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# Impediments to Rural Youth Entrepreneurship towards the Hospitality Sector in Nigeria: The Case of Ihitte-Uboma, Imo State.

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#### **Abstract**

This study examined factors responsible for the dismal performance of youths' enterprises within Ihitte-Uboma, Imo State Nigeria, in which contemporary and contending issues in rural youth entrepreneurship towards the hospitality sector were overviewed. The methodology adopted for the study involved an investigation of impeding factors for rural entrepreneurship of 112 youth-owned enterprises in Ihitte-Uboma; comprising Amainyinta, Isinweke and Amainyi-Ukwu communities. The framework for the study was tested for validity using the one-sample test and the paired sample correlation coefficient. Results revealed a deplorable quality of energy supply and lack of access to markets. Particularly, youth entrepreneurs within the communities are facing obstacles such as obtaining finance, lack of education and training in business and management skills. Practical recommendations are proposed to government and institutions to overcome these obstacles and to ensure that youth entrepreneurs can sufficiently enhance their businesses, hence avoiding urban drift and contributing to the development of local communities.

Keywords: entrepreneurship, hospitality industry, poverty alleviation, rural community, youth empowerment.

#### 1. Introduction

The international community at large, and Africa in particular, have recognized the imperatives of entrepreneurship in stimulating economic activities in the rural communities of developing countries, creating jobs, uplifting standards of living and alleviating poverty. In recent time, institutions of higher learning in Nigeria have embraced the concept of entrepreneurship in job creation by introducing entrepreneurship training in the course content and curriculum of every given academic programme. The philosophy is to equip future graduates with both theoretical and practical knowledge and skills in the area of self-sustenance, employment generation and wealth creation in order to enhance local economic development. To a large extent, this kind of development has succeeded in creating young entrepreneurs and stimulated economic activities in small and medium enterprises within the rural areas for many countries (Kushalakshi & Raghurama, 2014).

For majority of young entrepreneurs, urban business areas seem saturated with economic activities occasioned by the so-called rural urban migration and the seeming localization of industries in urban areas in Nigeria. This development has paved the way for establishment of micro enterprises within most rural communities, prompted by the gradual withdrawal of city dwellers down to less densely populated developing rural communities, like Amainyinta and Isinweke areas of Imo State, Nigeria. Numerous encumbrances, however, are the bane of most rural enterprises, forcing micro enterprises to a dismal performance and either (entirely) shut down prematurely, or relocate to urban centres (Saxena. 2012).

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The development has gone a long way to discourage budding enterprises and youth entrepreneurs, not only in achieving their potentials, but by effectively diminishing the confidence of these youths towards the capabilities of entrepreneurship and the economic potentialities it possesses in wealth creation. Gradual rural development and empowerment through the subsequent multiplier effect is also affected, leaving both the entrepreneurs and the community in a poorer state (Brijesh & Kirit, 2013). In the other hand, youth entrepreneurs seem to grapple with the understanding of the role of government agencies in rural enterprise development. Numerous agencies and non-governmental associations seem out of reach to assist budding entrepreneurs with unforeseen problems in the areas of marketing information (for instance), leading to lack of access to markets, hence impeding effective distribution of generated products to preferred markets.

#### 1.1 Statement of the Problem

The Nigeria hospitality industry expanded with the increase in tourism activities and processes. The present condition of the hospitality sector is very competitive and it is a growing industry in the Nigeria service sector. This has triggered off the interest of youths, especially in the rural areas in this aspect. Rural entrepreneurship is, nowadays, a major opportunity for addressing the issue of people migrating from rural areas or semi-urban areas to urban areas in developing societies. On the contrary it is also a fact that the majority of rural entrepreneurs are facing numerous problems due to non-availability of primary amenities in rural areas of developing countries like Nigeria. Lack of adequate education, energy and financial problems, insufficient technical and conceptual ability, lack of access to market among others, remain the bane for rural entrepreneurs to establish industries in the rural communities. Furthermore, over the past few decades, the hospitality industry has witnessed persistent growth and diversification to become one of the most viable and fastest growing economic sectors in the world. The contemporary hospitality sector is closely associated to development and encompasses a growing number of new interests to both practitioners and researchers within the scope of hotel, restaurant, airline, resort, spa and casino operations (Sturman, 2005). Hence the need to critically examine what economic elements that may affect the growth of rural enterprises that have linkages with rural hospitality entrepreneurship is crucial.

#### 1.2 Objective of Study

The major focus of this study is to analyze the challenges and opportunities for rural youth entrepreneurship in the hospitality sector, as well as to understand the importance of rural youth entrepreneurship for poverty alleviation in Nigeria. Specific objectives are to:

- a. Examine the rate at which youth hospitality entrepreneurship has thrived in the study area.
- b. Examine the relationship between availability of infrastructure and entrepreneurship development in the study area.
- c. Determine the level of youths' involvement in hospitality entrepreneurship within the study area.
- d. Determine possible impediments to rural youth entrepreneurship within the study area.

## 1.3 Research Hypotheses

H<sub>1</sub>: There is no significant relationship between energy supply and rural youth entrepreneurship development

H<sub>2</sub>: There are no impediments to rural youth hospitality entrepreneurship development.

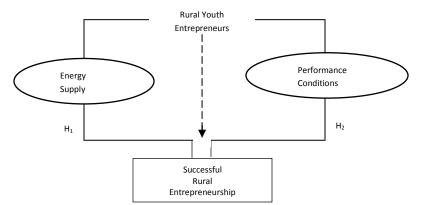


Fig. 1: Conceptual Framework for the Study

## 2. Conceptual Literature

Youths in Nigeria's rural communities are faced with numerous challenges in gaining access to significant productive and rewarding employment opportunities for improved livelihood. Like most other developing countries, according to a report by the Food and Agricultural Organization of the United Nations - FAO (FAO, 2015), Nigeria's rural labour market has a remarkable level of low productivity, significant degree of underemployment and informal operational procedure. The youth under 34 years of age, in particular, are usually affected by this trend (FAO, 2015) as they constitute over 50 percent of both the unemployed and underemployed population of developing economies. This trend is not without its consequent reaction of inducing the youth to embrace rural urban migration for "greener pastures" especially to other developed economies. In recent years, the number of young Nigerians emigrating to Europe and other developed economies due to lack of productive employment (Nwokorie, Everest & Ojo, 2014) is uncontrollably high. When compared to those emigrating illegally, the figure is quite alarming as they consist of young men and women (FAO, 2015) who could equally stay back to improve the lots of the emerging economy. This type of migration, brought about by economic depression and lack of employment opportunities (FAO, 2015), has severe consequences on the growth prospects and human capital development of the nation, with the resultant decrease in the standard of living and incredible drop in the population of rural communities (Faraz, Singh & Faruqi, 2017). The problem is essentially lopsided development which, according to Brijesh and Kirit (2013) and Faraz, et al. (2017), is the development of one area at the cost of the development of some other areas, with the concomitant associated problems of underdevelopment. The result, according to Faraz, et al. (2017), is excessive unemployment or underemployment in rural communities which triggers heavy rural-urban migration to further overpopulate the cities, leaving the rural communities less developed and in abject poverty.

However, the situation should be such that people should find it worthwhile to shift themselves from cities to rural communities because of the realization of better opportunities there (Faraz, et al., 2017). In other words, migration from rural areas should not only get checked but overpopulated towns and cities should also be decongested.

Rural entrepreneurship implies entrepreneurship emerging in rural communities (Saxena 2012). Therefore, establishing industries in rural areas refers to rural entrepreneurship, as rural entrepreneurship is synonymous with rural industrialization (Faraz, et al., 2017) which will definitely provide gainful employment for young people in rural communities.

Many examples of successful rural entrepreneurship can already be found in literature as posited by Faraz, et al. (2017). Diversification into non-agricultural uses of available resources such as catering for tourists, blacksmithing, carpentry, spinning, and so on, as well as diversification into activities other than those solely related to agricultural usage, for example, the use of resources other than land such as water, woodlands, buildings, available skills and local features, all fit into rural entrepreneurship (Petrin, 1994; Faraz, et al., 2017; Jayadatta, 2017).

Saxena (2012), Mansi and Achla (2013), Petrin (1994), Faraz, et al. (2017) and Jayadatta (2017) have written that the entrepreneurial combinations of these resources are, for example: tourism, sport and recreation facilities, professional and technical training, retailing and wholesaling, industrial applications (engineering, crafts), servicing (consultancy), value added (products from meat, milk, wood, etc.) and the possibility of off-farm work. Equally entrepreneurial, are new uses of land that enable a reduction in the intensity of agricultural production, for example, organic production (Saxena, 2012; Jayabal & Soundarya, 2016; Petrin, 1994; Faraz, et al., 2017; Jayadatta, 2017), and other emerging part-time business enterprises that include cake decoration and event planning which are hospitality inclined and have benefited young educated women in recent time (Nwokorie, Ojo, Everest & Ekhator, 2014).

## 2.1 Rural Entrepreneurship and Economic Development

Klein, Mahoney, McGahan and Pitelis (2010) wrote that entrepreneurship is often conceived as innovation, creativity, the establishment of new organizations or activities, or some kind of novelty. Entrepreneurial development can often be a cost effective economic development strategy. Furthermore, the entrepreneurial intent is a sine quo non for the success of any business venture (Obiora & Okwuise, 2016).

Therefore, rural youths in Nigeria should not be denied any form of opportunity to make good their entrepreneurial determination, as Nwokorie, et al. (2014) wrote that; "promoting micro and small businesses is increasingly seen as a means of generating meaningful and sustainable employment opportunities, particularly for those at the margins of the economy such as women, the poor and people with disabilities". The most entrepreneurial regions, in densely populated countries like India, have been shown to have better local economies than the least entrepreneurial, with 125 percent higher employment growth, 58 percent higher wage growth and 109 percent higher productivity during the decade from 1990 to 2001 (Mansi & Achla, 2013). Entrepreneurship can be a vehicle for leveraging existing community strengths and diversifying local economies, while also challenging existing businesses to be more efficient and innovative.

Entrepreneurship in rural areas is finding a unique blend of resources, either inside or outside of agriculture. This can be achieved by widening the base of a farm business to include all the non-agricultural uses that available resources can be put to or through any major change in land use or level of production other than those related solely to agriculture (Petrin, 2017). Thus, a rural entrepreneur is someone who is prepared to stay in the rural area and contribute to the creation of local wealth. Moreover the economic goals of an entrepreneur and the social goals of rural development are more strongly interlinked than in urban areas and relatively has large impact on a rural community (Nandanwar, 2011; Onwuka, Ugwu, Itoya, & Okeke, 2015; Petrin, 2017).

Entrepreneurs are key to the creation of new enterprises that energize the economy and rejuvenate the established enterprises that make up the economic structure. Some of the major roles of entrepreneurship in the development of the local economy, as posited by Saxena (2012), Dilip (2014), Arshed (2017), Faraz, et al. (2017) and Jayadatta (2017) include:

- 1. Formation of Capital: Entrepreneurs, by placing profitable business proposition, attract investments to ensure private participation in the industrialization process. The otherwise idle savings are channelized for investment in business ventures, which in turn provides return. Again the savings are invested giving a multiplier effect to the process of capital formation.
- 2. Balanced Regional Development: Entrepreneurs always look for opportunities in the environment. They capitalize on the opportunities of governmental concessions, subsidies and facilities to set up their enterprises in undeveloped areas. Thus entrepreneurs reduce the imbalances and disparities in development among regions.
- 3. Generation of Employment: This is the crux of being an entrepreneur. They are not the job seekers but job creators and job providers. With the globalization process, government jobs are shrinking, leaving many unemployed. In the circumstance, entrepreneurs and their enterprises are the only hope and source of direct and indirect employment generation. Employment is generated directly by the requirement of the large enterprises and indirectly by ancillary and consequential development activities.
- 4. Improvement in Standard of Living: Entrepreneurial initiative, through employment generation, leads to increase in income and purchasing power which is spent on consumption expenditure. Increased demand for goods and services boost up industrial activity. Large scale production will result in economies of scale and low cost of production. Modern concept of marketing involves creating a demand and then filling it. New innovative and varying quality products at most competitive prices making the common man's life smoother, easier and comfortable are the contribution of entrepreneurial initiative.
- 5. Increase in per Capita Income: Entrepreneurs convert the latent and idle resources like land, labour and capital into goods and services resulting in increase in the national income and wealth of a nation. The increase in national income is the indication of increase in net national product and per capita income of the country.
- 6. National Self-reliance: Entrepreneurs are the cornerstone of national self-reliance. They help to manufacture indigenous substitutes to imported products which reduce the dependence on foreign countries. There is also a possibility of exporting goods and services to earn foreign exchange for the country. Hence, the import substitution and export promotion ensure economic independence and the country becomes self-reliant.
- 7. Planned Production: Entrepreneurs are considered as economic agents since they unite all means of production. All the factors of production (land, labour, capital and enterprise) are brought together to get the desired production. This will help to make use of all the factors of production with proper judgment, perseverance and knowledge of the world of business. The least combination of factors is possible avoiding unnecessary wastages of resources.

8. Equitable Distribution of Economic Power: The modern world is dominated by economic power. Economic power is the natural outcome of industrial and business activity.

Industrial development may lead to concentration of economic power in few hands which results in the growth of monopolies. The increasing number of entrepreneurs helps in dispersal of economic power into the hands of many efficient managers of new enterprises. Hence setting up of a large number of enterprises helps in weakening the evil effects of monopolies.

## 2.2 Challenges of Rural Entrepreneurship

There is a distinct lack of adequate knowledge of entrepreneurial opportunities among the rural youth. The educated and trained youths mostly leave for urban destinations in search of jobs (Sharma, 2013). A further deficit of financial service providers accentuates the typical challenges faced around access to finance (Nandanwar, 2011). Smaller market size, increased vulnerability to seasonality and adverse weather conditions are extreme conditions putting most rural communities out of business in developing countries (Chakravarty, 2013; Jayabal & Soundarya, 2016).

Marketing problems like competition, middlemen; and management problems, like, lack of knowledge on ICT (Information and Communication Technology), legal formalities, modalities for procurement of raw materials (Dilip, 2014), and poor quality products have been proven to be a great difficulty for budding entrepreneurs in most rural areas (Gladwin, et al., 1989; Saxena, 2012; Jayadatta, 2017).

Practitioners are better placed to directly influence some challenges than others, and an awareness of this is crucial for setting realistic programme targets as well as for identifying partner organizations best able to help overcome the challenges. Young entrepreneurs and professionals appear to have different perspectives on the main challenges to youth entrepreneurship in rural and remote areas. Service providers perceive a lack of skills and innovative thinking to be the greatest challenges. Young entrepreneurs consider that their most pressing challenges are a lack of finance and the competitive market environment (Dilip, 2014). This in turn suggests that professionals tend to locate the main challenges to rural and remote youth entrepreneurship within the control of young entrepreneurs. By contrast, young people more commonly feel that the main challenges lie outside of their sphere of influence.

## 3. Methodology

The methodology adopted for the study involved the use of a structured questionnaire to elicit responses from the study samples. The elements in the questionnaire are factors relating to the prospects and challenges of rural youth entrepreneurship found in the studies carried out by previous researchers (Gladwin et al., 1989; Brijesh & Kirit, 2013; Kushalakshi & Raghurama, 2104; Ratan & Dipanjan, 2013) to equally investigate impediments to rural youth entrepreneurship opportunities linked with the hospitality sector in Ihitte-Uboma, Imo State, comprising Amainyinta, Isinweke, and Amainyi-Ukwu communities. A total of 220 entrepreneurs made up the study population, in which a sample size of 141 was determined using the Taro Yamen formula for sample size selection, which is thus stated:

$$n = \frac{N}{1 + N(e)^2}$$

where:

n = sample size

N = finite population

1 = constant

e = correction factor level, or level of significance of error assumed to be 0.05 (Kothari, 2011). Information for specific objectives 'a' and 'c' of this study were obtained through oral interviews and focus group discussions.

## 4. Data Analyses

Data were analyzed in inferential statistics using the Statistical Package for Social Science (SPSS) version 23 (2015), while the null hypotheses were tested for correlation at 0.05 significant level (95.0% confidence interval) using the Paired Sample Correlation and Pearson Correlation Coefficient. The One Sample T-test was also conducted to determine impediments to rural youth entrepreneurship. Decision rule is to accept hypothesis if p-value ≥0.05; otherwise, hypothesis is rejected.

## 4.1 Questionnaire Response Rate

A total of 138 (out of 141) copies of questionnaire were delivered to the respondents which resulted to 97.87% effective sample size.

Up to 118 copies of questionnaire were returned, yielding a raw response rate of 83.69%. Hence, net effective response rate was also 85.51%. Unusable number of responses were six, while total number of usable copies of questionnaire were 112, representing a usable response rate of 81.16% as presented in Table 1.

Table 1: Questionnaire Response Rate

| Total number of surveys                  | 141    |
|--|--------|
| Number not delivered                     | 3      |
| Percentage not delivered                 | 2.13%  |
| Effective sample size <sup>1</sup>       | 138    |
| Surveys returned                         | 118    |
| Raw response rate <sup>2</sup>           | 83.69% |
| Net effective response rate <sup>3</sup> | 85.51% |
| Number unusable                          | 6      |
| Net number usable                        | 112    |
| Usable response rate <sup>4</sup>        | 81.16% |
| Net response rate <sup>5</sup>           | 79.43% |

Survey Output, 2018.

#### Notes:

- 1: Total number of surveys minus number not delivered
- 2: Surveys returned ÷ total number of surveys
- 3: Surveys returned ÷ effective sample size
- 4: Net number usable ÷ effective sample size
- 5: Net number usable ÷ total number of surveys.

Table 2: Age of Respondents

| Range      | -8P   | Frequency | Percent |
|------------|-------|-----------|---------|
| Valid      | 18-25 | 20        | 17.86   |
|            | 26-30 | 28        | 25.0    |
|            | 31-35 | 39        | 34.82   |
|            | 36-40 | 40        | 2232    |
| Missing    |       | О         | 0       |
| iviliosing | Total | 112       | 100     |
|            |       |           |         |

Survey Output, 2018.

Table 4: Nature of Business

|                  |                      | Frequency | Percent    |
|------------------|----------------------|-----------|------------|
| Valid            | Energy Driven        | 48        | 42.86      |
|                  | Non-energy<br>Driven | 64        | 57.14      |
| Missing<br>Total |                      | 0<br>112  | 0<br>100.0 |

Survey Output, 2018.

Table 3: Years of Experience

|         | Frequency | Percent |
|---------|-----------|---------|
| Valid 1 | 3         | 2.68    |
| 2       | 7         | 6.25    |
| 3       | 4         | 3.57    |
| 4       | 12        | 10.71   |
| 5       | 9         | 8.04    |
| 6       | 8         | 7.14    |
| 7       | 12        | 10.71   |
| 8       | 7         | 6.25    |
| 9       | 10        | 8.93    |
| 10      | 40        | 35.71   |
|         |           |         |
| Missing | 0         | 0       |
| Total   | 112       | 100.0   |

Survey Output, 2018.

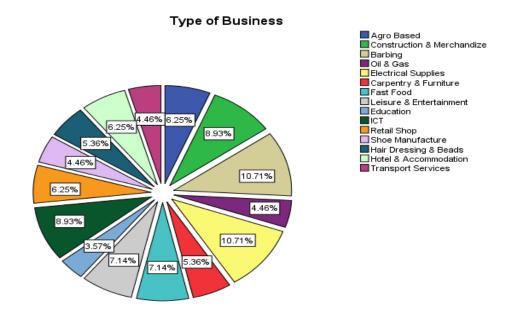


Fig. 2: Available Businesses for Rural Entrepreneurship Having Linkages with the Hospitality Industry. Survey Output, 2018.

Table 5: Profit in Six Months

| \$USD*  |                 | Frequency | Percent |
|---------|-----------------|-----------|---------|
| Valid   | 13:85 – 55 :40  | 16        | 14.29   |
|         | 69:25 - 110:80  | 35        | 31.25   |
|         | 124:65 - 166:20 | 35        | 31.25   |
|         | 180:05 - 221:60 | 20        | 17.86   |
|         | 235:45 - 227:00 | 6         | 5.35    |
|         |                 |           |         |
| Missing |                 | 0         | 0       |
| Total   |                 | 112       | 100.0   |

Table 6: Daily Duration of Energy Supply

|         | •        | Frequency | Percent |
|---------|----------|-----------|---------|
| Valid   | 1-3hrs   | 16        | 33.33   |
|         | 4-6hrs   | 22        | 45.83   |
|         | 7-9hrs   | 6         | 12.51   |
|         | 10-12hrs | 4         | 8.33    |
|         |          |           |         |
| Missing |          | 0         | 0       |
| Total   |          | 48        | 100.0   |

Survey Output, 2018.

Survey Output, 2018.

<sup>\*</sup>Converted from the local currency at 361:01 per U.S Dollar

|                        | Table 7: One-Sample Test (Daily Duration of PHCN Energy Supply) |      |      |        |       |       |  |  |
|------------------------|---|------|------|--------|-------|-------|--|--|
| Daily Duration of PHCN | Test Value = 5  |      |      |        |       |       |  |  |
| Energy Supply          | t Df Sig. (2- Mean 95% CI* of Mean 95% CI* of Mean              |      |      |        |       |       |  |  |
|                        |   | Diff |      |        |       |       |  |  |
|                        |   |      |      |        | Lower | Upper |  |  |
|                        | -23.462   | 47   | .000 | -3.042 | -3.30 | -2.78 |  |  |
|                        |   |      |      |        |       |       |  |  |

Survey Output, 2018.

(PHCN – Power Holding Company of Nigeria).

<sup>\*</sup>Confidence Interval

| Table 8a:                | Paired Samples Corre          | lations (I      | Energy Suppl  | y and Profit) |        |        |        |        |
|--------------------------|-------------------------------|-----------------|---------------|---------------|--------|--------|--------|--------|
|                          |                               |                 | n*            | Correlation   | Sig.   |        |        |        |
| Pair 1 Daily Duration of |                               | PHCN            | 48            | .724          | 4 .000 |        |        |        |
|                          | Energy Supply &               |                 |               |               |        |        |        |        |
|                          | with PHCN Energ               | gy Over         |               |               |        |        |        |        |
|                          | 6 Months                      |                 |               |               |        |        |        |        |
| *sample si               | ze for enterprises using PH   | ICN's ene       | rgy.          |               |        |        |        |        |
| Table 8b:                | Pearson Correlations          | (Energy         | Supply and I  | Profit)       |        |        |        |        |
|                          |                               |                 |               | Daily         |        | Profit | with   | PHCN   |
|                          |                               |                 |               | Duration      | of     | Energy | Over 6 | Months |
|                          |                               |                 |               | PHCN Er       | nergy  |        |        |        |
|                          |                               |                 |               | Supply        | ٠.     |        |        |        |
| Daily D                  | ouration of PHCN              | Pearson         | n Correlation | . 1           |        | .724** |        |        |
| Energy S                 | upply                         | Sig. (2-1       | ailed)        |               |        | .000   |        |        |
|                          |                               | n               | •             | 48            |        | 48     |        |        |
| Profit w                 | rith PHCN Energy              | Pearson         | n Correlation | .724**        |        | 1      |        |        |
| Over 6 Months            |                               | Sig. (2-tailed) |               | .000          | .000   |        |        |        |
|                          |                               | n               | •             | 48            |        | 48     |        |        |
| **. Correl               | ation is significant at the O | 0.01 level (    | (2-tailed).   |               |        |        |        |        |
| Survey Ou                | tput, 2018.                   |                 | ŕ             |               |        |        |        |        |
|                          | _                             |                 |               |               |        |        |        |        |

| Table 9: One-Sample Test (Conditions for Successful Rural Youth Entrepreneurship) |                 |     |          |         |           |           |  |
|---|-----------------|-----|----------|---------|-----------|-----------|--|
| Performance   | Test Value = 25 |     |          |         |           |           |  |
| Conditions for  | t               | df  | Sig. (2- | Mean    | 95% CI of | 95% CI of |  |
| Successful Rural Youth  |                 |     | tailed)  | Diff    | Mean Diff | Mean Diff |  |
| Entrepreneurship  |                 |     |          |         | Lower     | Upper     |  |
| Access to Market  | -303.408        | 111 | .000     | -22.179 | -22.32    | -22.03    |  |
| Availability of Credit  | -247.886        | 111 | .000     | -22.196 | -22.37    | -22.02    |  |
| Compliance to ICT   | -237.783        | 111 | .000     | -22.366 | -22.55    | -22.18    |  |
| Availability of   | -208.797        | 111 | .000     | -22.438 | -22.65    | -22.22    |  |
| Entrepreneurial   |                 |     |          |         |           |           |  |
| Training  |                 |     |          |         |           |           |  |
| Trade Union Support   | -253.731        | 111 | .000     | -22.188 | -22.36    | -22.01    |  |
| Membership of Trade   | -264.298        | 111 | .000     | -22.696 | -22.87    | -22.53    |  |
| Union   |                 |     |          |         |           |           |  |
| Government Support  | -339.425        | 111 | .000     | -22.304 | -22.43    | -22.17    |  |

Survey Output, 2018.

#### 4.2 Discussion of Results

The study was conducted among youth entrepreneurs who are between 18 and 40 years of age. Table 2 shows that 17.86% of the entrepreneurs are between 18 and 25 years, 25.0% are between 26 and 30 years, 34.82% are 31 to 35, while 22.32% are between 32 and 40 years. As much as 35.71% of the respondents have been rural entrepreneurs for up to 10 years, while only 2.68% have less than one year experience of rural youth entrepreneurship (Table 3).

Fig 2 showed a significant abundance of enterprise opportunities for rural youth entrepreneurs in the study area with hospitality and tourism related enterprises (fast-food, leisure and entertainment, hotel and accommodation, and transport services) scoring as much as (a combined) 24.99% representation of business operators, while education has the least representation with 3.57% level of operation by youth entrepreneurs among the 15 business enterprises listed. These businesses, obviously, have linkages with the hospitality sector and, as such, thrive faster with the availability of hospitality products and services, hence their relevance to the economic growth of the rural communities studied. Enterprises that are energy-driven; either by private or public power supply; make up to 42.86% (48) of listed enterprises, while the remaining 57.14% (64) enterprises are not energy-driven (Table 4).

Enterprises that make profits between \$13.85USD and \$55.40USD within six months of operation are 14.29%, while 62.50% made between \$69.25USD and \$166.20USD within the period. About 18% made between \$180.95USD and \$221.60USD, while less than 6% made up to \$227.00USD profit (Table 5). Daily duration of energy supply from PHCN to the energy-driven enterprises has a response of 33.33% for a duration of 1-3 hours, 45.83% for 4-6 hours, 12.51% for 7-9 hours, and 8.33% for 10-12 hours availability of power supply (Table 6). In dealing with specific objectives 'a' and 'c', the study resorted to the use of oral interviews and focus group discussions in which it was discovered that youth entrepreneurship has existed in the study area for a reasonably long time. Similarly, while Table 2 reveals that youths are sufficiently involved in rural entrepreneurship, Table 3 confirms that youth-owned enterprises have thrived for up to ten years in the study area, but not without the numerous encumbrances.

#### Test of Hypotheses

Hypothesis one was tested to check the strength of correlation between PHCN energy supply and profit of enterprises that use PHCN energy over a period of six months. The direction and strength of the correlation is positive and strong, respectively (r = 0.724), which implies a significantly positive correlation between energy supply and entrepreneurship development, viz-á-viz the profit of energy-driven enterprises in the rural communities studied (Tables 8a and 8b). Hypothesis one was therefore rejected since the p-value (p = 0.01) is  $\leq 0.05$ . For hypothesis two, a one-sample test was carried out on daily duration of PHCN energy supply (Table 7), as well as the individual variables that are performance conditions for effective rural youth entrepreneurship development (Table 9) at a 95% confidence interval (0.05 significant level). Result showed a p-value of 0.000 for daily duration of PHCN energy supply and all other individual variables. Therefore, since p-value is  $\leq 0.05$ , hypothesis two was rejected to affirm that impediments exist for rural youth hospitality entrepreneurship in the study area. Moreover, if decision rule was to accept hypothesis if mean one equals mean two, the hypothesis would have still been rejected since mean one (test value) is not equal to mean two (mean diff) of each of the variables in Table 9.

The findings in this research are corroborated by many other findings. For instance, in previous studies, researchers have discovered that the biggest factors holding back the entrepreneurial involvement of youths in venturing into the hospitality sector of developing societies are the poverty cycle, lack of infrastructure and social/cultural factors (Wioletan, 2011; Abi, 2007; Nandanwar, 2011; Martins et al., 2004). While the causes are multiple, the consequences have an enormous negative impact on people and society if not addressed by providing a favourable business climate and may include a lack of confidence in the creative ability of young entrepreneurs, as well as deterrence towards innovation and risk taking (Saxena, 2012; Nwokorie, et al., 2014).

## 5. Conclusion

This study has succeeded in analyzing the challenges and opportunities for rural youth entrepreneurship in the hospitality sector, as well as understanding the importance of rural youth entrepreneurship for poverty alleviation in Nigeria. The study also confirmed that investments with linkages to hospitality and leisure abound for rural youths, in Nigeria, in the areas of agriculture, construction, entertainment, arts and craft, construction, ICT, among others for the purpose of poverty alleviation and rural youth empowerment. However, numerous challenges have been uncovered that are responsible for the poor outings of these enterprises in the rural areas in Nigeria which include; lack of entrepreneurship training, inadequate energy supply, lack of access to credit from financial institutions, poor access to market, infrastructural deficit, and so on. The null hypotheses tested exposed the factors for unsuccessful rural entrepreneurship as elicited in the framework for the study. One major encouraging situation is that with affirmative action from all stakeholders in the local economy, the challenges of rural youth entrepreneurship in Nigeria can be surmounted to enable a conducive business environment which will enhance business expansion in rural areas, thereby improving the livelihood of the rural dwellers and reducing the rate of rural-urban migration.

#### 5.1 Recommendations

1. Most rural youth entrepreneurs lack the requisite training and know-how to do business (especially in the area of ICT), and this has been a major reason for lack of expansion. Regular entrepreneurship training should be scheduled by relevant government and non-governmental agencies to encourage and motivate youth entrepreneurs, as well as acquire new technological skills to face the challenges of global business dynamics.

- 2. Government should live up to its role of provision of adequate infrastructure in rural areas in terms of road networks, and most especially, energy supply. This is because most business enterprises offered by rural entrepreneurs are hinged on energy supply for operation and survival; and poor energy supply has been a major reason for business failure for most entrepreneurs. To this end, government should enlist the services of private (solar) energy corporations for investment interests in rural communities where there is no national grid.
- 3. Trade associations/unions should encourage their members, who are rural youth entrepreneurs, by assisting them in the areas of training and access to finance in banks for credit facilities. They should equally reach out and encourage other non-member youth entrepreneurs in rural areas to join trade associations, so that they may be exposed to associations' activities and other opportunities derivable from membership of trade unions.
- 4. Rural youth entrepreneurs should also be encouraged by granting them free access to markets, both by government and trade associations over a period of time while their businesses stabilize.
- 5. Financial institutions should moderate stringent conditions attached to access to credit for rural entrepreneurship. The federal and states' ministries of commerce should establish a liaison between financial institutions, trade associations, and relevant government agencies for supervising and monitoring entrepreneurs in the event of collection of credit, for efficient utilization of the funds and effective repayment within the stipulated period.
- 6. It is necessary for government to set aside a dedicated and sustainable rural youth entrepreneurship assistance fund to serve as an intervention and emergency project for assisting rural youth entrepreneurs and ensuring that enterprises in the rural areas do not collapse.
- 7. Government can equally encourage rural youth entrepreneurs by organizing annual entrepreneurship award programmes, in various categories, for rural youth entrepreneurs as a way of ensuring the sustainability of business ventures in rural communities.

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