense entrepreneurship may be describe as perceiving market opportunities and gaining command over resources to meet these opportunities (Bomsa et al., 2018) Also, the development process depends upon an adequate supply of resources for entrepreneurs in a country who are capable and willing to undertake Entrepreneurial tasks, and therefore deficiencies in supply, particularly of indigenou entrepreneurs would act as a serious problem in the development process (Kilby, 1969). Numerous attempts have been made to assess the principal features that may encourage the supply of entrepreneurship development in the developing

countries like Nigeria (Kilby, 1971) similarly to some writers, entrepreneurs are drawn from the subset of the community that possess certain personal characteristics, for instance, the capacity for anticipatory ideas, the energy to overcome fixed habits of thought and desire for power and authority, and these occur randomly in any homogenous society. Others have suggested that the entrepreneurs will vary according to culture, religious and other social characteristics of community concerned. Ubom (2002) The community characteristics particularly to the development of entrepreneurship that have been identified empirically, includes, acceptance of the protestant ethnic, child-rearing practices that encourage achievement oriented behavior, dependence of higher social status on occupational performance and presence of minority cultural groups such factors mentioned above have been used to try to explain why particular types of social groups or communities within a developing nation appear to participate more extensively in entrepreneurial activities than others. Government intervention may promote the supply of resources for entrepreneurship development as an effective tool for promoting entrepreneurs especially small and medium scale enterprises through it agencies which include the Central Bank of Nigeria (CBN) Maiduguri Branch and other governmental non-governmental organizations.

RESEARCH GAP

Entrepreneurship is a more suitable strategy for achieving targets of most developing countries of the world. It leads to employment generation and poverty alleviation in the country. Kilby (1969) and Ubom (2002) In Nigeria entrepreneurial skills and contributions of central bank and other originations have been very low due to some factors which were identified by so many researchers on entrepreneurship in Nigeria. It is against this background that various ways of encouraging entrepreneurship skills have been formulated and implemented by both the governmental and non-governmental organizations in Nigeria with a view to give entrepreneurship a special place in the industrial development process in Borno state and Nigeria at large. The Central Bank of Nigeria (CBN) Maiduguri Branch is one of the sector through which government intervened to develop entrepreneurship skills by assigning it some roles to play. Ubom (2002) Effective performance of these roles by the Central Bank of Nigeria (CBN) Maiduguri Branch needs to be assessed in order to see the level of achievement and hence the need for studying these roles is important. Based on the review of relevant literature, in Maiduguri the study of this nature is not sufficient. Therefore, the present study was conducted to feel the identified gap.

OBJECTIVES OF THE STUDY

The main objective of the preset study was to assess the effect of the Central Bank of Nigeria (CBN)'s empowerment schemes on the development of entrepreneurship in Maiduguri Metropolitan Council (MMC), Borno State. However, the specific objectives were:

- i. To identify the effect of Central Bank of Nigeria (CBN)'s empowerment schemes on entrepreneurship skills development in Maiduguri Borno State.
- ii. To examine the effect of Central Bank of Nigeria (CBN)'s empowerment schemes on the performance of entrepreneurs in Maiduguri Borno State.

- iii. To assess the effect of Central Bank of Nigeria (CBN)'s empowerment schemes on the growth of entrepreneurship activities in Maiduguri Borno State.

RESEARCH QUESTIONS

- i. What is the effect of Central Bank of Nigeria (CBN)'s empowerment schemes on entrepreneurship skills development in Maiduguri Borno State?
- ii. To what extent does Central Bank of Nigeria (CBN)'s empowerment schemes affect the performance of entrepreneurs in Maiduguri Borno State.
- iii. What is the effect of Central Bank of Nigeria (CBN)'s empowerment schemes on the growth of entrepreneurship activities in Maiduguri Borno State?

RESEARCH HYPOTHESIS

HO: There is no significance relationship between Central Bank of Nigeria's empowerment schemes and entrepreneurship skills development in Maiduguri Borno State.

Hi: There is significance relationship between Central Bank of Nigeria's empowerment schemes and entrepreneurship skills development in Maiduguri Borno State.

SIGNIFICANCE OF THE STUDY

The present study is of immense importance in many ways to so many sectors of the economy. Firstly the results of the study will go a long way in improving entrepreneurship skills development in Nigeria and Maiduguri in particular. Secondly, it will be very significant to future researchers, students and readers who can drive much information about the Central Bank of Nigeria Maiduguri Branch in Nigeria towards entrepreneurship skills development etc.

LITERATURE REVIEW

Kilby (1965), observed the relevance of entrepreneurship to developing countries. It also reveals that the entrepreneur is the intimate decisions maker in the enterprises who commits capital and bears risk and therefore technological other than real innovation should be relevant to the developing countries. Dobbs (1995) termed entrepreneurship by recognizing the role of the entrepreneur as development agent; while Max (1980) reveals that entrepreneurship has no significance in the production process. Druaker (1995), refers to entrepreneurship as specific functions performed by entrepreneur. Drauker (1974), there are several factors that motivate entrepreneurs to embark on entrepreneurial activities but not just one factor explain why people go into business; (Meaning insignificant of entrepreneurship). Sheshi (1995), refers to entrepreneurship as specific functions perform by the entrepreneur and in terms of characteristics that are basic and general which are associated with the entrepreneurs. Osoba (2002) examines that the first attempt of the government to develop entrepreneurial skill in Nigeria dated back to 1946, when the first sectional paper no. 24 of 1945 on "A ten year plan development welfare in Nigeria, 1946" was presented to the legislative council on 13th December, 1945 and approved with some amendment by the

legislative council of 7th February, 1946. Olalaye (1998), include the Central Bank of Nigeria (CBN), Family Economic Advancement Programme (FEAP), the people Bank of Nigeria (PBN), Universities, Polytechnics and Technical College, the Nigeria Export Proportion Council (NEPC), National Economic Reconstruction Fund (NERFUND), Raw Materials Research Development Council (RMRDC) and Development Banks. Ifeoma, (1995) a number of federal and state agencies have been established and specifically charged with the responsibilities of developing entrepreneurship activities in the country. Ubom (2002) In Nigeria entrepreneurial skills and contributions of central bank and other originations have been very low due to some factors which were identified by so many studies on entrepreneurship in Nigeria. Studies often suggested that entrepreneurship is varying essential because it creates job opportunities especially to teeming youth (Acs et al., 2018; Acs & Szerb, 2007).

RESEARCH METHODOLOGY

The present study was descriptive survey research aimed at targeting empowerment scheme of central bank of Nigeria (CBN) toward the development of entrepreneurship in Maiduguri Borno state Nigeria. The population of the study was registered entrepreneurs within the Maiduguri with about one hundred thousand and forty five respondents. Forty five respondents were conveniently selected from the population of the study. Structured Questionnaire was used as an instrument for the collection of data. Data collected were analyzed with the aid of simple percentage method and chi-square test was employed to test the research hypothesis of the study.

ANALYSIS, INTERPRETATION AND TEST OF RESEARCH HYPOTHESIS

Table 1 Observed Frequencies

Responses	Q2	Q4	Q5	Q6	Total
Yes	35	45	45	30	155
No	10	0	0	15	25
Total	45	45	45	45	100

To be able to determine the expected frequency or values the following formula was used:

$$E = \frac{\text{Row Total} \times \text{Column Total}}{\text{Grand Total}}$$

Table 2 Computation of chi-square (X^2) Value

S/N	FO(observed values)	FE(expected values)	FO – FE	(FO – FE) ²	$\Sigma \frac{(FO - FE)^2}{FE}$
1	35	38.75	-3.75	14.0625	0.363
2	45	38.75	6.25	39.06	1.01
3	45	38.75	6.25	39.06	1.01
4	30	38.75	-8.75	76.56	1.98
5	10	6.25	3.75	14.06	2.25
6	0	6.25	-6.25	39.06	6.25

7	0	6.25	-6.25	39.06	6.25
8	15	6.25	8.75	76.56	12.25
					$X^2 = 31.36$

To obtain the critical or table value of x^2 , the study used degree of freedom at 5% level of significance. Where;

DF = (R - 1) (C - 1) Where

R = Number of Rows

C = Number of Columns

That is (2-1) (4-1)

1 (3)

Degree of freedom at 5% level of significance is 3.

Critical or table value of x^2 is 11.10 which is less than the computed value of the chi-square 31.36. Based on the decision rule for accepting or rejecting the null hypothesis, the null hypothesis is rejected, while the alternative hypothesis is accepted. It means that there is significance relationship between the central bank of Nigeria's empowerment schemes and entrepreneurship development in the study area.

FINDINGS, CONCLUSION AND RECOMMENDATIONS

Based on the results of the analysis, the following points were obtained

- i. The Central Bank of Nigeria's empowerment schemes through Maiduguri Branch contributes in gathering information for enhancing entrepreneurship skills development in Maiduguri and in Nigeria.
- ii. The Central Bank of Nigeria's empowerment schemes through Maiduguri Branch helps in mobilizing funds to improve the development of entrepreneurship skills development in Maiduguri and in Nigeria.
- iii. The Central Bank of Nigeria's empowerment schemes Maiduguri Branch jointly together with other government agencies and non-governmental organizations promote entrepreneurship development skills in Maiduguri and in Nigeria.
- iv. The Central Bank of Nigeria's empowerment schemes through Maiduguri Branch supervises and monitors the entrepreneurship development skills programs Maiduguri Nigeria.
- v. There is still low level of awareness from the general public especially indigenous entrepreneurs about the significance of Central Bank of Nigeria's empowerment schemes towards entrepreneurship skills development in Maiduguri and in Nigeria. The study, show that despite the contribution of Central Bank of Nigeria through Maiduguri Branch in several areas toward entrepreneurship skills development in Maiduguri Nigeria, there are still much to be done in order to feel the desired effect. It's concluded that there is significance relationship between the central bank of Nigeria and entrepreneurship skills development of entrepreneurs in Maiduguri. The central bank of Nigeria's empowerment schemes through Maiduguri branch has been playing significance roles in the development of entrepreneurial skills which lead to economic development and growth.

Based on the findings of the study, it's recommended that;

- i. The Central Bank of Nigeria (CBN) 's empowerment schemes through Maiduguri Branch and other government and non-governmental agencies that geared toward entrepreneurship development in Maiduguri Borno state and Nigeria should continue with the numerous roles played and this will go a long way in reducing the level of unemployment, expansion of existing businesses and creation of new once. This actually boosts the economy of Maiduguri and the state at large.
- ii. There should be more activities of awareness creation, educating the general public so as to take advantage of the contributions of Central Bank of Nigeria (CBN) 's empowerment schemes through Maiduguri Branch and other support agencies to improve on entrepreneurship skills development and growth of entrepreneurs in Maiduguri Borno State and Nigeria at large.
- iii. There should be increased in fund mobilization by the Central Bank of Nigeria (CBN) and other organizations to promote entrepreneurship skills development in Maiduguri Borno state and in Nigeria at large.
- v. New and Potential entrepreneurs should be stimulated to take advantage of numerous contributions provide by government agencies so as to enhance entrepreneurship skills development in Maiduguri and in Nigeria at large.

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