SOLUTIONS TO ENTREPRENEURS PROBLEMS IN NIGERIA

A COMPARISON WITH SWEDEN

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ABSTRACT
This research aims at pointing the problems associated with entrepreneurship business in Nigeria using Sweden as a role model where most entrepreneurs record more success than in Nigeria, it then concludes with the solution to achieving success by Nigerian entrepreneurs. Our source of data was from qualitative method of data collection. Both the primary and secondary source of data were used. We used unstructured and semi structured question for our interview to find answers from our respondents. Respondents were from both Nigeria and Sweden.

It was observed that there were much difference in the problems of entrepreneurs in the two countries. In the case of Nigeria, access to finance, political instability, technological set back, marketing problems, and infrastructural issues were major problems to entrepreneurship developments. While in Sweden, the respondents only complained of not making huge profits due to the high tax rate.

The study concludes with recommendations on the need of the Nigerians and Nigerian authorities to emulate from the Swedish authorities to put an effect that will promote and sustain the growth and development of entrepreneurship in Nigeria which can be achieved by effecting strategic measures to maintain enabling and sustainable environment for Entrepreneurs for them to record more success as well boost the economic growth of the country.

**Keywords:** Entrepreneurship Business, Entrepreneurs, Developing Countries, Developed Countries and Problems, Success.
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<tbody>
<tr>
<td>CAC</td>
<td>Corporate Affairs Commission</td>
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<tr>
<td>CBN</td>
<td>Central Bank of Nigeria</td>
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<td>ICT</td>
<td>Information and Communication Technology</td>
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<td>NBC</td>
<td>Nigerian Bank for Credit</td>
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<td>NERFUND</td>
<td>National Economic Reconstruction Fund</td>
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<td>PHCN</td>
<td>Power Holding Company of Nigeria</td>
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<td>SBA</td>
<td>Small Business Administration</td>
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<td>SME</td>
<td>Small Medium Enterprise</td>
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<td>SMEDAN</td>
<td>Small and Medium Scale Industries Development Agency Nigeria</td>
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<td>UK</td>
<td>United Kingdom</td>
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<td>US</td>
<td>United States</td>
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<td>SON</td>
<td>Standard Organisation of Nigeria</td>
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<td>NAFDAC</td>
<td>National Agency for Food and Drug Administration and Control</td>
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<td>CITA</td>
<td>Companies Income Tax</td>
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<td>HAS</td>
<td>Human Apprenticeship Schemes</td>
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<td>ETDP</td>
<td>Entrepreneurs Training and Development Programme</td>
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1 Chapter One

1.1 Introduction

Being successful has become a problem among entrepreneurs in Nigeria. To this effect, having witnessed how successful entrepreneurs are in Sweden, we see the need to research on how to have a successful entrepreneurship in Nigeria looking at Sweden. Success in business according to a website definition means the sense of fulfillment and accomplishment or finishing point one has in a business career which has other dimensions for business owners that is not only having financial or monetary remuneration but fulfillment in ones career.

In both developed and developing countries, small and medium size enterprises as well as entrepreneurship plays significant roles modifying rural and urban areas, generating income and contributing to employments generation. (Hallberg, 2000, Williams 2006). Having known the significant prospective of Entrepreneurship in fetching economic and social development which is supposed to be the concern of the government of various countries globally. Nigeria popularly known as the “Giant of Africa” is a country that has the highest population in the continent of Africa, accounting for fifteen percent of Africans population, also contributing about eleven percent of Africa’s total output and sixteen percent of its foreign reserves. Nigeria has been at the fore front of the resolution of many political challenges in Africa. Nigeria is accountable for half of the population and more than two third of the output of West Africa. She is blessed with millions upon millions of acres of cultivatable land, possesses about 38.5billion barrels of stated oil reserves, very great portion of gas reserves, varieties of unexploited mineral, adding to a very large asset of human capital because of its estimated statistics of over one hundred and fifty million. Various developed countries government implements policies that are favorable as well as programmes to improve the older ways of making profit in the business, also encouraging people to venture into entrepreneurship.

Nigeria is still far away in achieving the economic progress needed to influence or better the well being of an average Nigerian citizen where more than half of the populations still live on a dollar daily, and they are among the top three countries in the world with largest number of poor people.
1.2 BACKGROUND

Entrepreneurs are significant because they have important effect on world economy, Wickham (2004). An entrepreneur is an innovator, someone who transforms innovations and ideas into economically viable entities; independent of whether in the process she creates or operates a firm (Baumol 1993). However, when the firm has been created, sometime they do not meet a practicable sustainability; they are often times faced with problems and when the problems occur, the entrepreneurship is logically affected not only economically but also mentally and emotionally. Mambula & Sawyer (2004) described that the strategies for meeting up development goals in this new millennium and in Africa cannot overlook the important role of entrepreneurship and small businesses as the engine for growth. Lazarus’ Cognitive Appraisal Theory states that when faced with a problem or situation people "appraise" or perceive it in different ways. Entrepreneurship in Nigeria really needs attention from different sectors to help in every angle of its operation as it is one of the contributors of economic and social development in most developing and developed countries. The entrepreneurship business contributes to the economic and social development, bringing about employment opportunities. The governments in developed countries help entrepreneurs with policies, plans and programmes in turning around the old practices involved in setting up and operating their businesses. The attention given to entrepreneurship policy has being heightened by research on importance of new firms to economic renewal, dynamism and efforts to measure or standardize entrepreneurial activity levels across nations. These bodies of work details, and strengthens the deprecative contribution of new firms to job creation, innovation, productivity and economic growth. There are existing attestations that new firms and some fast growing businesses have been responsible for important set of revenues and new jobs. Between 1997 and 1998, 45% of gross new jobs in Australia was created by new firms (Australian Bureau of Statistics, 1999); between 1994 and 1998, start-up and high growth companies generated more than 80% of new jobs in the Netherlands.

In Nigeria, according to Odeyemi (2003), there was an estimate of more than seventy percent of the entrepreneurship and small scale industries’ employments in the
country and more than fifty percent gross domestic product created by entrepreneurship and small scale business. Entrepreneurship businesses easily have the tendency to either “failure” or “success”. An amount of entrepreneurs also have the tendency to survive the cause when it results to failure. These causes or factors such as economic recession, lack of access to credit facilities especially from financial institutions, lack infrastructure, corruption and lack of support from government, and more, results to failure. In as much as there are many factors which challenge the survival and growth of entrepreneurship business both in developing and developed countries, fund has always been known as one of the most important factor among the problems of entrepreneurs. The access to finance gives entrepreneurs great opportunity in developing and operating their businesses and to get better technologies for production, guaranteeing competitive advantage. Ekpeyong (2002) wrote that the Nigerian government tried to support the entrepreneurship and small business enterprise by creating the public sector; a part of the social and economic of the society. This sector established business that serves other businesses (agencies) such as Nigerian Bank for Credit (NBC) and Commerce, and Export Stimulation Loan Scheme, National Economic Reconstruction Fund (NERFUND), Peoples Bank, Community Bank, etc. which was created to stand as pillar of support to small business operators when facing financial challenges such as borrowing money in setting up or growing their businesses, as well as organizing training programme for people who have interest in going into any type of business in Nigeria. Aiyedun (2004) wrote that governments should offer adequate enabling environment for the private sector to invest and run in a free market system. Aiyedun (2004) also emphasized that in Nigeria, micro and entrepreneurship or small business enterprises (restaurants, beverages, café and bakeries, services) by the nature of their activities and locations, often go against some laws like health and hygiene laws, traffic rules e.t.c. This infringement of law by entrepreneurs/small business enterprises in Nigeria often give opportunity to government officials like the police, Standard Organizations of Nigeria (SON), National Agency for Food and Drug Administration and Control (NAFDAC) to frustrate defaulters, through defaulters charges which sometime becomes a burden to them and mostly when not paid up on time causes the authority to seize belonging pertaining to their business operations or even going as far as withdrawing license to run the business in question depending on the cause of the conflict.
From the lectures in an International Economics lecture, we learnt that in developed countries entrepreneurship flourish well as a result of their government and other business incubator’s involvement in providing good jointed segments of programmes in providing money and acquisition of skills for people who have interest to develop their own business, also for already existing businesses. In developed countries, government and different business incubators greatly support the entrepreneurship and small business operators because the achievement of better economies is owed to the contribution of people or group of people who are into entrepreneurship or small scale businesses.

1.3 STATEMENT OF PROBLEM

A research carried out by Nigerian authors, Okpara and Wynn (2007), on small business development showed that the rate of their failure in developing countries are higher than in developed countries. Carter and Jones-Evans (2006) stated that the strategic problems of entrepreneurs include lack of financial resources, marketing problems and customer concentration, management and human resources, lack of systems and controls, and technology skills. There are few studies on entrepreneurship and company management especially in Africa where most of the entrepreneurial firms are very small and run in informal sector (Kiggundu, 2002). In Africa entrepreneurs experience difficulties in developing and sustaining effective organizational arrangement especially as the business moves from the informal to the formal sector when it faces external threats like new technology and, fluctuation in the political and macroeconomic environment, during succession or when facing regional or global competition. In Nigeria, Okpara and Wyn (2007), Arinaitwe (2002) wrote that scholars have pointed out that setting up a business enterprise is uncertain and cautioned that the probability of small-business owners to succeed it past the five years is not certain. Arinaitwe wrote that entrepreneurs will be faced with the risks of lacking satisfactory managerial skills, technical know-how and legislature to back up against market competition, lack of capital and in-accessibility of loan to run the business. In Nigeria, the policies guiding loans in some financial institution are not favorable to entrepreneurs, they are now left with the only option of getting loans with high interest rate thereby putting their business at the risk of breaking down, adding to other problems they encounter in their businesses. Nobert Ileh, quoting Okpara and Wynn wrote that Nigeria entrepreneurs and small medium
enterprises are faced with the risk of lacking management skills, financial resources, bad location, laws and regulations, poor economic conditions, etc. They make wrong decision as a result of poor information system, lack of formality, incompetence in using or assessing and affording new technological development that brings innovations. The problem accordingly is to arrive at how Entrepreneurs in Nigeria can be optimistic about being successful and sustainable in entrepreneurship comparing them with Entrepreneurs in Sweden.

1.4 RESEARCH PURPOSE
The purpose of this research is to provide strategic guideline for successful entrepreneurship in Nigeria, gleaning from the thriving entrepreneurship in Sweden.

1.5 RESEARCH OBJECTIVES
i. To explore strategies for achieving successful entrepreneurship in Nigeria.
ii. Effective execution of identified measures to achieve practical result in Nigeria.

1.6 RESEARCH QUESTIONS
i. What are the factors responsible for successful entrepreneurship in Sweden?
ii. What measures can be adopted to boost entrepreneurship success in Nigeria?
CHAPTER TWO

2.1 LITERATURE REVIEW

The theoretical framework of the current study foregrounds the basis of discussion for this chapter. This review points at explanation of some entrepreneurship terms and accounts on important words of the review. It also gives the different definitions of entrepreneurship, problems in business and other key words in the work from other researchers as well as outlining the process of setting up and operation of entrepreneurship. In developed countries, the importance of small, entrepreneurial firms rests in their contribution to employment (Birch 1979), innovation, and competitiveness (Porter 1990; Schumpeter 1942). In developing countries, enterprise creation is a vital element in economic development (Kennedy 1980; Drucker 1995). Although small firms have low market influence individually (Dickson 1997), collectively they have the potential to contribute to national wealth and generate economic growth.

2.2 THE DEFINITION AND CONCEPT OF ENTREPRENEUR AND ENTREPRENEURSHIP

There are lots of literatures on what entrepreneurship is all about. Davis in 1983, as stated in Igbo (2005) regards entrepreneurship as the conception and operation of one’s own business. Timmons in 1987 also stated in Igbo (2005), regards it as the conception, construction and allocation of something of value from virtually nothing to individual, organization, groups and society. He concluded by stating that it entails setting up and organizing small business ventures by mobilizing people and resources to meet people’s desires. The changeable world and the fact that entrepreneurship is studied in different disciplines make its definition unclear. Landström (2005) wrote that entrepreneurship is discovering new business possibilities in the market which can be individual or people who start business based on an entirely new products or services; also establishment of more handicraft or services oriented business with more imitative products and services. Shane (2003) described entrepreneurship as a process that involves seven different stages which are: existence of opportunity, discovery of opportunity, decision to exploit
opportunity, resource acquisition, entrepreneurial strategy, organizing process, performance.

According to Schumpeter (1995), entrepreneurship is a progression of change where innovation is the most very important function of the entrepreneur. It is the necessary requirement for economic development in a without charge venture or mixed economy where innovation is the starting point of development. Entrepreneurship is the willingness and the ability of an individual to seek investment opportunities, set up and run an enterprise successfully. The Oxford advanced dictionary of current English (Hornby 1975), defined entrepreneurship as the ability to organize a business undertaking and assume the risks for the sake of profit, also as the willingness of one to start, control and direct the processes of production of goods and services and bear the risks too. Entrepreneurship is plainly continuous process of combining resources to produce new goods or services, suffices to say that entrepreneurship is all about change which we see as one of the major characteristics of an entrepreneur who as well search for change, responds to it and exploits it as an opportunity.

Entrepreneurs introduce new products and ideas, establish unknown needs, and create employments as well make wealth available in the economy.

Boettke et al (2009) and Wennekers and Thurik (1999) stated that the growth of economy will not be understood if the true agents of change known as an entrepreneur is removed from the process. The development of entrepreneurship has become a global phenomenon since it is perceived as the sure-way solution out of poverty. Entrepreneurship is about change which they regard as healthy and see as reference point against which other things will be evaluated in business. This is based on the activities and change, entrepreneurship is also defined as the willingness and ability of a person, or a firm or an organization to see environmental change as an opportunity and use the factors of production to produce new goods and services which can occur in a new or an already existing business. Entrepreneurship is the practice of taking ideas and inventing an organization for developing the ideas. Entrepreneurship is characterized by innovation and risk taking and essential factor of a nation’s ability to succeed in an ever changing and more competitive global market place. It is the capacity and willingness to undertake conception, organization and management of a productive venture with all co-occurrence risks while making effort to make profit as a reward. An entrepreneur is someone who perceives an
opportunity and creates an organization to pursue it and the entrepreneurial process involves all the functions, activities, and actions associated with perceiving opportunities and creating organizations to pursue them. Entrepreneurship is the process of creating something new and assuming the risks and rewards (Hirsch and Peters, 2002).

In defining entrepreneurship, Shane andVenkataraman (2000,) emphasize that it is a “nexus” that involves entrepreneurial individuals seizing and exploiting lucrative opportunities: “the field involves the study of sources of opportunities; the processes of discovery, evaluation, and exploitation of opportunities; and the set of individuals who discover, evaluate, and exploit them”. In the initial stages of venture creation and launch, entrepreneurs often have to do more with and use what abilities and resources they have at their disposal with a minimum of capital and a maximum of ingenuity and improvisation (Harrison, 2004; Miner, 2001).

The term entrepreneur has been in existence since 16th and 17th century. The word Entrepreneur is gotten from the French word entreprendre, meaning “to undertake”. An entrepreneur is a person who undertakes to sort out, control, manage and assume the risks of the business. Cited in a thesis work, according to the French legal and economic literature, entrepreneur was described as a person who is active and who get things done (Kuratko and Hodgetts, 2001).The entrepreneur is the insistent originator for transformation in the business world. He or she is an independent thinker who has the boldness at all times to be different in an environment of common dealings. There are some similarities and many differences in literature of entrepreneurial research, also, in the characteristics of entrepreneurs. The main point among these characteristics is personal initiative, the ability to combine resources, management skills, risk taking, a desire for autonomy while some other characteristics includes aggressiveness, reality-based actions, opportunistic behavior, competitiveness, goal-oriented behavior, confidence, intuitiveness, ability to learn from mistakes and the ability to use human relation skills. The definition of entrepreneur may be different from economic society to another, because of the nature, development level, politics, economic policy and other socio-economic conditions. In essence, the entrepreneur appreciated risk-taking, innovations, and maximizes opportunities and the range of freedom to perform these functions varies.
for each economy. Especially, it depends mostly on how much the economic policy permits and enhance development of entrepreneurship.

The concept of entrepreneurship is linked with several operations of innovation, risk bearing, identifying the investment opportunities, deciding the opportunity to work excessively hard on how to promote and set up the business enterprise, gathering the scarce resources required for production and distribution, organizing and management of human and material resources to meet up with the set goal.

2.3 PROBLEMS OF ENTREPRENEURS

Entrepreneur’s all over the world face some general problems, however between developing and developed countries variations exist.

2.3.1 Financial Problem

Oshunbiyi (1989:10) wrote that the key problem facing most entrepreneurs in Nigeria is that of lack of finance in new or an already existing business. In his view banks especially commercial banks which we expect to launch platform for financing the development of entrepreneurship or small and medium scale industries by the providing loans have failed to support them adequately. He also wrote that the stiff collateral security demanded by the bank often means entrepreneurs loses the chances of obtaining the loans because they are unable to meet up the demand by the bank which worth more than the amount they want to borrow from the bank. He added that high interest rate charges on loans by banks scares off potential small and medium scale entrepreneurs. Ford (2004) wrote that “one of the factors that divide industrialized economies from those in sub-Saharan Africa is the lack of access to credit. If a small business owner in the Us, Uk or Western Europe has a good business idea or seeking fund to expand an already existing business, he has chances that a local bank will be able to give him loan on reasonable terms.

Carter and Jones-Evans (2006) stated that banks are main source of finance for many different sizes and types of small firms in developed countries like in the UK, example is the result of a survey I centre for business research 1996 which showed that more than 50% of small and medium sized companies are supported financially by banks. Good agreements for financing business, having access to capital and acquaintance with the loaner or loaners exist as essential characteristics to the
success of the business. Mambula (2002) stated that out of seventy-two percent of entrepreneurs he studied in Nigeria well thought-out that lack of finance is a major problem to develop and run their business.

2.3.2 Management Problem

Entrepreneurship provides the basic energy that moves the present market economy as new business around the world encourages competition and economic growth. At the early stage of entrepreneurship, about a quarter has a problem either on time control, setting goals, measuring performance, finding and retaining qualified employees, accessing and getting useful information. Ude (1999) explained that in most developing countries that small business owner have the problem of mastering the art and science of managing their business which have posed problem to economic growth because they pay less attention to acquiring knowledge in managerial skills towards their business. The business management requires competent training in financial control, production, marketing, and leadership. Entrepreneurs need to have management skills to be able to set up and run their entrepreneurship as they need a collection of competencies to manage the running of the business. The management of business requires competent training in leadership, financial control, production marketing, planning, record keeping and more. Lundström (2005) acknowledged that the skills to venture indicate the technical and business situations required for company operation. Entrepreneurs require compilation of proficiency for them to manage the functions like financial control and market management, which require experience and education, research and development.

Akande (1994) explained that management problem has been known as one of the problems in entrepreneurship in Nigeria, even though it is mostly a part that will be played by entrepreneurs but the government still needs to provide training programmes to enhance their knowledge in business management. Entrepreneurs that require management help can turn to many programmes like SBA, management consultants, business incubators, consulting public and university libraries, attending training in developed countries. In developed countries like Sweden, the programmes on entrepreneurship are provided freely for all entrepreneurs and even the aspiring entrepreneurs are encouraged as long as there is good business idea on ground, in 1996, the number of entrepreneurs with post secondary school qualification
increased, around half of those that start new business had post secondary education (NUTEK).

2.3.3 Marketing Problem
Carlson (1991) stated that in marketing conditions, small business enterprises have numerous challenges because of their lack of knowledge for the proper technique related with procedures in marketing. Carlson (1991) further advised that the knowledge and strengthening of small business marketing will benefit from factors like attitude and personality of the owner manager, also the inbuilt pliability and efficiency of small business management.

Baker (1979) and Doyle (1985) classified lack of marketing orientation as a major factor for failure in business. An entrepreneur that does not have the skills or the ideas about marketing in business tends to face marketing problem. Gwen (2003) Ability to cost effectively, advertise and actual selling are two top problems in marketing area. Among other problems in marketing for an entrepreneur are developing a market plan, identifying new opportunities, branding the firm, competition from large businesses, getting positive publicity, identifying the customers, implementing marketing strategies, understanding the customer, overcoming negative perceptions, effectively networking, getting business from large corporation, getting the decision maker, and developing new products and services.

2.3.4 Technology Problem
The technology problem for entrepreneurship has a lot of causes that worsen it. Basic physical infrastructure needed for economic development like good transport facilities, power supply are in a very bad shape in most developing countries consequently posing a problem to entrepreneurship. An example is the damage of equipment as a result of power surges and down time caused by unavailability of electric power during production hours. Cogbun and Adeya (2000) wrote about the weakness of infrastructure for information and communication in most African countries. Right or the ability to use information infrastructure is measured as an essential provision for general socio-economic improvement in this time of globalization and information economy, though these infrastructures are in different level of exhibition in African countries. Aiyedun (2004:4) explained technology as one problem in small business enterprises in Nigeria. Okpara and Wynn (2007)
wrote that it is pathetic that access to internet services, modern information and communication technology is still regarded as accessible to limited categories of people in Nigeria. According to Aiyedun, (2004), promoting entrepreneurship in a country needs government provision of efficient communication, software development, water supply, electric power supply, rural wireless telephony and software development, road networks, vocational training, water supply and boreholes, simple tools and equipment, good telecommunication alternative energy source.

2.3.5 Other Common Problems of Entrepreneurship in Nigeria
Some Entrepreneurship cease to exist within the initial three to six years of its existence while some struggle to survive up to ten years. These are caused by numerous reason which few will be mentioned like lack of infrastructures, irregular power supply, conducive educational and technical environment, lack of research and development, unfriendly fiscal policies, excess taxes and levies rates, inconsistencies of policies, high cost of funds due to high charges from bank in their interest rate, limited access to a long term fund, lack of skill and experience required, insecurity, competition with foreign products, restricted access to market, high cost of production as a result inadequate infrastructure, limited access to a long term fun, poor product quality output, lack of training or development for their staff.

2.3.6 Swedish entrepreneur’s problem
High tax rate.

2.4 ROLE AND SUPPORT OF ENTREPRENEURSHIP AND SMALL BUSINESS ENTERPRISES IN DEVELOPED COUNTRIES
Entrepreneurship raises the living standard of developing countries (Cahna, 2008: Aygari, Beck and Demirgue-Kunt 2003) by creating small to medium sized enterprises that contribute economically to their owners, collectives and the society. According to NUTEK (2004) Swedish industrial policies have habitually pay attention on big enterprise and individual sectors. In the past, policies on industry mainly supported sectors that experienced problems due to structural changes in the economy. Policies of small enterprises and entrepreneurship have grown over the last
two decades and there has been a shift in view from existing enterprises to an increased interest in the processes that contribute to the creation and survival of enterprises. There are reasons which caused the focus of industrial policy to shift more towards entrepreneurship and small enterprises which the major reason is because they have increased greatly as source of employment and economic growth. NUTEK (2004) also emphasized that recent developments have proved that larger enterprises, due to globalization and rationalization of operation, does not create the same number of jobs. The number of entrepreneurs providing employment opportunities exceeds the number in bigger business enterprise. Moreover, the public sector has been cut down in Sweden, thereby reducing its relative share in giving employment, though it is still of importance in the economy. The objectives of the government include, to promote a pleasing institutional precondition for business in general, i.e. rules of the game, access to markets, financial support, etc. This policy change has been primarily in response to new imperatives, and to a marginal extent the evaluations of previous policy measures. In Sweden, especially in small firms in ICT, the small business policy literature has identified specific measures in support of entrepreneurship and small business in high technology sectors that might provide a basis for understanding cross national performance of small business in ICT. These measures include direct financial support to entrepreneurship and small business enterprises, the provision of advisory services to small business enterprises, the education and training of PhDs in science and technology and linkages between entrepreneurship and small business enterprises and publicly funded research institutions (Parker & Rachel (2006). As summarized by Lauder et al. (1994), examples of the difference support for entrepreneurship and small business enterprises are visible in countries like Germany for example allows for subsidized finance of small as well as a lower inflation of interest rate. The interest rate is 2 per cent in the Euro zone and lower in both the US and Japan at under 1 per cent. Tax rates in the UK were reduced also than what entrepreneurs previously paid. The UK has moved even further and the VAT for small business start-ups has been reduced by 4 per cent in the pre-budget report in 2003. Floyd and John (2005) summarized as follows: Small firms and enterprise policy has evolved out of many previous EU policies associated with the industrial policy framework. Recent industrial policy has begun to focus on supply side measures and deregulation in order to complete a single market, this approach was very much clear in the white paper on growth,
competitiveness and employment (European Commission, 1993). There is advice for those wishing to export and use new information technology. Again Floyd and John (2005) “Moreover, there is a European charter for small businesses established in 2002. This is to support a friendly environment for entrepreneurship/small business. The main areas focus around improving skills and education, advice and support on start-ups and streamlining the legal and regulation process for entrepreneurship and small business enterprises. Networking is also encouraged for entrepreneur in order to create knowledge and expertise as well as clustering firms in key sectors in order to create additional benefits and trade. Risk taking and sound management applicable to all business sectors are other key attributes. There has also been a movement in EU countries to simplify taxation procedures and introduce more favorable rates for entrepreneurs. The role and support of entrepreneurship and small business enterprises in developed countries has a great impact in their country’s economy, entrepreneurs have exceeded the large companies in creation of job and innovations.

2.5 ECONOMIC GROWTH AND ENTREPRENEURSHIP

Schumpeter (1951), disputed with numerous authors who in various perspective have elaborated only on the necessity of entrepreneurship to Economic growth but they never agreed on the actual part that entrepreneurs engage in recreation of economic growth.

A nation economic development depends on the successful entrepreneurship combined with the forces of established corporation. Martin Caree (2002) wrote that “In the theory of Economic Development” Schumpeter stated the responsibility of the entrepreneurs as prime cause of economic development. He explained how large firms outstands the smaller firm in innovation and appropriation process through strong feedback loop from innovation to increased research and development activities

In developed economy, the higher education system needs to play important role in research and development, technology, commercialization and education. Also to focus on high value added high technology, innovation and technology (Zoltan, 2007). NUTEK (2004) “Small business sector in Sweden has a key significance in
conditions of employment and economic input, the economic input is about as important as the input to employment”.

For a developing country, a more balanced approach to both the national framework conditions and the entrepreneurial framework conditions is required, depending on where a country is in its path of general economic development it might need to strengthen the condition for or to improve the quality of the entrepreneurial environment for major established firms involving the rule of law, labor, market flexibility, infrastructure, financial market efficiency and management skills mostly to attract foreign direct investment which will provide employment, technology, transfer, exports and tax revenues. Entrepreneurship in developing countries has to concentrate on strengthening its entrepreneurial sector (Zoltan 2007). In the course of it, economists aim to create awareness to the major and mainly used procedures of economic benefit, so as to increase or grow in wealth. Okpara and Wynn (2007) in addition, confirmed in Mamede (2004) that economic growth and development is constantly used as regards to explaining the betterment in social well being of a nation. Wallace (1999) stated that most research studies on African entrepreneurship have agreed that training programs for entrepreneurs have however been in a small number of, and distantly connected and diverse in substance than what is considered necessary. NUTEK (2004), in the previous years, Sweden has been taking a lot of action to better the micro economic climate. Vibrant competitive atmosphere emanated in the course of deregulation of transportation, opening of financial and currency markets, telecom, energy and media industries. There has been enhancement in the strength of local contest, venture capital availability, innovation in companies and quality of science and engineering ability have strengthened Sweden therefore bringing an increase in interest of the youth towards entrepreneurship since the past years.
3 CHAPTER THREE

3.1 METHODOLOGY
A total of twenty-four entrepreneurs were interviewed in both Nigeria and Sweden for the purpose of this research. The businesses owners interviewed are into production, services, and retail. The interview focused on entrepreneurs in Nigeria and Sweden. The explanation of how the data was collected and analyzed will be divided into data collection and data analysis.

3.2 METHODOLOGY APPROACH
In this research, qualitative research method was used which comprises of data that were sourced from primary and literature/theory. This was done through:

- Data collection
- Data analysis
- Direct observation
- Data interpretation

Interviews, physical artifacts, direct observations documentation, archival records, participant observation have been acknowledged as sources of indication that work well in qualitative research scenery Yin (2003). Data were therefore gathered from both primary and secondary sources through interviews, e-mails, phone calls as well as witnesses’ accounts from Nigeria and Sweden. Measures that have been taken to boost and sustain entrepreneurship in Nigeria were also examined. The interviews comprised of empirical data from the Nigeria perspective particularly. The methodology applied in this research included a conduction of interview for Entrepreneurs in both countries eastern, northern, southern and western part. Primary data for the research were gotten through designed questionnaire and interview to entrepreneurs which were unstructured and semi-structured questionnaires.

The respondents were told it’s optional to write their names as well to be very open with their answer to give room for truthfulness in giving answers to the questions. The researchers noticed that different explanations were provided for the problems entrepreneurs encounter in their business.
3.3 RESEARCH TYPE

3.3.1 Primary Data

Primary data are original artifacts, documents, photographs, recordings, diaries, journals, life histories, and etcetera (Bruce 2001). The primary data included in this research comprises of the oral or written testimonies of eye witnesses. The questions administered to entrepreneurs were unstructured and semi-structured and very simple using practical approach in the interview questions in order to get quality information for the research purpose.

3.3.2 Literature/Theory

This included the oral and written testimony of people not immediately present at the time of a given event, and written documents or objects created by others on the research area of interest such as textbooks, journals, articles internet, newspaper stories, and encyclopedias, oral histories of individuals or a group, etcetera. These elements represent a second hand or hearsay account (Bruce 2001). In this research, we gathered information from literatures, libraries, databases, journals, previous researches.

3.4 DATA COLLECTION

Homogenous sampling technique, a type of Purposive sampling method was used in selecting the interviewed entrepreneurship business owners. This was achieved by selecting entrepreneurs within the eastern, western, southern and northern regions in Nigeria and Sweden to ensure that unbiased information concerning the problems of entrepreneurs were collected. A total of 24 entrepreneurs were interviewed, 12 from each country respectively.

The questions administered to entrepreneurs were designed in a concise and precise language to avoid ambiguity, also to arouse the respondent’s interest after being well read out. The questions consisted of unstructured (open ended) which gives room for interaction between the researcher and interviewee looking more like a conversation than interview as that will make respondent feel free as well help the researcher in getting the actual data needed. The questions also consisted of semi-structured (focused) questions, which allowed respondents freedom to answer and elaborate more to the questions in their own words. Its benefits is in order to establish an
understanding and confidence from the interviewee getting an in-depth/detailed perceptions of responses. This was done to allow responses to be gathered in a standard way, bringing out objectivity, and reducing bias.

3.5 VALIDITY AND RELIABILITY

Patton (2001) wrote that the validity and reliability are two features that any qualitative research should focus on when designing a study, judging the quality of study and analyzing result. Alexanderson (1994), in a research stated, that every part of the right thing has to be considered. He stated that in validity, care has to taken that the proper point is calculated and in reliability, that cautious notice need to be made on how it is measured. The reliability and validity of any investigation is depended on the choice of a proper data collection and analytical methods, which are dependent on the problem being, investigated (Saunders et al, 2007).

In this research, the following measures were taken to ensure validity and reliability:

- Peer reviewed articles and materials from other trusted sources were used to research the subject.
- Informed consent was obtained from the respondents and anonymity was encouraged to ensure truthfulness and accuracy in data collection.
- The purpose of the questionnaire was explained before administration.
- The questionnaires were both respondent and interviewer administered; the responses were reread to ensure that the right information was captured.
- The phone calls were recorded for future reference and the questions were translated to Swedish language in order to overcome language barrier, the Swedish copy was however not used as there was no need for it at the time of the interview.
- Also, owners of the entrepreneurship business were directly interviewed because they have been involved in the business from the onset. There was also consistency in the responses from our respondents with regards to anticipated results.
• Data were collected from the different geographical regions in the two countries to ensure proper representation of the general population.

3.6 METHODS OF DATA ANALYSIS

The purpose of analyzing qualitative material is to make the material more clear and distinct, making sure not to lose the extent of information that the material includes (Yin 2003). Qualitative data analysis is to examine, categorize, tabulate and recombine the empirical evidence to address the initial proposition of the research. In our study, the analytical strategy applied relies on the theoretical propositions; the questions interviewed were carried out to establish views in line with theoretical/conceptual framework which we used in our research. We observed that those entrepreneurs in all regions of Nigeria have similarities in our problem findings unlike in entrepreneurs Sweden. Those observations are in contrast with some authors research work in the sense that they have not been effectively addressed on the part of Nigerian entrepreneurs.
4 CHAPTER FOUR

ENTREPRENEURS OVERVIEW

4.1 INTERVIEWED ENTREPRENEURS BUSINESS OVERVIEW

We interviewed twelve Entrepreneurs in both countries respectively. We chose business enterprises that have been quite established from six months old onwards. The Swedish entrepreneurs interviewed have various branches in other parts of the country but in Nigeria most entrepreneurs businesses are just based on a particular location. We particularly studied entrepreneurship problems in Nigeria in comparison to Sweden to find out why Swedish entrepreneurs are more successful than entrepreneurs in Nigeria. Therefore, we selected different types of entrepreneurship business being operated both in Sweden and Nigeria.

In Nigeria we interviewed the following entrepreneurs, (1) SUNSET COSMETICS (2) TOKAS PURE WATER (3) OFOMA BREAD INDUSTRY (4) RANKS WEST AFRICA (5) ULTRA LABORATORIES. (6) DOMMES VENTURES. (7) BISHOP TECHNOLOGIES. (8) TEAGLES BOUTIQUE. (9) CONSTRUCTION COMPANY. (10) XTIAN AUTOMOBILE MECHANIC. (11) MAMAS KITCHEN. (12) SUNNY SIDE UNISEX.

In Sweden the following entrepreneurs were interviewed as well, (1) HAIR DRESSING SALOON (2) BOUTIQUE (3) PIZZA BUTTIKEN (4) WOODLAND (5) RENSE FÖNSTERPYTSNING&STÄDNING (6) HAIR DRESSING SALON (7) AFRITUDE (8) RESTAURANT. (9) BUILDING CONSTRUCTION COMPANY. (10) STIMA. A. INTERCONTINENTAL. (11) SERVICEBUTIK. (12) AFROFOODBUTIK.

4.2 INTERVIEWED NIGERIAN ENTREPRENEURS

SUNSET COSMETICS, TOKAS PURE WATER, OFOMA BREAD INDUSTRY, and RANKS WEST AFRICA: The listed entrepreneurship businesses are situated in Lagos, the former state capital of Nigeria. These business enterprises are into
production and have a minimum of fifteen employees in each of the enterprise. They have been into operation from eighteen months to eighteen years. They are reputedly good at what they do but currently face a lot of problems especially in terms of achieving the goals in expansion and success. In answer to the question on reason behind the problems they face in the business operation, the following factors were listed as being responsible for the stagnancy of the level of their business;

i. Lack of finance/ limited access to a long term fund
ii. High cost of funds due to high charges from financial institutions in their interest rate
iii. Corruption in government
iv. Lack of basic amenities/infrastructures
v. Lack of power supply
vi. Inconsistencies in policies
vii. Unfriendly fiscal policies/ excess taxes and levies rates,
viii. Inability to enforce action by supposed business incubators towards entrepreneurs in the country
ix. High cost of production as a result inadequate infrastructure
x. Insecurity for people and property
xi. Competition with foreign products/restricted access to market

Many of them have wished to expand but could not because of the reasons listed above which all fall under the four major reasons mentioned in the literature review. In ULTRA LABORATORIES, a pharmacist from the eastern part of Nigeria, who has the highest number staff numbering up to twenty five was previously growing and packaging cotton wool locally for five to six years of his business existence but now has a change in the business due to all the reasons mentioned above, now he imports cotton wool from India, then repackage them for hospitals and pharmacies.

DOMMES VENTURES is a wine and gift item importer and has shops located in the Northern, Eastern and Western part of Nigeria. It is a business owned by husband and wife but was originally set up by the wife who is make most decisions and it happened to be youngest of all the entrepreneurs interviewed. The business is not up to two years. When asked about the problems they are faced with in the
entrepreneurship, they first said their initial plan was to set up a factory to produce wine and gifts locally but the dream was defeated when they could not gather the resources to set up the factory to its expected standard due to majority of problems listed above. Now, the couple imports wines and gift items from abroad which get into the country through the western part, they clear the goods, make supply to other customers before they bring some down to stock their very massive shops in the northern and eastern part of Nigeria. They started with selling locally made wines and gift items but majority of their customers preferred foreign products over the Nigerian locally made wines and gift items in shop, this pose as a problem of competing with the foreign product as they mentioned. The couple still hopes to set up a standard wine company that will be of same or better quality with foreign wines and gift items. TEAGLES BOUTIQUE is owned by a renowned lawyer an easterner who resides in the south of Nigeria. She set up her business since five years with only two workers.

BISHOP TECHNOLOGIES is owned by an easterner who resides in the west. He started with the importation of phone accessories and Code division multiple access telephone to communication firms in Nigeria. He also has other businesses where he also sells phone accessories for Global System for Mobile communications. He has been in existence since over twelve years. He said his major problems are all that are mentioned except management. He said he has been able to overcome the management problem because of his exposure to materials that concerns management skills due to his access to internet and having been to countries where he was able to attend seminars and training on entrepreneurship business while he was studying abroad. He believes every problem in entrepreneurship will be less when Nigerian government gets fully involved in the affairs of entrepreneurship. He has few staff in his company.

CONSTRUCTION COMPANY is owned by a man who is from the east of Nigeria and resides in the east as well. His company has been over fifteen years in operation. He bitterly complained about getting the original material for production, that even with the low quality of raw materials available that they still purchase at a high price. He said power supply is among their great challenge among many others like very bad road to transports their products, insecurity in business premises as they often have robbers invading on his work materials after closure from work. Then he
complained of incompetence of the insurance company he registered to respond to his claims at the expected time, as such discouraged him from insuring anything again. So to say that he now lives on what every day brings as he comes to work every day. He said despite these problems he still records excellent profit as his hand work attracts people to his company or say workshop to demand for his products. But the fact that he had to construct an access road from his business environment, pay so many high levies from different tax offices, source for alternative power supply, cost of transporting his finished products to different areas and loss of materials from robbers, e.t.c leaves him with little profit afterwards.

XTIAN AUTOMOBILE MECHANIC is the oldest of the interviewed entrepreneurs in Nigeria, he started with repairing only Peugeot cars in the eighties but he said because of his exposure having lived abroad, that when other automobiles brand increased in Nigeria, that he was traveling abroad to enlighten his knowledge to repair other automobile like Ford, Honda, Volvo etc, that his problem is that all these problems entrepreneurs are faced with will end when the government of Nigeria will take it up on themselves to end corrupt practices which have eaten up into different levels of the political system. Just as he said, “Only the government can put a stop to most of the problem we entrepreneurs face in our country Nigeria”.

SUNNYSIDE UNISEX is owned by a man from the West but resides in another region in Nigeria where he business is based on fashion wears for both sexes as well run a hair salon for both sex in the same location. His business has been on for eight years plus five months now. He has just eight workers.

MAMAS KITCHEN is a very big restaurant owned by a young woman from the north but resides in the south of Nigeria with twelve workers. Her business has been in operation since six years. Okpara and Wynn (2007), on small business development showed that the rates of their failure in developing countries are higher than in developed countries.

4.3 INTERVIEWED SWEDISH ENTREPRENEURS

(1) HAIR DRESSING SALOON. (2) BOUTIQUE. (3) PIZZA BUTTIKEN. (4) WOODLAND. (5) RENSE FÖNSTERPUTSNING STÄDNING (6) HAIR
The listed entrepreneurs are located in the northern, eastern, southern and western part of Sweden. The response to questions presented to them was that the only and major thing that they can see as problem is the issue of high tax rate. The first HAIR DRESSING SALOON is owned by a Swedish woman from the north of Sweden but resides in the south of Sweden with three branches of her business in north, south, and west of Sweden. She has a total of fifteen workers and has been in operation for more than nine years. The second HAIR DRESSING SALOON is owned by an African woman who resides in the west of Sweden. AFROFOODBUTIK is owned by an African woman and has been in operation for four years. She has only one worker for now. The BOUTIQUE is owned by a woman with branches in west, east north of Sweden with more than twenty five workers. PIZZA BUTTIKEN is owned by a man from Iraq whose business is located in the north of Sweden. AFRITUDE and WOODLAND are owned by African men and the business is located in the east of Sweden. SERVICEBUTIK is owned by a man from Iraq with two branches in his region and a total of nine staff. RENSE FÖNSTERPUTSNING STÄDNING is owned by an African man who has servicing company with more than twenty workers and the business is located in west of Sweden. RESTAURANT is owned by a Swedish young man with more than fifteen workers in the south of Sweden and has been in existence since four years plus some months. BUILDING CONSTRUCTION COMPANY is owned by a Swedish man who resides in the south. His company is about three years plus eight months. As stated, he never had problem with the registration and setting up of his company as an individual, he didn’t pay tax at his first year of operation until after the business had grown and started making good profit. He has about eight to twelve staffs that six amongst them are permanent staff and the other six are temporary staff depending on customers turnover for services in different season of the year such as winter, autumn, spring, and summer. STIMA. A. INTERCONTINENTAL is an African man who resides in the west of Sweden, his company is about nine months old. He said setting up his company was not a problem. He first presented his ideas where he was provided with an adviser followed by different trainings and seminars he attended as regards his choice of
business. He had full assistance from different agencies and business incubators. He deals with buying fairly used cars, and theirs which he exports to his country. He still hopes to venture into what Swedish calls Bilskrot business as soon as he gets the kind of growth and success he expects. He did not mention anything about tax as his business is still under one year. He said the business is growing as he expected, giving gratitude to the government as the policy makers that encourages entrepreneurship. At present he has only two workers with hope of getting more staff as business grows.
5 CHAPTER FIVE

DATA ANALYSIS AND DATA DISCUSSION

5.1 REGISTRATION OF BUSINESS

In response, Sunset Cosmetics, Tokas Pure Water, Ofoma Bread Industry, Ranks West Africa, Ultra Laboratories, Dommes Ventures, Bishop Technologies, Teagles Boutique, Construction Company, Xtian automobile mechanic, Mamas kitchen, Sunny side unisex in Nigeria, reported that it is a complex mission trying to register through the corporate affairs commission popularly known as CAC in Nigeria. CAC has compulsory necessities every entrepreneur should be able to provide, like filling in more than two different business names they desire where one out the two or three names will be picked after much verification to meet with the requirements of CAC in setting up or registering a business. Their complaint was that the fees charged by the legal practitioner they engaged for that purpose was costly, coupled with the CAC fees which was also high for them. Most of them complained of some other off the record payment made to overcome the long waiting period of CAC. The problem as they said did not end with CAC, it continued with high payment of rent for the business location for people that rented and other levies that the community required for every entrepreneur in the community to pay when setting up the business and at interval.

Nigerian small business owners as outlined by Arinaitwe (2006) pass through awkward torments when starting a business. Most of the respondents in Nigerian really had it very rough through registration stage. They feel a better or well structured arrangement or more government agencies should be created to lessen the torment involved in the fees involved and waiting period before a business is being registered.

Hair Dressing Saloon, Boutique, Pizza Buttiken, Woodland, Rense Fönsterputsning Städning, Hair Dressing Saloon, Afritude, Restaurant, Building Construction Company, Stima.A.Intercontinental, Servicebutik and Afrofoodbutik in Sweden said it was easy for them when they started because of the well structured arrangement.
made already by the government established agencies and other business incubators for up and coming entrepreneurs in starting their businesses. Some of them said they had the service of an adviser on how to go about the whole setting up business operation. They said that as long the due process is followed, getting the required forms to be filled from the different sectors depends on the kind of business to be set up, like restaurants have assigned authorities that permits such business to start up after much verification and inspection to certify the entrepreneur ready or set, even regular inspection follows as well. This is applied for the servicing companies. They get to be involved with a lot of government establishment that oversee anything that concern the betterment of starting and operating the business. NUTEK (2004), Swedish government has over time provided entrepreneurs venturing into business to with a favorable setting. It was an exciting experience for them at the stage of business registration. They also said government is fully involved and made favorable policies towards entrepreneurs. Okpara and Wynn (2007) stressed out on the complexity of entrepreneurs in starting up a business in Nigeria.

5.2 PROBLEMS WHEN STARTING AND BUSINESS OPERATION IN THE FOLLOWING AREAS; (i) Finance (ii) Management (iii) Marketing (iv) Technology?

5.2.1 Finance:
Oshunbiyi (1989) wrote that the key problem facing most entrepreneurs in Nigeria is that of lack of finance in new or an already existing business. In his view banks especially commercial banks which we expect to launch platform for financing the development of entrepreneur or small and medium scale industries by the providing loans have failed to support them adequately. He also wrote that the stiff collateral security demanded by the bank often means entrepreneurs lose the chances of obtaining the loans because they are unable to meet up the demand by the bank which worth more than the amount they want to borrow from the bank. He added that high interest rate charges on loans by banks scares off potential small and medium scale entrepreneurs.

The Nigerian entrepreneurs respondents are all faced with the problem of finance, getting the loan to add to the capital they had to set up their business was difficult
like high interest rate, huge collateral, limited access to fund (if able to secure loan at all) from any financial institution. They complained that bigger companies or businesses secure loans more often than the entrepreneurs. Presently in their businesses they are still unable to get access to adequate finance they need. The only source entails high cost thereby rendering the business more or less profitable depending on the turnover in the business. Mambula (2002) stated that out of seventy-two percent of entrepreneurs he studied in Nigeria well thought-out that lack of finance is a major problem to develop and run their business. The Nigerian entrepreneurs all interviewed all believed that access to adequate finance by reduction in interest rate and high demand in collateral can help to boost and sustain entrepreneurship businesses for the growth of Nigerian economy.

The Swedish entrepreneur’s respondents mentioned that having access to finance has never been a problem as long as you have a good business plan well presented. They had on several occasions attended training, seminars on running entrepreneurship business before starting even consequently while their business grows to get new ideas and innovative reasoning. They even get assistance if well proven that there is need to get more finance into the business.

In summary, good agreements for financing business, having access to capital and acquaintance with the loaner or loaners exist as essential characteristics to the success of the business as well in the country’s economic growth. Carter and Jones-Evans (2006) said banks are much evidence of the main source of finance for many different sizes and types of small firms in developed countries like in the UK, example is the result of a survey I centre for business research 1996 which showed that more than 50% of small and medium sized companies are supported financially by banks. Financial institutions in Nigeria should be compelled to provide adequate fund to entrepreneurs, Central bank of Nigeria, Nigerian bank for credit, National Economic Reconstruction fund e.t.c, should put more effort and enforce the laid law towards obtaining loans from financial institutions in Nigeria.

5.2.2 Management

Akande (1994) explained that management problem have been known as one of the problems in entrepreneurship in Nigeria, even though it is mostly a part that will be
played by entrepreneurs but the government still need to provide training programmes to enhance their knowledge in business management.

In the case of Nigerian entrepreneur’s management problem, they said they have been trying their best in the area of management in their various businesses. When asked if they attended training before setting up the business, the answer was No, also if there has ever been any organized programme like training, seminars for entrepreneurs in the country or so to say their own business environment, they said that the programmes organized were not affordable for them to attend, but they give their staff basic training in line with the business, some of them pay for a short service of experts or professionals in business management once in a long while especially when they sense problem in the management and account section of the business because of their fear of folding up like some other entrepreneurship they witness and found out poor management contributed to their failure.

In Sweden, the entrepreneurs reported that before starting their businesses they had overtime attended training, seminars and other related programmes being offered for free by the government and other business incubator in the country to boost and sustain entrepreneurship. In developed countries like Sweden, the programmes on entrepreneurship are provided freely for all entrepreneurs and even the aspiring entrepreneurs are encouraged as long as there is good business idea on ground, in 1996, the number of entrepreneurs with post secondary school qualification increased, around half of those that start new business had post secondary education (NUTEK). In educational organizations, all level encourages entrepreneurship with the help of other business incubator by organizing seminars, training on setting up businesses.

Swedish entrepreneurs tend to overcome management problems due to added and up to date knowledge they get through attending of programmes to enhance their management skills. Nigerian entrepreneurs complained that the only free programme they ever had of comes once in a blue moon and many tend not to hear about it until after it has passed. Government need to engage in recreation of vital position to make available training institution / vocational programmes for entrepreneurs. Nigerian entrepreneurs should emulate and at least get through the level of post secondary school qualification like Swedish counterpart as role model.
5.2.3 Marketing

Baker (1979) and Doyle (1985) classified lack of marketing orientation as a major factor for failure in business. An entrepreneur that does not have the skills or the ideas about marketing in business tends to face marketing problem.

In Nigeria, the respondents stressed that it was almost impossible for them to market their new business due to cost of using the advertising mediums so they resorted to only printed fliers which they give out to people and other part of marketing they use is direct marketing, street exposition with car which are the commonly used. Among them, it is only one respondent that have a website where he advertised his products but he rarely visit the site due to internet services in the country. He knew about advertising online and other strategies because of his exposure in Europe according to him. Okpara and Wynn (2007) wrote that it is pathetic that access to internet services, modern information and communication technology is still regarded as accessible to limited categories of people in Nigeria. Respondents said if internet is affordable for all categories of people that they will benefit from it to enhance the marketing of their products. They said foreign product tends to have competitive advantage over them because there is no enforcement for people to embrace locally made product. Marketing is affected because Nigerian locally made goods and services are regarded as meant for the poor, unfashionable and uneducated where as the foreign goods and services are regarded as meant for the wealthy and influential, though some locally made goods and services are more of good quality comparing to the foreign brands. Olakunori (2002), state such situation affects the increase in marketing and contentment of consumers locally.

In Sweden, the entrepreneurs did not see marketing as a problem because they were aware of the measures to take in the training they had before setting up the business, some said it more or less an issue for them because they used different strategies using fliers, internet, televisions, radio etc, direct marketing as well doing promotions to attract more customers. In Sweden people embrace the locally made products which encourages entrepreneurs marketing and production of more goods. This unlike in Nigeria where people prefer to buy foreign products to locally made products thus reducing that rate of marketing and production in Nigeria. In developed
countries like Sweden, government improves in making the environment conducive for small business enterprise growth, NUTEK (2004).

5.2.4 Technology

Aiyedun (2004) explained technology as one problem in small business enterprises in Nigeria. In Nigeria the respondents that are into production stressed that getting a modern technology equipment at the inception of the business was not possible due to capital involved in getting the machines into the country, due to that they ended up with old equipments which always develop fault either in the production process or as a result of failure in power supply. But most of them strived to save money to acquire modern technology which cost all their life savings hoping they will get them back in years to come. Many of them complained of lack of infrastructures as what they expected the government to settle enforce adequate supply of power /irregular power supply, inadequate educational and technical environment, lack of research and development, unfriendly fiscal policies, excess taxes and levies rates, inconsistencies of policies, transportation, bad road networking etc.

In Sweden, respondents said that getting hold of modern equipment needed to set up and operating business was never a problem because the loan to get them are accessible even with warranty on the equipments, getting them serviced over time is affordable as well thereby improving production in business unlike in Nigeria where an already used or almost worn out equipment rate of production will not be as effective as modern technology equipment that is brand new as well. There are adequate infrastructures in Sweden, and that have never posed any problem to entrepreneurs. There is security for people and properties and where there is any loss of property or damage caused by accident gets a back up from the insurance companies which unlike in Nigeria, the respondents complained of insecurity and ineffectiveness of insurance companies when there is need for their services, so they were discouraged about insurance of the business.

5.3 FAVORABLE ENTREPRENEURSHIP POLICIES

In Nigeria, the respondents bitterly complained about the policies not favorable to entrepreneurship. The respondents talked about high incessant fees, revenues and levies being collected at intervals from various levels of government agencies from
the community to local government, to state, then federal level. Such affects the entrepreneurs where they pay the levies but still never got anything good from the government, ranging from good road, good security, regular power supply, adequate educational and technical environment, provision of research and development opportunities or facilities like access to internet, friendly fiscal policies, low/moderate taxes and levies rates, consistency of policies, moderate cost of funds due to high charges from bank in their interest rate, access to a long term fund, embracing of local products, access to market, provision for training or skills acquisition/development programmes. Inappropriate legislature and policies are among the common problems of entrepreneurs.

In Sweden, the respondent proudly said that the government policies on entrepreneurship have been favorable except for the high tax rate. Some of them complained especially about lack of turnover in the business at the winter period as people do not come out to buy or engage in the services as usual when it gets really cold, businesses however still pay high tax.

The respondents said the rules and regulation for setting up a business and its operation have from time to time been improved by the government to encourage entrepreneurship. According to NUTEK (2004) Swedish industrial policies have traditionally focused on large enterprises and individual sectors. Previously, policies on industry mainly supported sectors that experienced problems due to structural changes in the economy. Policies of small enterprises and entrepreneurship have grown over the last two decades and there have been a shift in view from existing enterprises to an increased interest in the processes that contribute to the creation and survival of enterprises.

5.4 BOOSTING BUSINESS WITH AGGRESSIVE MARKETING AND ADVERT

The twenty entrepreneurs responded positively that aggressive marketing and advertisement can boost their businesses. Okpara and Wynn (2007) wrote that it is pathetic that access to internet services, modern information and communication
technology is still regarded as accessible to limited categories of people in Nigeria. The marketing strategy employed by the entrepreneurs most often helps boost the businesses. In both countries, they both agreed to the fact that the strategy employed helps. As indicated in chapter 2.4, marketing problems is a major factor militating against entrepreneurship in Nigeria. There are poor strategies in place in Nigeria as only bigger companies with huge presence and network spread that can easily bear the cost of marketing. Due to the fact that the marketing strategy in place is poor, it has negated the development of entrepreneurship in Nigeria. This is not the case of Sweden, where marketing has taken information technology phase. Everyone has access to internet and other medium of advertisement for marketing at an affordable price. Marketing is affected because Nigerian locally made goods and services are regarded as meant for the poor, unfashionable and uneducated where as the foreign goods and services are regarded as meant for the wealthy and influential, though some locally made goods and services are more of good quality comparing to the foreign brands. Olakunori (2002), state such situation affects the increase in marketing and contentment of consumers locally.

5.5 POLITICAL INSTABILITY

Political Instability in Nigeria has negative impact on entrepreneurship. Frequently, there are destructions to various businesses in Nigeria due to political instability in the country. Some respondents mentioned the recent 2011 election results in Nigeria that caused losses to several business ventures in Nigeria. This is not the case with the Swedish entrepreneurs.

5.6 RESPONDENTS EXPECTED SOLUTION IN NIGERIA/SWEDEN

There was a uniformed response from Nigerian respondents that corruption from the top stands as the major cause of the entrepreneur’s problems. They believed that curbing corruption from the top government will go a long way in putting every other entrepreneur’s problem off. They said that providing them with opportunities of getting access to adequate finance, basic amenities, adequate infrastructures, good and constant power supply( electricity), embracing of local products by Nigerian citizens, making internet services available and affordable for all categories of
people, providing research and development, organizing of training programmes, creating an effective and efficient skill acquisition centre for entrepreneurs will boost the entrepreneurs business and reduce to a lower percentage the problems they will encounter in setting up and in their business operation. A respondent said he had an experience when he had a cotton farm and there was an allocation for farmers in the state but before they could get to the local government to get machineries and equipments as announced over the media houses, they were told it has been shared among the farmer but on enquiry, he found out that no farmer in that region got any single allocation and that he could not challenge anyone for, as he cannot contend with the government as an individual. The end of corrupt practices from the top government will go a long way in affecting entrepreneurs positively.

In Sweden, the entrepreneurs said that even though they feel they pay high tax rate, it is not really a huge problem as such.
6 CHAPTER SIX
FINDINGS, RECOMMENDATIONS, LIMITATIONS AND CONCLUSION

6.1 FINDINGS

In this study, the following were the major findings:

1) Adequate finance is a necessary demand if entrepreneurship must grow; this demand was found lacking among Nigerian entrepreneurs. Prospective Nigeria entrepreneurs pass through difficult times when trying to get access to finance for their business. But Swedish entrepreneurs never had such in setting up and presently.

2) Political stability is a great determinant in the future of entrepreneurship. This as a factor affected the Nigerian entrepreneurs in our research negatively, as the political situation in Nigeria is yet to stabilize unlike in Sweden when political instability does not affect entrepreneurs.

3) The lack of inflation in Sweden is a great booster to their entrepreneurship economy, which as a result, relates directly to their profit earning in Sweden, while in Nigeria, it is the reverse.

4) SMEDAN HAS, ETDP, SBA and other business incubators in Nigeria are completely weak and inadequate.

5) Government policy on entrepreneurship cannot be ruled out as a factor for good growth of entrepreneurship in Sweden, this explains why Nigeria records low turnout in its entrepreneurship activities and Sweden, a responsive turnout.

6) Entrepreneurship training in Nigeria was very low and as good as not evident, compared to Sweden, as such, current information needed by entrepreneurs were kept away from them as they have limited access for certain categories of people in Nigeria.
7) The cost of business operation is high in Nigeria as the lack of basic amenities suppresses activities of entrepreneurs.

8) Swedish entrepreneurs recorded good profits in their business while Nigerian entrepreneurs’ recorded low profits as a result of unpleasant payments mount up on them by ceaseless levies, taxes, revenues being forced on them from different tax force offices under the cover of government officials.

9) It can be confirmed that the reasons for difference in profits between Sweden and Nigeria, is as a result of the government and stakeholders huge interest and recognizing entrepreneurs as the wheel conveying their economic growth.

10) Nigerian locally made goods are regarded as meant for the poor, unfashionable and uneducated unlike Sweden where the locally made product are greatly embraced and consumed by all class of people.

11) Nigerian Entrepreneurs are face with multiple taxation and most of the charges are unlawful and such is a burden on the business and affects their profit scope.

12) Swedish entrepreneurs complained of high tax rates though they don’t really see it as a huge problem.

13) The Swedish government system is so discipline.

### 6.2 RECOMMENDATION

1. **Entrepreneurial forums**: Formation of well structured and organized forums to coordinate and represent the interests of entrepreneurs both at the national and local levels, liaising with the government on the issues of policy formulation and reformation will serve as a good starting point to provide a conducive environment for businesses to thrive.

2. **Finance**: Certain policies and structures aimed towards making loans and financing opportunities available to entrepreneurs are already in place in Nigeria, examples include SMEDAN a National body established to promote and facilitate growth of entrepreneurship in Nigeria. Banks in Nigeria as a matter of policy also set apart a certain percentage of their profit on a yearly basis to serve as source of capital for entrepreneurs. However responses from this research show that corruption within
these bodies makes it difficult for beneficiaries that do not have personal affiliations with the bodies to have access to the available revenues. It is therefore important that the government establish internal monitoring and control within these bodies to ensure that they are functioning to achieve the purpose for which they were established. SMEDAN branches are also currently located in the big cities making it difficult for entrepreneurs in the rural communities to have easy access owing to transportation and other factors. Therefore creating local branches will go a long way to providing a sense of belonging and ease of access to interested entrepreneurs. Partnerships among entrepreneurs both on a local and international level are necessary to improve capital base for entrepreneurs. The agencies or body set up to oversee the interest of entrepreneurs should also diversify opportunities by identifying and establishing opportunities for international grants. Government of Nigeria has to play very effective part to encourage entrepreneurs. They need to have a concrete and very effective agreement with lending institutions in order to reduce loan default risk as well make available other sources of assistance to entrepreneurs.

3. **Capacity building:** Introducing entrepreneurship opportunities, education and training in higher institutions of learning further supported through establishment of career centers to provide counsel to growing entrepreneurs is one sure way in Nigeria to improve potential entrepreneurs’ success as this would ensure that young Nigerians develop a mindset of independence, creativity and innovation as is the case with their Swedish counterparts. Backing this idea up with government legislation will ensure that it is incorporated in all institutions of learning as part of their programmes and courses. Extending education and training to the illiterate population which represents a large pool within the entrepreneurial community in Nigeria, as well as Regular training, seminars, research and development both for management of both their business and personnel will ensure that all involved are well prepared for maximum productivity. Enhancement of entrepreneurs’ knowledge and development will be further encouraged through establishment of more business facilitation centers like SMEDAN, ETDP, HAS, SBA and business incubators as seen in Sweden and other developed countries across the country to give basic training and enlighten entrepreneurs on how to go about executing proposed business plans while also providing support services at various stages of the business. To set up a very good foundation for entrepreneur’s business development, education and training support
has to be utilized. Entrepreneurs should make effort on their own should be acquainted with the benefits of education and training in ensuring success in their business.

4. **Regulations/Internal Control:** Ensuring that SMEDAN, HAS, ETDP, SBA e.t.c are efficiently and effectively carrying out the services which they were established to undertake with drive and determination. And that would require setting up regulatory bodies as well as internal control and auditing system as is the case in Sweden to ensure that corruption is curbed to the minimal to zero level, where people are held accountable for their actions, so that services are provided as required even in the absence of the higher authorities. The Swedish Agency for Economic and regional growth were created to strengthen regional development and facilitate enterprise and entrepreneurship throughout Sweden. This style of Swedish Agency for economic and regional should SMEDAN, HAS, ETDP, SBA etc effect create a pathway that will lead Nigerian entrepreneurs where success will be recorded in starting and running will be simple.

5. **Government incentives:** Creating a competitive environment where businesses thrive by encouraging and supporting business ideas among students and young school leavers through provision of finances and connection to already thriving business networks where their ideas could be implemented would motivate young Nigerians to come up with bright ideas. Other incentives include provision of affordable basic amenities and infrastructural facilities to ginger marketing performance, modern technology machineries and equipments required for effective and efficient production, favorable policies, free or reduced custom and excise duties for local and foreign investors, favorable immigration and repatriation laws for foreign investors, strict adherence to taxes and levies, consistent supply of electricity, encouraging buying local products.

6. **System changes:** At the base of all the problems facing entrepreneurs listed in this research is widespread corruption, therefore for sustainable solutions within the various sectors which are responsible for supporting growth and development of entrepreneurship to occur, the Nigerian government needs to fight corruption at all levels of the system. Strategies should be devised by experts to fight factors such as inflation and political instability so that entrepreneurs are not be affected by the negative impact of these economic ills. Ensuring political stability will lead to peaceful co-existence in the nation to encourage expansion in other regions of the
country. Regular check on civil service workers against corrupt practices will help curb corruption. Since corruption among regulatory bodies and agencies set up to help entrepreneurs is a problem. These governing bodies with the help of representatives will act as control to the agencies while also has access to higher authorities in cases of misconduct. The government system has to be so disciplined for people to do what need to be done even though you do not want to, doing it well without supervision.

6.3 LIMITATIONS

We encountered different problems in carrying out our research work not getting more people to interview in Sweden, due to time factor and the entrepreneur’s tight schedule. The language barrier contributed to the limited number of people against more than the expected number in general. Another important problem encountered was finding entrepreneurs that were willing to share their problems and experiences with us. These problems limited the number of data collected.

6.4 CONCLUSION

Solutions to the problems encountered by entrepreneurs in Nigeria require a collective effort by all the stakeholders’ concerned. A nation’s economic development depends on the successful entrepreneurship combined with the forces of established corporation. Martin Caree at al (2002) wrote that “In the theory of Economic Development” Schumpeter stated the responsibility of the entrepreneurs as prime cause of economic development. Entrepreneurs are backbone part of every economy, developed or developing country and should be given proper attention to their business for their economic growth. Nigeria government should therefore imitate developed countries like Sweden by providing support measures in encouraging entrepreneurs in the country because of their importance in the society.

From our research it can be clearly seen that entrepreneurs are more successful in Sweden than Nigeria because of the absence of the problems which have been analyzed in our questionnaire. The validity of our claim lies in the fact that Sweden recorded little or no problems while managing their business and they recorded excellent profits, while in Nigeria the problems listed above in our research were visibly present and as such they recorded very low profits. The conclusion is drawn at beckoning on the government and all the stakeholders to participate in full force
and recreate entrepreneurship to release the treasure of human capital and economic growth capable of encouraging more involvement by entrepreneurs in the country by providing a workable workforce agencies created to better the affairs of entrepreneurs.
REFERENCES


WEBSITES


APPENDIX

Designed Questions

While open questions are commonly accepted for semi-structured interviews, it is considerable to ensure that they are consistent with the research and free from bias. While writing every question, the researchers ensured that they cover the area of the research while not being too specific (Bryman, 2008). Our questions comprise of unstructured and semi-structured interview.

a) What are the problems you experienced when starting and are there any problem you are experiencing in the following areas, i. Finance, ii. Management, iii. Marketing, iv. Technology, v. Others (Specify)

b) How did you register your business before setting it up? Yes/No.

c) Did you have access to adequate finance when setting up and in the operation of your business when there is need? Yes/No.

d) Did you have problem getting money from financial institution and why?

e) Did you get any training before starting your business, also from time to time? Yes/No. If No Why?

f) Do you train your staff? Yes/No. If yes, how often do you train them?

g) Is there any political instability in your country? Yes/No.

h) How do market your products and do you believe aggressive marketing and advert can boost your business? Yes/No. If yes; how do you achieve that?

i) How do the policies on entrepreneurship in your country favor you?

j) How do you produce? Modern technology machines and materials or others? Yes/No.

k) Do you record excellent performance in terms of profit? Yes/No. Explain.

l) What are the best solutions to all the problems you face in business in your opinion?