Arabian Journal of Business and Management Review

Adebayo et al., J Bus Manag Review 2015, 6:1
DOI: 10.4172/2223-5833.1000183

Research Article Open Access

Capacity Building and Supportive Infrastructural Network for Rural Entrepreneurial Development in Kwara State

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Abstract

Creating an even economic development at both urban and rural communities has been part of developmental agendas for many decades in Nigeria. These imbalances between rural and urban development have resulted to high rate of unemployment and inability of the rural dwellers to meet their basic needs. Ultimately, this has resulted to high poverty rate among the rural communities. This study attempts to investigate how capacity building and supportive infrastructural network could enhance rural entrepreneurial development, thereby reducing high rate of poverty in Nigeria. A survey of 205 self-administered questionnaires was undertaking across three (3) selected Local Government areas in Kwara state, Nigeria. A total of 148 copies were correctly filled, returned and analyzed using simple percentage, t-test and multiple regression analyses. From the result of findings, it is revealed that various government supports contribute significantly to rural entrepreneurial development in the study area. It is further revealed that certain striking challenges impede rural entrepreneurial development among which are poor infrastructure, low access to finance, low population and poor policy support. Consequently, the study recommends a conscious effort by the government through the National Directorate of Employment (NDE) and Small and Medium Enterprise Development Agency of Nigeria to provide more entrepreneurial capacity building programmes and other incentives to the rural entrepreneurs. More so, government should focus on integrated rural development programmes through collaboration with international development organizations such as United Nations International Development Organization (UNIDO), United State Agency for International Development (USAID) among others.

Keywords: Capacity building; Supportive infrastructural network; Rural entrepreneurial development; Rural poverty reduction

Introduction

Rural areas have been experiencing out-migration of young, educated adults in Nigeria and this has resulted to "brain drain," over time Rural Policy Research Institute [1]. The cause of this is lack of appropriate job opportunities being a major barrier for rural born, well-educated migrants who seek to return home or relocate to a rural place. In view of this, Hoy [2] argues that one of the major ways to overcome rural unemployment and reduce brain drain is conscious rural entrepreneurial development. Unarguably, rural entrepreneurship leading to Small and Medium Enterprises (SMEs) can be considered to be an appropriate strategy for rural entrepreneurial development all over the world. According to Wortman [3] rural entrepreneurship is defined as the creation of a new organization that introduces a new product, serves or creates a new market, or utilizes a new technology in a rural environment. As various governments of the world move toward improved rural economic conditions coupled with the pressure of attaining Millennium Development Goals (MDGs), one can argue that entrepreneurship, in general, and rural entrepreneurship, in particular, can be an appropriate concept and strategy for rural development.

Increasingly in recent times, entrepreneurship is regarded as a strategic development intervention that could accelerate the rural development process by institutions and individuals promoting rural development [4]. Entrepreneurship has been argued to stand as a vehicle to improve the quality of life for individuals, families and communities and to sustain a healthy economy and environment. In order to fully exploit entrepreneurial potentials, an individual must possess the needful conceptual and technical skills coupled with basic infrastructural facilities [1]. In most developing nations, Nigeria inclusive, the majority of the rural population depends, directly and indirectly, on agriculture, fishery, animal husbandry or rural wage labour associated with plantations and ranches, along with ancillary activities linked to rural townships [4]. Therefore, rural entrepreneurial development strategies focused mainly at diversifying rural economic activities, through the development of non-farm economic activities and facilitating the transition of informal activities into the formal growth sector. In many developed nations, rural entrepreneurs have made a significant impact in creating new ventures and increasing employment in rural areas [5].

Based on the above background, rural entrepreneurship is unarguably an important strategy for rural development. This notwithstanding, capacity building and infrastructural facilities are essential for rural entrepreneurial development. Entrepreneurship is described as the ability and willingness of an individual to seek out a business opportunity, establish an enterprise around this and run it successfully either for profitmaking or social benefit. In the same vein, Osemeke [6] also described entrepreneurship as the process of creating value by pulling together a unique package of resources to exploit an opportunity. Entrepreneurship is a complex process that involves high motivation and individual competencies. Recent studies have thus linked the entrepreneurial development to individual capacity

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Received October 27, 2015; **Accepted** November 19, 2015; **Published** November 28, 2015

Citation: Adebayo PO, Awodun MO, Ajonbadi HA (2015) Capacity Building and Supportive Infrastructural Network for Rural Entrepreneurial Development in Kwara State. Arabian J Bus Manag Review 6: 183. doi:10.4172/2223-5833.1000183

and infrastructural network [7,8]. Capacity building therefore means planning for people to acquire knowledge and advanced skills that are critical to a country's economic growth, its standard of living and individual empowerment [9].

Ogechukwu [10] identified capacity building as an important element in any entrepreneurial development. Ogechukwu accordingly described, capacity building as the ability to enable the people to make use of their creative potentials, intellectual capacities and leadership abilities for personal as well as national growth and development. Therefore, the individual notwithstanding sex, tribe, location or occupation must possess some sets of skills for effective entrepreneurial delivery. In the same vein, infrastructural network to a large extent contributed to entrepreneurial development as demonstrated by previous studies [11-13]. In an attempt to build more capacity and improve access to infrastructural facilities especially at the rural communities in Nigeria, the federal government has initiated different policies and structural programmes. Prominent among such programmes and specifically targeted on rural development were: Directorate of Food, Roads and Rural Infrastructure (DFRRI) in 1977; Poverty Eradication Programme (PEP) 1986; Better Life for Rural Women in the 1980s National Economic Empowerment and Development Strategy (NEEDS) in 1992, Community Action Programme for Poverty Alleviation (CAPPA) in 1996 among others [14].

Statement of the Research Problem

The population of Nigeria is over 165 million as at 2013 [15], it is the most populous nation in Africa, 1/6th of black population of the world, 6th largest producer of oil and 6th largest mineral deposit in the world [16], largest and fastest growing economy in Africa Word Bank [17], yet over 65% live below poverty level i.e., less than 2 USD per day. It is further acknowledged that private sector enterprises are frequently the major employer in rural areas and proportionally generate more jobs per head of population than private businesses in urban areas [18]. According to World Bank, rural population as percentage of total population in Nigeria is measured at 49.16% in 2013. Based on this evidence, it is important to acknowledge that rural economic development in Nigeria is essential as half of Nigerian population lives in the rural communities. Various evidences post that in Nigeria, government concentrates developmental efforts on the urban centres while the rural areas are been ravaged by increasing rate of poverty. As supported by World Bank Nigeria economic outlook report 2014, both the GDP numbers and GHS-based poverty numbers proved the notion that growth and poverty reduction efforts are primarily an urban phenomenon in Nigeria. Hence, it appears that, in rural areas, growth is slower, poverty is higher, and poverty reduction is slower [17].

Rural infrastructure has long been neglected in Nigeria, and this justifies shortage of manpower in the rural communities United Nations Development Programme [8]. Governments' investments in electricity, health, road network, education and water supply have focused largely on the cities. As a result, the rural population has extremely limited access to services such as standard schools and health centres, and about half of the population lacks access to safe drinking water [8]. Neglect of rural infrastructure affects the general economic condition. The lack of rural roads impedes the marketing of various commodities, prevents farmers from selling their produce at reasonable prices, and leads to spoilage. Limited accessibility cuts small-scale farmers off from sources of inputs, equipment and new technology, and this keeps yields low. As the population swells and puts pressure on diminishing resources, escalating environmental problems further threaten food production. In recognition of the above, the state and federal governments have instituted various programmes at empowering people in the area of capacity development and financial incentives as seed capital for new ventures. Specifically, the government has recognized the importance of empowering people to in turn manage their own development activities. The current strategy in many developing nations for the protection of poor rural people includes efforts to strengthen: access to credit, training facilities for youth entrepreneurship, access to farm inputs and tools through traditional thrift, savings and insurance schemes [13].

Despite the popularity and interest in rural entrepreneurship in recent times, little research is available on the extent to which local initiatives through capacity build and infrastructural facilities contribute to rural entrepreneurship. Several studies have revealed the roles of entrepreneurship in economic development [19], some others have investigated the role of entrepreneurship development as strategy for youth empowerment and job creation [20,21], and some others on government incentives to entrepreneurship development [6,22]. However, close to none has demonstrated with empirical evidences capacity building and infrastructural facilities as strategy for rural entrepreneurial development especially in Kwara state Nigeria, hence, the focus of this study.

Research objectives

The aim of this study is to examine the role of capacity building and infrastructure on rural entrepreneurial development in Nigeria. Specifically, this was carried out with a focus on two sub-objectives:

To examine the nature and challenge(s) of rural entrepreneurial development in the study area.

To examine if various government supports promote rural entrepreneurial development in the study area.

Research questions

Is there major challenge(s) confronting rural entrepreneurial development in the study area?

Do various supports by the government promote rural entrepreneurial development in the study area?

Research hypotheses

Factors such as poor infrastructure, poor access to finance, low population and weak policy support do not constitute major constraints to rural entrepreneurship development in the study area.

Various government supports have no significant relationship with rural entrepreneurial development in in the study area.

Conceptual Clarification and Literature Review

Rural entrepreneurial capacity building

Rural communities have certain characteristics such that distinguish them from other regions. Of most important is out-migration of rural educated to urban areas in search of white collar jobs and public services as these enhance their economic conditions [23]. Generally, this results to higher population density in the urban as compared to rural regions. The low population in the rural areas to a large extent results to 'brain drain' syndrome as most educated elites leave rural areas for better life in the city. Low population density (mostly ageing) and remoteness result in limited local demand and make it difficult to access educated labor and sufficient capital in rural communities [24]. It has been found that firm entry rate is generally lower in rural areas than urban areas [5,25]. The reasons for this may

be linked partly to poor entrepreneurial capacity of few rural dwellers among others. Studies have further shown that the level of awareness of individual members of a society about their capacity to contribute to the economic, social and political development of their society is a key factor in developmental processes [14,26].

A process of creating self-awareness and the development of individual capacity for creative and innovative thinking, decision making and action implementation to exploit various entrepreneurial opportunities is the focus of entrepreneurial capacity building [27]. It can be unarguably established that in any entrepreneurial process, individual capacity in form of knowledge, skills and experience play an important role. In this view, Oni et al. [14] describes an entrepreneur as "an individual who has the ability or capacity to identify opportunity where others see nothing and also being able to mobilize the necessary resources to translate such opportunity(s) into viable businesses". Similarly, University of Ohio has described entrepreneurship as the process and capacity of an individual to identify, develop and bring a vision to life. The vision may be an innovative idea, an opportunity, or simply a better way to do something. This means that entrepreneurship is a deliberate effort to create values through identifying business opportunity and bringing together all the necessary inputs (human and material) to actualize them. Based on the evidences above, one can always establish a correlational relationship between capacity building and entrepreneurial development. As much as rural development is a key element of strategies to reduce poverty and create income and employment opportunities, it is fundamentally important to build rural entrepreneurial capacity. It is thus important to unleash and harness the creativity of rural entrepreneurs to exploit available opportunities at the rural level.

In the other hand, infrastructure is germane to any entrepreneurial development. As peculiar to many rural areas in developing nations, basic social amenities such that increase qualities of life are poorly supplied United Nations Development Programme [8]. In Nigeria, poor infrastructural network has been proved as a major setback to rural entrepreneurial development. Basic infrastructural network such as good electricity supply, good road networks, standard health care facilities, accessible portable water and quality education among others are in gross shortage of supply [14]. These to a large extent have resulted to continuous out-migration from rural regions to urban, hence poor rural entrepreneurial development in Nigeria. A network is a structure in which a number of nodes are related to each other by specific threads [28]. Both threads and nodes are rich in resources, knowledge and understanding as a result of complex interactions, adaptations and investments within and among firms over time. Infrastructure networks therefore influence to a large extent rural economic performance in three ways: expanding the use of existing resources, attracting additional resources to rural areas and making the available resources more productive [29]. Recent studies have revealed the negative impact of underdeveloped infrastructure to poor growth of rural entrepreneurship in developing nations. Teixeira et al. [27] point out that opportunity for footloose entrepreneurs are limited by the unavailability of basic infrastructural facilities such as electricity and transportation networks. Mansi et al. [30] further argue that fresh agricultural products require a well-developed transport network and electricity for preservation. More so, the craft industry which is usually viable in the rural areas requires commercial airports to enable tourism and the manufacturers themselves to access the market.

Another major factor considered essential to business expansion is Information Communication Technology (ICT). In rural areas communication infrastructure is usually poor with few telephone lines and fewer computers [30]. As important as the internet facility is in modern businesses, its accessibility is difficult and expensive in the rural areas. Therefore, lack of infrastructure network results in marginalization of rural communities. Haftendorn and Salzano post that lack of market information (on commodity prices, suppliers) lead to loss of income and exploitation of rural entrepreneurs by middlemen. In the same manner, banking facilities are generally poor inmost developing nations as argued by Atryees [31] that more than 60% of sub-Sahara Africans does not have access to any form of banking facilities. This unarguably extends to rural communities. Hence, rural dwellers lack knowledge, awareness and understanding of start up financing possibilities. This was further argued by Sutton and Jenkins that most SMEs in developing nations lack successful micro-lending or financing and seed funding. In rural areas, the situation is exacerbated by the fact that the potential entrepreneurs in addition to the above, lack collateral to access financial assistance from banks and other institutions.

The Nature of Rural Entrepreneurship

Despite the commitment of international organizations (such as United Nations, World Bank etc.) to half the global poverty by years 2015, the dominance of poverty in many developing nations cannot be over emphasized. Conversely, the alarming rate of abject poverty among the rural communities is a major concern to governments in sub-Sahara Africa. On this premise, Mansi and Sharma [30] argue that the global economic imbalance in recent times has affected nearly every sub-Saharan country and has adversely impacted on the well-being of the majority of the people especially those who live in rural communities. In an attempt to address this in Nigeria, SMEs promotion and rural entrepreneurship development have been proved as better option [32]. Generally, entrepreneurship is considered as a vehicle for leveraging existing community strengths and diversifying local economies, while challenging existing businesses to be more efficient and innovative [9]. The structure of rural economies is essentially composed of small enterprises, which are responsible for most of the job growth and innovation, and in any event, small businesses represent an appropriate scale of activity for most rural economies [33].

Rurality may be conceptualized as traditional descriptive terms including the level of population density, the rate of population loss or gain, settlement size, local economic structure and landscape. Population density and settlement size is the most widely quoted and official measure in different nations e.g., European administration. Rurality offers an innovative and entrepreneurial milieu in which rural enterprises may flourish and prosper or become inhibited. Dabson [33] hence identified four principal components of a successful entrepreneurship development strategy that are: there has to be a community culture of support for entrepreneurs, the strategy has to be entrepreneur-focused, a systems orientation has to be central to the strategy, and availability of fund for innovation. Rural entrepreneurs often have the opportunity to diverse into agro-food, crafts, recycling, leisure and health. Diversification into non-agricultural uses of available resources such as catering for tourists, blacksmithing, carpentry, spinning, etc. also fit into rural entrepreneurship [34]. It has further been proved that the remoteness of a rural location has its effect on different aspects of business innovation and consequently on rural business growth and the creation of employment [35]. However, certain common environmental factors affect the growth of rural entrepreneurship globally, such as physical, social and economic environments. The physical environment centres on location, natural

resources and landscape. Location is related to the distance from major markets and accessibility to customers, suppliers, information sources and institutions. The social environment focuses on social capital, governance and cultural heritage. The social capital refers to qualitative characteristics of civic society and certain social values and norms supporting associational behaviour, networks of cooperation and civic activity [36]. The economic environment centres on supply and distribution network, size and composition of the market and all other factors that create competitive advantage.

Government supports for rural entrepreneurial development in Nigeria

Nigeria has experienced massive unemployment and absolute rural poverty due to improper implementation of sustainable development programmes such that encourage the growth of SMEs and entrepreneurial development especially at rural areas [22]. Nnwukwe and Ifeanac [22] argue that since independence, promoting SMEs as the foundation of economic progress has been recognized in Nigeria by every regime. This is because of its perceived relevance in ensuring sustained increase in per-capita income and output and effective resource utilization. At the rural areas, the perceived ideal benefits of promoting entrepreneurial development are numerous. According to Jibrilla rural entrepreneurship assist in employment generation, transformation of traditional to modern technology, stimulation of indigenous entrepreneurship, reversal of urban-rural migration, greater utilization of raw materials, promotion of local technology, mobilization of local savings, linkage balance by spreading investment more evenly, ability to operate profitably in very narrow markets with low purchasing power, among others. In the same vein, Li Yu and Georgeanne [5] posit that success and high growth of rural businesses will provide even bigger benefit to regional economic development.

Driven by the realization of economic importance of SMEs promotion and rural entrepreneurship development in Nigeria, the federal government has established some agencies that focus on supporting the development of entrepreneurship activities in terms of policy supports, financial intervention and technical assistance. Nkem et al. [37] classified the various government entrepreneurship and SMEs development programmes into two divisions namely Entrepreneurship Development Programmes/Institutions (EDP) and Finance/Micro-credit Programmes and Institutions. Nkem et al. [37] further argues that EDPs consist of policies and programmes designed to develop, stimulate, and enhance the performance and capacities of Nigerian entrepreneurs and are viewed in two categorizes via policy and technical supports. While on the other hand, the second division consists of programmes aimed at providing credit facilities for entrepreneurs. In terms of policy supports, Industrial Development Centres (IDC), Entrepreneurship Development Policy (EDP) run by the National Directorate of Employment (NDE) and the introduction of entrepreneurship education into various academic institutions in Nigeria are major landmarks. The National Directorate of employment was established in 1986 with the aim of training unemployed youths and retired persons for vocational skills acquisition, entrepreneurship or business development, labor based works, rural employment promotion and job placement guidance and counseling.

Enterprise education/awareness: In creating a sustainable developmental programme, the government has recently realized the vital role of entrepreneurship education. As posited by Dabson [33], education is a world-wide phenomenon and a potential tool for human capital and societal development. The goal of Entrepreneurship education policy is to empower students at all levels, irrespective of their specialisation and location, with skills that will enable them engage in income-yielding ventures and reduce total dependence on white collar jobs. Various attempts have been made at institutionalising entrepreneurship curricula at various levels of education that will prepare the youth to be responsible enterprising individuals who would become entrepreneurs or entrepreneurial thinkers and contribute to economic development in their communities [38]. Entrepreneurship education is otherwise referred to as the education for sustainable development. According to UNESCO, the focus of entrepreneurship education is education that seeks to equip young people towards creating a sustainable future. Dabson [33] maintained that entrepreneurship education must provide the youth with adequate training that will enable them to be creative and innovative in identifying novel business opportunities thereby serve as catalyst for economic growth and development. In recognition of the above and in an attempt to give full policy support, the federal government through the federal ministry of education has introduced entrepreneurship education to all educational levels. This in essence is to create a sustainable future through students' re-orientation and mental re-engineering towards entrepreneurial consciousness and development.

Financial assistance: In the area of financial intervention, the Nigeria Agricultural Co-operative and Rural Development Bank (NACRDB), National Economic Reconstruction Fund (NERFUND), Nigeria Bank for Commerce and Industry (NBCI), Small and Medium Enterprises Equity Investment Scheme (SMEEIS), and most recent Central Bank of Nigeria (CBN) Special SMEs Intervention Fund were all formulated to promote indigenous enterprises especially at rural communities. The federal government establishment of the Rural Banking Scheme (RBS) in 1977 was a major historical SMEs and rural entrepreneurship financial intervention in Nigeria. According to Jibrilla RBS Scheme was fundamentally designed to confront the problems of inadequacy of credit to the agricultural sector and underdevelopment of the rural based small-scale enterprises. Furthermore, for objective impact and maximum operational effectiveness, the scheme mandated the establishment of commercial banks branches in the rural areas in Nigeria. And by late 1980s, there were about 756 new rural bank branches across the country with total deposits in all the rural branches amounting to about N5.7 billion (that is, about N7.5 million per branch) [39]. However, political and poor policy implementation paralyzed the vision of Rural Banking Scheme [40]. In the early 1980s, the NBCI was responsible to operate as a head financial body for the small businesses and also administers any loan related exercises. The NBCI however suffered from operational problems, terminating in a state of insolvency in 1989. The activities of the NBCI are now part of the newly established Bank of Industry. Nwazor [9] described various BOI SMEs financial intervention in conjunction with CBN such as Central Bank of Nigeria's N235 billion financing fund for commercial banks; N100 billion Cotton, Textile and Garment Fund; N10 billion Rice Sector Fund; and N16.91 billion National Automotive Council Fund. Others are $4 million UNIDO Energy programme; $500 million AFDB fund; N500 billion Power and Aviation Fund; N5 billion Dangote Fund; N9.5 billion cement fund; as well as N90 million Women Affairs Fund.

Technical assistance: Covet, observed that several small enterprises operators are highly proficient in their technical field but are less experienced in managerial competence. In view of the above, technical assistance is of utmost important in SMEs promotion and rural entrepreneurial development in Nigeria. In the area of technical development, the federal government has institutionized some forms of agencies dedicated to provide technical assistance to SMEs. There are also several industrial and trade associations that through their

activities seek to promote and development entrepreneurship activities even at the rural areas [10]. Some of these include the National Association of Small-scale Industrialists, Chambers of Commerce, National Employers Consultative Assembly, Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) among others. The Obasanjo administration of 1999 – 2007, established the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) as an entrepreneurship policy orientation institution with the purpose of promoting the development of SMEs sector, which is the hub of entrepreneurship activities. All these institutions and policies were to develop rural entrepreneurship and help at reducing poverty rate in Nigeria. However, to a large extent, many of them have not actualized their intended goal due to poor implementation and high level of corruption in Nigeria [34].

Theoretical Framework

Several theories have been used in literatures in relation to government intervention in private enterprises. However, the Keynesian theory is considered more appropriate for this study. Keynesian economics were first presented by the British economist John Maynard Keynes 1936. This theory offers useful insight to the understanding of the effect of government interventions on private enterprises. The relevancy of this theory is its ability to provide the basis for government involvement in economic activities through various private enterprise incentives and developments [10].

The Keynesian economics argues that private sector decisions sometimes lead to inefficient macroeconomic outcomes and therefore advocates active policy responses by the public sector. Keynesian economics advocates a mixed economy, predominantly private sector, but with a large role of government and public sector. Keynesian economists often argue that private sector decisions sometimes lead to inefficient macroeconomic outcomes which require active policy responses by the public sector, in particular, monetary policy actions by the central bank and fiscal policy actions by the government, in order to stabilize output over the business cycle. Keynesian economics advocates a mixed economy-predominantly private sector, but with a role for government intervention for creating a viable business environment [34].

Material and Methods

This study aims at examining the relationship between capacity building and infrastructural network on rural entrepreneurial development. By its nature, this research is an empirical investigation as it adopts a survey research design to generate primary data through a self-administered questionnaire. For the purpose of this study, the population of interest consists of official registered SMEs in Ekiti, Okeero, and Irepodun Local Government Areas of Kwara state who filed their returns as at December 2014. The choice of these selections was justified by a common characteristic of their rural nature. The population frame is 2114 SMEs obtained from local government secretariats of the study area as at March 2015. A total sample of 205 SMEs was selected in a cross-sectional survey research design using purposive sampling technique on the strata of sole proprietorship, partnership and family businesses. Close ended questionnaire was the major instrument used, while interview only complemented it. The questionnaire was designed to generate responses on questions relating to relevant variables of the study - capacity building, infrastructural network and rural entrepreneurial development. The questions were ranked on a 5-point Likert attitude scaling ranging from 1-Very Low, 2-Low, 3-Fair, 4-High and 5-Very High. The returned questionnaires of 148 i.e., (72.2%) out of 205 copies of questionnaire were analyzed by SPSS 16.0 version using simple percentage, t-test and regression analytical tools. The reliability of the data was tested using Cronbach's Alpha Reliability Test as the result shows 0.614 which means that the instrument used in gathering the data was reliable thus exhibited internal consistency among items (questions) measuring each construct in the questionnaire.

Test of Hypothesis (Hypothesis I)

The Tables 1 and 2 below shows the result of hypothesis I using one sample t-test. It can be deduced that the average response of mean is 4.195 and standard error of the mean is as shown i.e., significant. Five-point Likert-style rating scale of 5 = Very High, 4 = High, 3 = Fair, 2 = Low and 1 = Very Low were used to scale the responses.

The result of the t test as shown in the tables above reveals that p-value is 0.000 while critical vale is $\alpha = 0.05$. This implies that there is a significant relationship as probability value (p-value) of 0.000 is less than the critical value of $\alpha = 0.05$. With this result, null hypothesis I is rejected meaning that factors such as poor infrastructure, poor access to finance, low population density and weak policy support constitute major constraints to rural entrepreneurship development in the study area.

Test of Hypothesis II (Using Regression Analysis)

To answer the question 'if various government supports promote rural entrepreneurial development', the model is specified as:

$$Y = \beta 0 + \beta 1x1 + \beta 2x2 + E$$

Where:

	N	Mean	Std. Deviation	Std. Error Mean
Poor infrastructure	148	4.12	.981	.072
Poor access to finance	148	4.21	.910	.061
Low population density	148	4.22	.721	.052
Weak policy support	148	4.23	.920	.068

Table 1: One-Sample Statistics.

	Test Value = 0					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Poor infrastructure	36.716	147	.000	4.025	3.81	4.24
Access to finance	47.870	147	.000	4.338	4.16	4.52
Low population density	47.152	147	.000	4.275	4.09	4.46
Weak policy support	46.846	147	.000	4.200	4.02	4.38

Table 2: One-Sample Test.

Y = Dependent variable representing Rural Entrepreneurial Development (RED)

X= 1 - 3 represent dependent variable (enterprise education, technical and financial assistance)

X_1 = Enterprise Education (EE)

X_2 = Technical Assistance (TA)

X_2 = Financial Assistance (FA)

E = Error term, (0, 1) normally distributed with mean 0 and variance 1.

β0, β1, β2, β3, are the parameters to be estimated to fit the regression line.

β0 = is the intercept on the Y-axis.

The Table 3 above reveals that the coefficient of multiple determinations is 0.874; the implication of this is that about 87.4% of the variable in rural entrepreneurial development is explained by the variables in the model; Enterprise Education (EE), Technical Assistance (TA), Financial Assistance (FA) while the remaining 12.6% is explained by other factors that are not included in the model. The regression equation is thus useful for making predictions since the value of R^2 is close to 1.

The calculated ANOVA Table 4 above shows if *any* of the variables are significant. The F-statistic is compared with 3 and 145 degrees of freedom using stats tables. From the ANOVA table, F = 937.426, p-value<0.05 (sig). Since p-value<0.05 (critical value), the null hypothesis is rejected and the alternative accepted. This implies that at least one of the predictors is functional for rural entrepreneurial development in the study area. Therefore the model is use.

The co-efficient Table 5 above provides information effect of individual variables (the "estimated coefficient" or "beta") on the dependent variables. The coefficient of Enterprise Education (EE) is 2.495 with p-value of 0.002 less than 0.05 (critical value), Technical Assistance (TA), is 2.915 with p-value of 0.004 less than 0.05 (critical value), while Financial Assistance (FA) is 3.132 with p-value of 0.000 less than 0.05 (critical value). This implies that each of the variables has contributed to the model. Hence there is significant relationship between rural entrepreneurial development and the variables in the model. Furthermore, we can use the values in the **"B"** column under the **"Unstandardized Coefficients"** column, to present the regression equation as: RED = 3.866 + 0.166(EE) + 0.272(TA) + 0.324(FA).

Discussions

The result of this study revealed that there is a significant positive relationship between various government supports and rural entrepreneurial development in the study area. This means, if such supports (capacity building through rural enterprise education, financial and technical assistance) are improved at rural areas, there will be a corresponding improvement in rural entrepreneurial development. This will ultimately improve rural economic conditions and reduce rural poverty. This supports the findings of Nwazor [9] who argues that if Nigeria is to record a substantial achievement of Millennium Development Goals, as well as become one of the world's biggest economies by the year 2020, her entrepreneurship sector must receive adequate capacity building in terms of IT training, managerial skills and funding among others.

A one-sample t-test was conducted to examine various factors such as poor infrastructure, poor access to finance, low population and weak policy support that constitute major constraints to rural entrepreneurship development in the study area. The output of the hypothesis shows an N of 148 (the sample size) and a mean of 4.12. The rating was based on a maximum of 5 (Strongly Agree) and minimum of 1 (Strongly Disagree). The results show a Sig (2-tailed) of .000. Since the p-value is less than 0.05 (p<0.05), indicating an absolute normality of the distribution. It implies that the various factors as listed above contribute significantly to poor entrepreneurship development in the study area. More so, regression analysis was conducted to examine if various government supports significantly contribute to rural entrepreneurial development in the study area. The result reveals that

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.874[a]	.793	.756	.79678
a. Predictors: (Constant), EE, TA and FA				
b. Dependent Variable: RED				

Table 3: Regression analysis.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	375.422	3	55.241	937.426	.0000[a]
	Residual	296.491	145	.098		
	Total	267.208	148			
a. Predictors: (Constant), TE,TA and FA						

Table 4: ANOVA[b]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.866	.492		9.797	.000
	Enterprise Education	.166	.0198	.196	2.495	.004
	Technical Assistance	.272	.0191	.107	2.915	.002
	Financial Assistance	.324	.0287	.129	3.132	.000
a. Dependent Variable: ED						

Table 5: Coefficients[a].

the coefficient of multiple determinations is 0.874; meaning 87.4% of rural entrepreneurial development is explained by the variables in the model.

Summary of Findings

The focus of this study is to examine capacity building and infrastructural network as strategy for rural entrepreneurial development in Nigeria. Two (2) hypotheses were formulated to guide and direct the study. A survey research design was adopted and a sample size of 205 respondents was selected for the study. A total of 148 copies of questionnaire were correctly filled and returned which is 86.7% retrieval rate. This was analyzed using one sample t-test and regression tools. The result from the findings reveals that:

There exist a significant relationship between various government supports in terms of capacity building and financial/technical assistance and rural entrepreneurial development in study area.

There are salient factors that weaken rural entrepreneurial development in Nigeria and prominent among these are: poor policy support, low rural population density, low purchasing capacity, poor access to finance; low managerial/IT/financial skills; gross inadequate infrastructural facilities e.g., electricity, road network etc.

Findings from the literature reviewed established that continuous rural entrepreneurial development is germane to economic growth and poverty reduction in Nigeria.

Conclusion

Improving entrepreneurship development is an important incubation for the growth of SMEs globally. As earlier established, rural SMEs growth perform a dynamic role and has been considered as an important catalyst for creating employment, poverty reduction, and improved economic performance of the rural community. This study was driven by the deteriorating nature of economic conditions and subsequent high rate of increasing rural poverty in Nigeria. This study has empirically evaluated the impact of capacity building and infrastructural network on the development of rural entrepreneurship. Based on the findings of the study, it can be concluded that various government supports in terms of capacity building and infrastructural network have a significant impact on rural entrepreneurial development in Nigeria. This implies that the more capacity building programmes and conscious government efforts at providing infrastructural and financial facilities at the rural areas, the more likelihood of rural business expansion and growth. Furthermore, the findings leads to the conclusion that to achieve a meaningful impact on rural poverty reduction, certain fundamental issues such as poor policy support, poor access to finance, low managerial/IT/financial skills, electricity, road network among others must be adequately addressed.

Recommendations

Government at various levels should re-integrate vocational training skills; build more incubator centres and arrange special training programmes for rural entrepreneurs, as this may be coordinated by National Directorate of Employment (NDE).

The federal government should provide separate financial intervention pool for rural entrepreneurs through a special collaboration with international financing organization such as World Bank, African Development Bank, International Finance Corporation among others.

Ministry of Local Government at the state level should be more involved in initiating programmes that enhances rural SMEs development and general economic well fare at the rural communities.

Government through National Orientation Agency (NOA) and Ministry of Labour and Productivity should provide a proper orientation and motivation for the rural youth to take up entrepreneurship as a career, with training, mentorship and other sustaining supports at various levels.

There should be more prominences by federal and state governments on integrated rural development programmes through collaboration with international development organizations such as United Nations International Development Organization (UNIDO), United State Agency for International Development (USAID) among others.

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Citation: Adebayo PO, Awodun MO, Ajonbadi HA (2015) Capacity Building and Supportive Infrastructural Network for Rural Entrepreneurial Development in Kwara State. Arabian J Bus Manag Review 6: 183. doi:10.4172/2223-5833.1000183