

Entrepreneurship Disruption and Economic Sustainability in Nigeria

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Abstract: *This study investigated effect of entrepreneurship disruption on economic sustainability in Nigeria. Ex - post factor research design was employed in the study. Time series data spanning from 2000 to 2023 on Nigeria economic sustainability were retrieved from Central Bank of Nigeria Statistical bulletin. This represents pre and post 2016 data on variables studied. Three distinct objectives, research questions and hypotheses were formulated to guide the study. Data from the study were analyzed using tables and frequencies. The hypotheses were tested using pair wise t - test. The study found that entrepreneurship disruption had no significant influence on Nigeria real GDP, unemployment rate and inflation rate. We therefore conclude that entrepreneurship planning and development need to be made to meet Nigeria economic sustainability goals. The study thus recommends reappraisal of entrepreneurship skills acquisition training in Nigeria tertiary institutions and other skills acquisition centers to ensure economic sustainability.*

Keywords: entrepreneurship, entrepreneurship disruption, economic sustainability.

INTRODUCTION

It is the global trend today for startups and entrepreneurship to lead in transformation of nations' economic landscape, especially in developing countries and emerging markets. This is achieved through planned and conscious changes enhanced by innovative solutions developed by entrepreneurial communities across the globe. These initiatives are not only impacting people's lives positively but also contribute to sustainable development of these nations. The Global Entrepreneurship Monitor, 2024/ 2025 findings revealed that the relationship between entrepreneurship and sustainability is positive and symbolic. In the same vein, Riti and Kamah (2015) aver that entrepreneurship is of immense importance to every developing economy. Massouati and Abdelbaki (2022) affirm that entrepreneurship is a strategic lever for development of society through creation of wealth, jobs and fight against unemployment. More so, United nations General Assembly Report (2024) recognized the invaluable contributions of entrepreneurship to sustainable development through creation of jobs, promotion of decent work, inclusive economic growth,

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innovativeness, societal improvement and addressing economic, social and environmental challenges in the context of the 2030 agenda for sustainable development. Botha et.al (as cited in Smith and Chimucheka, 2014) affirmed that entrepreneurship education enhances entrepreneurial activity in every nation. Education has always been the backbone in building formidable youth population with problem solving mindset and innovativeness. When young minds are trained early in their career lives to take up these challenges, the result is always magnificent.

It is based on this backdrop that the Federal Government of Nigeria through the Federal Ministry of Education and National University Commission made it compulsory in 2010 for all tertiary institutions to include skills acquisition courses in their curriculum. This is aimed at equipping graduates with entrepreneurial mind-set to become self employed and employers of labor on graduation. Six (6) years into its adoption, the effect is expected to start manifesting, especially on growth and economic development of Nigeria. Earlier authors and researchers investigated effects of entrepreneurship on economic sustainability with mixed findings. Ibeenwo (2018), Dauda and Olawale (2022), Adebayo (2015) demonstrated that there is a close link between entrepreneurship and economic growth and development; while Efughi (2019) study found that not all entrepreneurial activities ensures transformational changes and diversification for sustainable economic development. Ezeanokwasa, Nwagbala, Nwachukwu and Ani (2023) found a positive relationship between entrepreneurship disruption and business sustainability in Nigeria. In a recent study, Ogunkokoya and Osikoya (2023) found that there is a close relationship between entrepreneurship and sustainable development. The literature reviewed also revealed that there has not been empirical assessment of skills acquisition initiatives in Nigeria, as such study will instigate a reappraisal given that since the initiative was inaugurated, the economy has not shown any positive growth signal. In view of this paradox, this study intends to assess the pre and post era of entrepreneurship skills acquisition training courses in Nigeria tertiary institutions, and the disruptive effects on Nigeria economic sustainability. At the end of the study it is expected that the recommendations made will be useful for entrepreneurial policy initiatives in Nigeria, which will ensure employability and consequent economic growth and development.

Objectives of the Study

The broad objective of the study is to investigate the effect of entrepreneurship disruption (as seen in introduction of entrepreneurship courses in Nigeria tertiary institutions) and Nigeria economic sustainability. Based on this, the following specific objectives were advanced.

- a) To investigate the influence of entrepreneurship disruption on Nigeria real GDP.
- b) To assess the effect of entrepreneurship disruption on Nigeria unemployment rate.
- c) To explore the impact of entrepreneurship disruption on Nigeria inflation rate.

Research Questions

In keeping with the objectives of the study, the following research questions were introduced to guide the study.

- a) What is the influence of entrepreneurship disruption on Nigeria real GDP?
- b) How does entrepreneurship disruption affect Nigeria unemployment rate?
- c) To what extent does entrepreneurship disruption impact on Nigeria inflation rate?

Research Hypotheses

- a) Entrepreneurship disruption does not have significant influence on Nigeria real GDP.

- b) Entrepreneurship disruption does not have significant effect on Nigeria unemployment rate.
- c) Entrepreneurship disruption does not have significant impact on Nigeria inflation rate.

Conceptual Review

Entrepreneurship: Entrepreneurship is an invaluable economic factor that contributes to economic growth and development. The definition of entrepreneurship does not exist from the standpoint of homogenous theory of entrepreneurship (Campbel as cited in Gamel, 2014). Neoclassical theory of general equilibrium asserts that entrepreneurs are purely rational decision- optimizing managers. Entrepreneurship can thus be explained from the standpoint of market disequilibrium, since such encourages business startups (Dean, Meyer & Decastro as cited in Gawel, 2014). Hence, entrepreneurship can be seen as a state of disequilibrium.

In literature, entrepreneurship is explained from three traditional view points: F. Knight, J. Schumpeter and Australian School. The first approach sees entrepreneurs as risk takers; the second points at innovativeness of entrepreneurs and finally from the standpoint of Australian School an entrepreneur recognizes the opportunity in the market place and takes advantage of it (Kirzner, 1997). Entrepreneurship thus refers to the art of identification of opportunities and development of new products, processes and services with the aim of making profits and generating economic growth (Ezeanokwasa et.al, 2023).

Entrepreneurship disruption: Disruption involves a major change in ideas, products or services that disrupts the status quo, such changes maybe positive or negative. Disruption challenges the traditional systems by creating new opportunities for entrepreneurial innovations, growth and success. Entrepreneurship disruption is characterized by innovation, displacement, market creation and paradigm shift. In its positive sphere, entrepreneurship disruption creates new opportunities, improves customer experience, drives economic growth and fosters innovation.

Economic Sustainability: Economic growth is a measure of size of the country's economy, measured by total production of goods and services in the economy, which is termed gross domestic product (GDP). When the gross domestic product is at increment over a long period and shows indication of positive growth in the future; such economy is deemed sustainable, especially when it has ability to bounce back from shocks and stress (Mutisya, 2015). Sustainability has three pillars: environmental, social and economic, but its definition is rather vague and to measure it, is difficult. Economic sustainability thus describes a set of indices that ensures economic prosperity without negative impact on social, environmental and culture of the people.

Many authors and researchers due to the fluidity in *the* concept of sustainability have different measures for its description. This study sees economic sustainability to mean sustained growth in gross domestic product (GDP), employment rate and inflation rate. When real GDP is at increase and unemployment rate and inflation rate is at decline rate, the standard of living of the people will also be high, and such economy is sustainable. According to Agogbua, Mgbatogu and Nzewi (2022), economic growth represents expansion in jobs and income, sustainable productivity and increase in overall well- being of average citizenry and their quality of life.

Empirical Review

The concept of sustainability is a household name as seen from preponderance of literature on the subject. This is attributable to dire need of mankind to save the planet from anthropogenic occurrences, which threatens mankind. Entrepreneurship has been appraised by researchers and authors to have positive effect on economic sustainability (Jacobs, 2019). Adeboye (2015) investigated the effects of entrepreneurship in fostering economic growth and development, using narrative textual case (NTCS) method. Simple percentages, graphs and charts were used to analyze the collated secondary data. The study found that entrepreneurship can enhance economic development primarily by generating employment and fostering growth of micro, small and medium enterprises in Nigeria.

Dauda and Olawale (2022) studied the role of entrepreneurship education in Nation's development and economic sustainability. This paper took a theoretical standpoint, highlights the problems and solutions of entrepreneurship education, the implications of entrepreneurship education on economic sustainability. The paper concluded that entrepreneurship education is pivotal to nation's development and called for improved entrepreneurship education in Nigeria. The study recommended need for policies on entrepreneurial development through provision of adequate business environment where entrepreneurship thrives with its consequent economic sustainability enhancement.

Ibeenwo (2018) explored the entrepreneurship role in sustainable development in Nigeria based on Dangote phenomenon. A qualitative research design was adopted in the study. Empirical literature and closer study of Dangote group provided sufficient source of information for the study. Data for the study were analyzed qualitatively by exploring issues from multiple sources including observation, interviews, documents, newspapers and records. The study found that entrepreneurship when properly articulated ensures sustainable development. Efughi (2019) investigated entrepreneurship and disruptive innovation for sustainable economic development. The study using a theoretical research design reviewed the concept of entrepreneurship and disruptive innovation as important drivers of economic growth and development of nations. The paper in its concluding remarks stated that not all entrepreneurial activities ensure transformational changes and diversification for sustainable economic development.

Theoretical Framework

It is a general opinion that entrepreneurs contribute immeasurably to economic processes, but its studies have been dominated by neo- classical economists who in all assume inexistence of entrepreneurs (Smith and Chimucheka, 2014). There are different schools of thought on entrepreneurship theories. These are different views on the subject matter, which are based on three varying perceptions on meaning and what entrepreneurs do. However, a good explanation of role of entrepreneurship in economic growth focuses on economic theories of entrepreneurship; which include: X- efficient theory, Hayek and Kirzner theory on market processes, the knight on the role of uncertainty and Schumpeter's theory on innovation.

This study is anchored on Schumpeter's innovation theory of entrepreneurship, which theorizes the entrepreneur as the prime mover of economic development; as innovator, that engages in creative destruction to the economy by transforming production processes efficiently. He stressed that an entrepreneur changes technological possibilities, alters convention through innovation and removal of production constraints. Hence, Schumpeter sees an entrepreneur as catalyst that disrupts a static economy

Publication of the European Centre for Research Training and Development-UK and sustains developmental processes. In affirmation, Chauhan (2023) affirms that Schumpeter's views are relevant for developing economies where there is need to encourage innovation.

METHODOLOGY

Ex-post factor research design was used in the study. The scope of the study is from 2000 to 2023 (23 years). 2016 was used as the borderline between pre- and post entrepreneurship disruption in Nigeria. The researcher believes that with inclusion of skills acquisition courses in 2010 by all tertiary institutions in Nigeria, the effect will start trickling in, six years after, which is 2016. Data for the study were secondarily sourced from Central Bank of Nigeria (CBN) periodic reports (2023), analyzed using tables and frequencies; and hypotheses were tested using pair- wise T test with the help of Statistical Package for Social Sciences (SPSS).

Data Presentation

Table 4.1. Data of Inflation, Unemployment and Gross Domestic Product from year 2000- 2023

Year	Inflation	Unemployment	GDP
2000	6.93	3.95	579956.6
2001	17.6	3.94	126323.8
2002	18	3.88	136470
2003	18.1	3.9	1299071
2004	18.1	3.91	1411066.9
2005	12.8	3.87	14572295
2006	12.5	3.86	18564594
2007	12.5	12.7	20657317
2008	17.5	12.7	23842171
2009	17.5	14.9	24790238
2010	14.1	19.7	29205703
2011	10.8	21.1	63713360
2012	12.2	23.9	72599630
2013	8.5	24.1	81009900
2014	8.1	24	90156980
2015	9.1	27	90156980
2016	15.7	8.45	92016980
2017	16.5	8.46	102684410
2018	12.1	8.45	276137400
2019	11.4	8.53	283205380
2020	13.25	33.3	284201380
2021	17.1	36	291510141
2022	18.85	37.2	297500140
2023	24.66	38.6	298510310

Source: Central Bank of Nigeria Statistical Bulletin 2023

Data Analysis and Empirical Model Specification

This analysis was carried out using a non-parametric statistical tool of analysis to determine the difference between two means-the pre- and post effect of introduction of entrepreneurship skills acquisition in Nigeria Tertiary Institutions. Economic Sustainability descriptively explains the differences in the

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performance variables and inferential statistics of paired sampled t-test was employed to test the formulated hypotheses. The test of significance between the two means was carried out with the calculated t-value, thus:

$$t = \frac{x_1 - x_2}{\sqrt{\frac{s_1^2}{n_1} + \frac{s_2^2}{n_2}}} \quad (1)$$

Where:

PRE_INF= Mean of Pre- inflation

POST_INF = Mean of Post-inflation

PRE_UNEP= Mean of Pre-Unemployment

POST_UNEP= Mean of Post-Unemployment

PRE_GDP = Mean of Pre-Gross Domestic Product

POST_GDP = Mean of Post-Gross Domestic Product

N₁ = number of pre- years

N₂ = number of Post- years

The calculated P-value (significant level) is compared with 0.05 level of Significance

Decision rule

Accept Ho if Calculated P-value > 0.05.

Reject Ho if Calculated P-value < 0.05.

Test of hypotheses

Test of hypothesis One

Using the output of Table 4.2, and applying the difference of two means (for a small sample size), the hypothesis below was tested. The hypothesis tested here states as follows;

H₀₁: Entrepreneurship disruption has no **significant** influence on Nigeria real GDP.

H_{A1}: Entrepreneurship disruption has **significant** influence on Nigeria real GDP.

Using SPSS software for calculation, we have it as:

Table 4.2: Paired Sample Test

Paired Samples Test									
		Paired Differences					t	d f	Sig. (2- taile d)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pa ir 1	PRE_G DP - POST_G DP	- 171732588.7 2500	91009375.7 4173	26272143.7 9163	- 229557187.3 3418	- 113907990.1 1582	- 6.5 37	1 1	.000

Decision: Reject HO if Probability attached to $t_{cal} < 0.05$; Accept HO if Probability attached to $t_{cal} > 0.05$.

Since $0.000 < 0.05$; we reject Ho and accept Ha to conclude that: Entrepreneurship disruption has no **significant** influence on Nigeria real GDP.

Test of hypothesis Two

Using the output of Table 4.3, and applying the difference of two means (for a small sample size), the hypothesis below was tested. The hypothesis tested here states as follows;

H0₂: Entrepreneurship disruption does not have significant impact on unemployment rate in Nigeria.

Ha₂: Entrepreneurship disruption has significant impact on unemployment rate in Nigeria

Using SPSS software for calculation, we have it as:

Table 4.3: Paired Sample Test

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	PRE_UNEP - POST_UNEP	.74750	6.98435	2.01621	-3.69014	5.18514	.371	11	.718

Decision: Reject HO if Probability attached to $t_{cal} < 0.05$; Accept HO if Probability attached to $t_{cal} > 0.05$. Since $0.137 > 0.05$; we accept Ho and reject Ha to conclude that: Entrepreneurship disruption does not have significant impact on unemployment rate in Nigeria.

Test of hypothesis Three

Using the output of Table 4.4, and applying the difference of two means (for a small sample size), the hypothesis below was tested. The hypothesis tested here states as follows;

The hypothesis tested here states as follows;

H0₃: Entrepreneurship disruption has not brought down inflation rate in Nigeria.

Ha₃: Entrepreneurship disruption has brought down inflation rate in Nigeria.

Using SPSS software for calculation, we have it as:

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	PRE_INF - POST_INF	.74750	6.98435	2.01621	-3.69014	5.18514	.371	11	.718

Table 4.4: Paired Sample Test

Decision: Reject HO if Probability attached to $t_{cal} < 0.05$; Accept HO if Probability attached to $t_{cal} > 0.05$. Since 0.371 is greater than 0.05 ; we reject Ho and accept alternative hypothesis and conclude that : Entrepreneurship disruption has not brought down inflation rate in Nigeria.

RESULTS

1. Entrepreneurship disruption has no significant influence on Nigeria real GDP.
2. Entrepreneurship disruption has no significant impact on unemployment rate in Nigeria
3. Entrepreneurship disruption has not brought down inflation rate in Nigeria.

CONCLUSION

This study which was meant to assess inclusion of entrepreneurial skills acquisition courses in the curriculum of Nigeria tertiary institutions, investigated the pre and post impact of the initiative on economic sustainability of Nigeria. Economic sustainability was indexed as sustained growth in gross domestic product (GDP), employment rate and reduction in inflation rate. The finding revealed that inclusion of skills acquisition courses in curriculum of Nigeria tertiary institutions does not impact positively on Nigeria economic sustainability. We therefore conclude that adequate entrepreneurship planning and development are essential for meeting Nigeria economic sustainability goals.

Recommendations

1. The Nigerian government needs to provide adequate business environment that enables nascent entrepreneurial emergence which ultimately would contribute to national economic growth and development.
2. The tertiary education policy makers need to encourage synergy amongst educational institutions and skills acquisition centers in Nigeria for a comprehensive curriculum on skills training which ensures that graduates get equipped for enterprise creation for self employment and employment creation.
3. Policy makers on entrepreneurial start- ups need to encourage inward looking ventures to avoid imported inflation into Nigeria as a result of high exchange rate. This will go a long way at reducing inflation in Nigeria.

Recommendations for Further studies

1. There is need to reassess entrepreneurship courses taught in Nigeria tertiary institutions and other skills acquisition centers to ensure they address Nigeria sustainability needs.
2. Further studies may address other economic sustainability indices, for examples: Index of sustainable Economic Welfare (ISEW), Genuine Progress Indicator (GPI) and Sustainable Society Index (SSI)
3. Other studies may investigate the pre and post entrepreneurship disruption of Nigeria sustainability; incorporating social, economic and environmental sustainability.

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