

THE ROLE OF ENTREPRENEURSHIP IN SUSTAINABLE NATIONAL DEVELOPMENT

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Abstract

This study examined the role of entrepreneurship in sustainable national development, in view of persistent challenges such as unemployment, poverty, economic instability, and inadequate socio-economic development despite numerous government interventions. The main objective of the study was to assess the extent to which entrepreneurship contributes to sustainable national development through employment generation, poverty reduction, and economic growth. The study was anchored on Joseph Schumpeter's Innovation Theory of Entrepreneurship, which explains entrepreneurship as a driver of economic development through innovation and creative destruction. A quantitative survey research design was adopted. The population comprised entrepreneurs and business owners in selected urban areas, while a sample size of 200 respondents was selected using simple random sampling technique. Data were collected using structured questionnaires designed on a five-point Likert scale. The data collected were analyzed using descriptive statistics (frequency, percentage, mean, and standard deviation) and inferential statistics (multiple regression analysis). Findings from the study revealed that entrepreneurship has a significant positive effect on sustainable national development. Specifically, entrepreneurship was found to significantly enhance employment generation and economic growth, as well as contribute to poverty reduction and improved living standards. The regression result showed that entrepreneurship explains 61.5% of variations in sustainable national development, indicating a strong relationship between the variables. The study concluded that entrepreneurship is a critical driver of sustainable national development, particularly in addressing unemployment and poverty challenges. However, its effectiveness is constrained by structural challenges such as inadequate infrastructure, limited access to finance, and policy inconsistencies. The study recommended improved access to finance, strengthening of entrepreneurship education, provision of enabling infrastructure, and stable government policies to enhance entrepreneurial performance and national development outcomes. The study identified a gap in existing literature, as previous studies have

largely focused on economic outcomes of entrepreneurship, with limited attention to its broader contribution to sustainable national development encompassing economic, social, and environmental dimensions, particularly within the Nigerian context.

Introduction

Sustainable national development has increasingly become a fundamental objective of governments, international organizations, and development practitioners because it represents a holistic approach to improving the economic, social, and environmental well-being of nations. The concept gained global recognition following the publication of the World Commission on Environment and Development (WCED) report, *Our Common Future*, in 1987, which defined sustainable development as development that satisfies present needs without jeopardizing the ability of future generations to satisfy their own needs (WCED, 1987). Over time, the concept has evolved beyond mere economic growth to encompass broader dimensions such as social equity, environmental protection, poverty reduction, employment creation, institutional effectiveness, and improved standards of living. Consequently, sustainable national development is now viewed as a multidimensional process that seeks to ensure economic prosperity while simultaneously promoting social inclusion and environmental sustainability.

At the global level, sustainable national development remains a central focus of public policy due to the persistent socio-economic and environmental challenges confronting many countries. The adoption of the United Nations Sustainable Development Goals (SDGs) in 2015 further reinforced international commitment to addressing global issues such as poverty, unemployment, hunger, inequality, climate change, inadequate healthcare, and poor educational outcomes (United Nations, 2015). Despite notable progress in some regions, the achievement of sustainable development remains a significant challenge, particularly in developing economies. According to the World Bank (2024), approximately 700 million people worldwide continue to live in extreme poverty, while the International Labour Organization (ILO, 2024) estimates that more than 64 million young people remain unemployed globally. These conditions continue to hinder economic productivity, deepen social inequalities, and expose vulnerable populations to economic hardships, thereby slowing progress toward sustainable development objectives. The persistence of these developmental challenges has intensified the search for innovative and sustainable solutions capable of stimulating economic growth and improving social welfare. As a result, international development institutions such as the United Nations Development Programme (UNDP), the World Bank, the International Labour Organization (ILO), the Organization for Economic Cooperation and Development (OECD), and the African Development Bank (AfDB) have increasingly emphasized entrepreneurship as a critical driver of sustainable national development. Entrepreneurship is widely regarded as an effective mechanism for promoting innovation, creating jobs, stimulating investment, and empowering individuals economically. Consequently, governments around the world have implemented policies and programmes designed to support enterprise development, enhance skills acquisition, encourage innovation, and foster private-sector participation in economic development.

Economic sustainability constitutes one of the most important dimensions of sustainable national development. It focuses on maintaining long-term economic growth, enhancing productivity, generating employment opportunities, and creating wealth capable of improving citizens' living standards. However, sustaining economic growth has become increasingly difficult due to inflationary pressures, geopolitical conflicts, economic uncertainties, and disruptions in global supply chains. The World Bank (2024) reported that global economic growth slowed to approximately 2.6 percent in 2024, reflecting the impact of these challenges on economic performance worldwide. In response, entrepreneurship has gained recognition as a strategic instrument for promoting economic resilience and competitiveness. Through the creation of new businesses, expansion of production activities, promotion of innovation, and generation of

businesses, expansion of production activities, promotion of innovation, and generation of employment opportunities, entrepreneurship contributes significantly to economic sustainability. Acs, Desai, and Hessels (2008) argue that countries characterized by vibrant entrepreneurial ecosystems tend to experience higher levels of industrialization, innovation, and economic growth than those with limited entrepreneurial activity. Beyond economic growth, sustainable national development also encompasses social sustainability, which focuses on poverty reduction, social inclusion, equitable access to opportunities, and improvements in the quality of life of citizens. Poverty remains one of the greatest obstacles to sustainable development globally, despite numerous interventions by governments and development agencies. According to the United Nations (2024), approximately 8.5 percent of the global population continues to live in extreme poverty, while millions of others face challenges associated with unemployment, food insecurity, and social exclusion. These conditions limit access to essential services and reduce opportunities for economic participation. Entrepreneurship has increasingly been recognized as a powerful instrument for addressing these challenges because it enables individuals to create businesses, generate income, and improve their socio-economic conditions. Entrepreneurial ventures not only provide employment for business owners but also create job opportunities for others, thereby contributing to income growth and poverty reduction. Hisrich, Peters, and Shepherd (2017) observe that entrepreneurship promotes social sustainability by broadening economic participation, improving income distribution, and facilitating upward social mobility.

The significance of entrepreneurship in promoting sustainable national development is particularly evident in developing regions such as Africa, where unemployment, poverty, and economic vulnerability remain widespread. Africa's rapidly growing youth population presents both a challenge and an opportunity for development. According to the African Development Bank (2024), between 10 and 12 million young Africans enter the labour market annually, yet only about 3 million formal jobs are created each year. This employment deficit has heightened concerns about youth unemployment, poverty, and social instability across the continent. Consequently, many African governments have adopted entrepreneurship development strategies aimed at promoting innovation, supporting small and medium enterprises (SMEs), and encouraging youth participation in productive economic activities. Entrepreneurship is increasingly perceived as a sustainable pathway for economic diversification, job creation, poverty reduction, and inclusive growth across African economies. In Nigeria, the pursuit of sustainable national development has become increasingly important due to the country's persistent socio-economic challenges despite its enormous resource endowments. Nigeria possesses a large population, abundant natural resources, a vibrant entrepreneurial culture, and significant agricultural potential. Nevertheless, the country continues to face challenges such as widespread poverty, unemployment, inadequate infrastructure, income inequality, insecurity, and excessive dependence on crude oil revenues. According to the National Bureau of Statistics (NBS, 2023), approximately 133 million Nigerians, representing about 63 percent of the population, are multidimensionally poor. Poverty is particularly prevalent in rural communities where access to infrastructure, healthcare, education, and employment opportunities remains limited. Furthermore, youth unemployment and underemployment continue to pose serious threats to economic growth, social cohesion, and national development.

Given these challenges, entrepreneurship has emerged as one of the most viable strategies for promoting sustainable national development in Nigeria. The country's youthful population possesses considerable entrepreneurial potential capable of driving innovation, wealth creation, and employment generation. Entrepreneurship facilitates the establishment and growth of Micro, Small, and Medium Enterprises (MSMEs), which constitute a vital component of Nigeria's economy. According to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2023), Nigeria has more than 39 million MSMEs that contribute approximately 48 percent of the nation's Gross Domestic Product (GDP) and account for about 84 percent of total employment. These figures underscore the critical role of entrepreneurship in enhancing economic productivity, reducing poverty, creating jobs, and improving living standards.

Recognizing the importance of entrepreneurship in national development, successive Nigerian governments have introduced various policies and programmes aimed at supporting entrepreneurial activities and strengthening private-sector participation in economic development. These initiatives have focused on providing access to finance, entrepreneurial training, capacity building, mentorship, and business development services to entrepreneurs and small business owners. In addition, international development partners such as the United Nations Development Programme (UNDP), the World Bank, and the African Development Bank have collaborated with the Nigerian government to promote entrepreneurship through technical assistance, financial support, and policy reforms.

Although considerable scholarly attention has been devoted to examining the relationship between entrepreneurship and economic development, much of the existing literature has focused primarily on economic indicators such as business growth, employment generation, and poverty reduction. Comparatively fewer studies have comprehensively examined entrepreneurship within the broader context of sustainable national development, which encompasses economic, social, and environmental dimensions. Furthermore, empirical findings regarding the relationship between entrepreneurship and sustainable development remain mixed and inconclusive, particularly within the Nigerian context where institutional, economic, and environmental factors significantly influence entrepreneurial outcomes. This inconsistency in the literature creates a gap in knowledge regarding the extent to which entrepreneurship contributes to sustainable national development. Therefore, there is a need for further investigation into the role of entrepreneurship in promoting sustainable national development in Nigeria, particularly with respect to its contribution to employment generation, poverty reduction and overall national transformation.

Statement of the Problem

Sustainable national development remains a major goal for many countries, particularly developing nations that face challenges such as unemployment, poverty, low industrial productivity, income inequality, and inadequate economic growth. Governments have implemented various policies and programs aimed at promoting economic and social development; however, many of these efforts have yielded limited results due to insufficient job creation, overdependence on government resources, and weak private sector participation.

Entrepreneurship has emerged as a critical driver of economic growth, innovation, wealth creation, and employment generation. Through the establishment of new businesses and the expansion of existing enterprises, entrepreneurs contribute significantly to improving living standards and stimulating economic activities. Despite the recognized importance of entrepreneurship, many countries continue to experience slow development due to barriers such as inadequate access to finance, poor infrastructure, limited entrepreneurial skills, unfavorable business environments, and inconsistent government policies.

The persistence of these challenges raises concerns about the extent to which entrepreneurship contributes to sustainable national development. While entrepreneurship is widely promoted as a solution to economic and social problems, there is still a need to examine its actual role in fostering long-term economic growth, social inclusion, environmental sustainability, and overall national development. Therefore, this study seeks to investigate the role of entrepreneurship in sustainable national development and determine how entrepreneurial activities can be effectively harnessed to achieve sustainable economic and social progress.

Research Questions

- i. What is the effect of entrepreneurship on employment generation and economic growth for sustainable national development?
- ii. To what extent does entrepreneurship contribute to poverty reduction and improved living standards in sustainable national development?

Research Objectives

- i. To examine the effect of entrepreneurship on employment generation and economic growth for sustainable national development.
- ii. To assess the contribution of entrepreneurship to poverty reduction and improved living standards in sustainable national development.

Research Hypotheses

H01: Entrepreneurship has no significant effect on employment generation and economic growth for sustainable national development.

H02: Entrepreneurship has no significant contribution to poverty reduction and improved living standards for sustainable national development.

Literature Review

Concept of Entrepreneurship

Entrepreneurship is one of the most important drivers of economic development, innovation, wealth creation, and societal transformation in modern economies. Across developed and developing nations, entrepreneurship has increasingly been recognized as a strategic mechanism for stimulating economic growth, generating employment opportunities, reducing poverty, promoting innovation, and enhancing national competitiveness. The growing importance of entrepreneurship stems from its ability to transform ideas into productive ventures that create economic and social value. As economies become more dynamic and competitive, entrepreneurship serves as a catalyst for economic diversification, technological advancement, and sustainable national development. The concept of entrepreneurship has attracted considerable attention from economists, management scholars, policymakers, and development practitioners over the years. Although there is no universally accepted definition of entrepreneurship, most definitions emphasize the identification of opportunities, innovation, risk-taking, resource mobilization, and value creation. Entrepreneurship generally refers to the process through which individuals identify opportunities in the environment, organize and mobilize resources, assume risks, and establish ventures aimed at creating value and generating economic returns. It involves the capacity to recognize market gaps, develop innovative solutions, and transform available resources into productive activities capable of satisfying human needs and contributing to societal progress. One of the earliest and most influential contributors to entrepreneurship theory was Joseph Schumpeter (1934), who viewed entrepreneurship as a process of innovation and economic transformation. According to Schumpeter, entrepreneurs are agents of change who introduce new products, new methods of production, new markets, new sources of raw materials, and new organizational structures into the economy. He argued that entrepreneurship drives what he termed "creative destruction," a process through which old and inefficient methods are replaced by innovative and more productive alternatives. Through innovation, entrepreneurs stimulate economic growth, increase productivity, and promote structural transformation within economies. Schumpeter's perspective remains one of the most widely accepted foundations of entrepreneurship studies because it highlights the critical role of innovation in economic development.

Similarly, Peter Drucker (1985) defined entrepreneurship as the practice of systematically searching for change, responding to it, and exploiting it as an opportunity for innovation and value creation. Drucker emphasized that entrepreneurship is not limited to starting new businesses but involves recognizing opportunities in changing circumstances and converting them into productive outcomes. From this perspective, entrepreneurship is both a mindset and a process that enables individuals and organizations to adapt to environmental changes and create sustainable solutions to emerging challenges. Entrepreneurship therefore extends beyond profit-making activities and includes social entrepreneurship, public-sector entrepreneurship, and technological innovation aimed at addressing societal needs. Modern scholars further view entrepreneurship as a multidimensional concept that encompasses innovation, creativity, leadership, opportunity

multidimensional concept that encompasses innovation, creativity, leadership, opportunity recognition, risk management, resource coordination, and strategic decision-making. According to Hisrich, Peters, and Shepherd (2017), entrepreneurship is the process of creating something new and valuable by devoting the necessary time and effort, assuming the accompanying financial, psychological, and social risks, and receiving the resulting rewards of monetary gain, personal satisfaction, and independence. This definition highlights the entrepreneurial commitment to innovation, value creation, and risk-bearing as essential elements of successful venture creation and management. Entrepreneurship plays a significant role in economic development by fostering innovation, enhancing productivity, generating employment opportunities, and stimulating investment. In both developed and developing economies, entrepreneurial activities contribute substantially to Gross Domestic Product (GDP), industrial development, and economic diversification. According to Acs, Desai, and Hessels (2008), countries with vibrant entrepreneurial ecosystems generally experience faster economic growth, greater technological advancement, and higher levels of competitiveness than countries with weak entrepreneurial cultures. Entrepreneurial ventures contribute to economic expansion by introducing new products and services, increasing market competition, improving efficiency, and encouraging innovation across sectors of the economy.

In addition to its economic contributions, entrepreneurship serves as an important instrument for addressing social challenges such as poverty, unemployment, inequality, and social exclusion. Entrepreneurial ventures create employment opportunities, particularly for youths and vulnerable populations, thereby improving household incomes and reducing dependence on government welfare programmes. In developing countries such as Nigeria, entrepreneurship has emerged as a critical strategy for combating unemployment and promoting inclusive economic growth. Through business creation and self-employment, entrepreneurship empowers individuals economically and contributes to poverty reduction and social development. Furthermore, entrepreneurship contributes to sustainable national development by supporting economic sustainability, social inclusion, and environmental responsibility. Modern entrepreneurial activities increasingly incorporate sustainable business practices, renewable energy solutions, waste management innovations, and environmentally friendly production methods. Green entrepreneurship and social entrepreneurship have become important aspects of contemporary entrepreneurship because they focus not only on profit generation but also on addressing environmental and social challenges. Consequently, entrepreneurship is increasingly regarded as a tool for achieving sustainable development goals and promoting long-term societal well-being. Entrepreneurship is characterized by several fundamental attributes that distinguish entrepreneurs from other economic actors. These characteristics include creativity, innovation, risk-taking, leadership, opportunity recognition, adaptability, persistence, and resourcefulness. Entrepreneurs possess the ability to identify opportunities where others perceive challenges, mobilize resources under uncertain conditions, and develop innovative solutions capable of creating value. They often demonstrate strong leadership skills, resilience, and a willingness to embrace uncertainty in pursuit of business success. These qualities enable entrepreneurs to drive economic transformation and contribute significantly to national development.

Components of Entrepreneurship

Innovation: Innovation is widely regarded as the cornerstone of entrepreneurship. It refers to the introduction of new ideas, products, services, technologies, processes, or business models that improve existing practices or create entirely new opportunities. Innovation enables entrepreneurs to differentiate themselves from competitors and respond effectively to changing market demands. According to Schumpeter (1934), innovation constitutes the primary function of entrepreneurship because it drives economic progress and industrial transformation. Innovative entrepreneurs identify emerging needs, develop creative solutions, and introduce products or services that enhance productivity and improve consumer welfare. In today's knowledge-driven economy, innovation remains essential for maintaining competitiveness and achieving sustainable business

innovation remains essential for maintaining competitiveness and achieving sustainable business growth. Countries that encourage innovation through entrepreneurship often experience higher levels of technological advancement, industrialization, and economic development.

Risk-Taking: Risk-taking is another fundamental component of entrepreneurship. Entrepreneurial activities inherently involve uncertainty because entrepreneurs invest resources without complete assurance of future success. These risks may be financial, operational, technological, market-related, or regulatory in nature. Entrepreneurs must make decisions under conditions of uncertainty while balancing potential rewards against possible losses. However, entrepreneurship does not involve reckless risk-taking; rather, it requires calculated and informed risk management. Successful entrepreneurs assess opportunities carefully, analyze potential challenges, and implement strategies to minimize risks while maximizing returns. According to Knight (1921), the willingness to assume uncertainty distinguishes entrepreneurs from other economic actors and serves as a key driver of business innovation and economic progress.

Opportunity Recognition: Opportunity recognition is the ability to identify unmet needs, market gaps, emerging trends, and potential business prospects within the environment. It is often regarded as the starting point of the entrepreneurial process because business opportunities form the basis for entrepreneurial ventures. Entrepreneurs continuously scan their environment for changes in consumer preferences, technological developments, economic conditions, and societal needs that can be transformed into profitable enterprises. According to Kirzner (1973), entrepreneurial success largely depends on an individual's alertness to opportunities that others may overlook. Effective opportunity recognition enables entrepreneurs to create value by addressing existing problems and satisfying unmet market demands. In dynamic and competitive business environments, the ability to identify and exploit opportunities remains a critical determinant of entrepreneurial success.

Value Creation: Value creation represents the ultimate objective of entrepreneurship and serves as the measure of entrepreneurial success. Entrepreneurship creates value by producing goods and services that satisfy consumer needs, generating profits for investors, creating employment opportunities, and contributing to societal welfare. Value creation extends beyond financial gains to include social, environmental, and developmental benefits. Entrepreneurial ventures contribute to economic growth through wealth generation, tax revenue creation, technological advancement, and community development. Social entrepreneurs create value by addressing societal challenges such as poverty, healthcare access, education, and environmental sustainability. Consequently, value creation remains the central outcome of entrepreneurial activities and the primary mechanism through which entrepreneurship contributes to sustainable national development.

Concept of Sustainable National Development

Sustainable national development has emerged as one of the most important paradigms in contemporary development discourse due to its emphasis on balancing economic growth, social welfare, and environmental protection. In an era characterized by rapid population growth, technological advancement, environmental challenges, and increasing socio-economic inequalities, nations are increasingly seeking development strategies that not only promote present prosperity but also safeguard the welfare of future generations. Consequently, sustainable national development has become a central objective of governments, international organizations, policymakers, and development practitioners across the world. The concept recognizes that genuine development extends beyond economic expansion and must encompass improvements in human welfare, social justice, environmental sustainability, and institutional effectiveness. The idea of sustainable development gained international prominence following the publication of the report of the World Commission on Environment and Development (WCED), popularly known as the Brundtland Commission Report, titled *Our Common Future* in 1987. The report defined sustainable development as "development that meets the needs of the present without

sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (WCED, 1987). This definition highlights the importance of balancing current developmental aspirations with long-term environmental and social considerations. It underscores the need for responsible management of economic, social, and natural resources to ensure that development remains beneficial, inclusive, and sustainable over time.

Sustainable national development can therefore be understood as a continuous and integrated process through which a nation promotes economic growth, social progress, and environmental protection while ensuring that future generations inherit adequate resources and opportunities for development. It involves the deliberate pursuit of policies and programmes that enhance citizens' quality of life, reduce poverty, create employment opportunities, improve access to social services, and preserve the environment. Sustainable national development is not merely concerned with increasing national income or Gross Domestic Product (GDP); rather, it seeks to achieve balanced development that promotes economic prosperity, social well-being, and environmental integrity simultaneously. The concept is multidimensional in nature because it recognizes the interdependence between economic, social, and environmental systems. Sustainable development cannot be achieved if economic growth occurs at the expense of environmental degradation or if social inequalities prevent large segments of the population from benefiting from development efforts. Similarly, environmental conservation alone cannot guarantee sustainable development in the absence of economic opportunities and social inclusion. As a result, sustainable national development requires a holistic approach that integrates economic sustainability, social sustainability, and environmental sustainability into national development planning and implementation. The global significance of sustainable national development was further reinforced through the adoption of the United Nations Sustainable Development Goals (SDGs) in 2015. The seventeen SDGs provide a comprehensive framework for addressing critical global challenges such as poverty, hunger, unemployment, inequality, climate change, environmental degradation, poor health outcomes, and inadequate education (United Nations, 2015). The goals emphasize inclusive economic growth, social justice, environmental protection, and institutional effectiveness as key requirements for achieving sustainable development. Consequently, countries around the world have aligned their national development strategies with the SDGs in an effort to promote sustainable and inclusive growth.

Economic Sustainability: Economic sustainability constitutes one of the fundamental pillars of sustainable national development. It refers to the ability of an economy to maintain long-term growth, generate productive employment opportunities, increase income levels, and utilize resources efficiently without creating excessive economic vulnerabilities. Economic sustainability seeks to ensure that economic activities contribute to the continuous improvement of living standards while preserving the productive capacity of the economy for future generations. A sustainable economy is characterized by stable economic growth, increased productivity, efficient allocation of resources, technological innovation, and resilience to economic shocks. Economic sustainability emphasizes the creation of wealth through productive activities that generate employment, stimulate investment, and enhance competitiveness. According to the World Bank (2024), sustainable economic growth is essential for reducing poverty, increasing household incomes, and improving overall societal welfare. Without sustained economic growth, governments may struggle to finance public services, provide infrastructure, and support social development programmes. Employment generation is a critical component of economic sustainability because productive employment provides individuals with income, enhances living standards, and promotes economic participation. High levels of unemployment and underemployment reduce productivity, increase poverty, and weaken economic growth. Consequently, sustainable national development requires the creation of employment opportunities

capable of absorbing growing labour forces and improving economic inclusion. Income generation also plays a vital role in economic sustainability. Increased income levels enhance consumer purchasing power, stimulate demand for goods and services, and contribute to economic expansion. Moreover, efficient resource utilization ensures that available human, financial, technological, and natural resources are used productively and responsibly. Sustainable economies prioritize innovation, entrepreneurship, industrialization, and economic diversification to reduce dependence on single sectors and enhance long-term economic resilience.

Social Sustainability: Social sustainability represents the second major pillar of sustainable national development and focuses on improving the quality of life of citizens through social inclusion, equity, poverty reduction, education, healthcare, and access to opportunities. It emphasizes the creation of societies in which all individuals can participate fully in economic, political, and social activities regardless of their socio-economic background, gender, ethnicity, or geographic location. One of the primary objectives of social sustainability is poverty reduction. Poverty remains one of the greatest obstacles to sustainable development because it limits access to education, healthcare, employment opportunities, and other essential services. According to the United Nations (2024), millions of people worldwide continue to experience extreme poverty despite significant development efforts. Sustainable national development therefore seeks to implement policies and programmes that enhance economic opportunities, increase incomes, and improve living conditions for disadvantaged populations. Social inclusion is another important aspect of social sustainability. Inclusive societies ensure that all citizens have equal access to opportunities and resources necessary for personal and societal development. Social exclusion often leads to inequality, marginalization, social unrest, and reduced economic productivity. Consequently, sustainable development promotes policies that encourage participation, equity, and social justice. Education constitutes a critical element of social sustainability because it equips individuals with the knowledge, skills, and competencies required to contribute meaningfully to economic and social development. Investment in education enhances human capital development, increases productivity, and improves employment prospects. Similarly, access to quality healthcare services contributes to social sustainability by improving life expectancy, reducing disease burdens, and enhancing overall well-being. Furthermore, social sustainability emphasizes equity and improved living standards. Equity involves ensuring fairness in the distribution of resources, opportunities, and benefits across different segments of society. Improved living standards are reflected in better housing, healthcare, education, income levels, social security, and overall quality of life. Sustainable national development therefore seeks to create environments where citizens can live healthy, productive, and fulfilling lives.

Entrepreneurship and Sustainable National Development

Entrepreneurship plays a significant role in advancing the three dimensions of sustainable national development. As a driver of innovation, economic growth, and social transformation, entrepreneurship contributes directly to economic sustainability through employment creation, income generation, wealth creation, and industrial development. Entrepreneurial ventures stimulate economic activities, enhance productivity, and support economic diversification, thereby strengthening national economies. In terms of social sustainability, entrepreneurship contributes to poverty reduction, social inclusion, and improved living standards. Through self-employment and business creation, entrepreneurship provides income-generating opportunities for individuals and households, reduces dependence on government assistance, and empowers marginalized groups. Small and medium enterprises (SMEs) created through entrepreneurial activities also generate employment opportunities that enhance household welfare and economic participation. Entrepreneurship equally supports environmental sustainability through the development of innovative and environmentally friendly products, services, and production systems. The emergence of green entrepreneurship has facilitated the adoption of renewable energy technologies, sustainable agricultural practices, waste recycling systems, and eco-friendly manufacturing

sustainable agricultural practices, waste recycling systems, and eco-friendly manufacturing processes. These innovations contribute to environmental conservation while creating economic opportunities and supporting sustainable development objectives. Furthermore, entrepreneurship fosters technological advancement and innovation, which are critical for addressing contemporary developmental challenges. Entrepreneurs often develop solutions to problems related to energy access, healthcare delivery, environmental management, education, and food security. Consequently, entrepreneurship serves as an important mechanism for achieving the Sustainable Development Goals and promoting long-term national development. The literature revealed that, sustainable national development is a comprehensive and multidimensional process that seeks to balance economic growth, social progress, and environmental protection. Its achievement depends on the effective integration of economic sustainability, social sustainability, and environmental sustainability into national development strategies. Entrepreneurship plays a pivotal role in advancing these dimensions by creating employment opportunities, reducing poverty, promoting innovation, supporting environmental conservation, and stimulating economic transformation. Therefore, entrepreneurship remains a critical instrument for achieving sustainable national development and improving the quality of life of present and future generations.

Methodology

This study adopted a quantitative survey design to examine the role of entrepreneurship in sustainable national development using numerical data and statistical analysis. The target population comprised entrepreneurs and MSME owners in selected urban areas, from which a sample of 200 respondents was selected using simple random sampling to ensure fairness and representativeness. Primary data were collected through structured questionnaires divided into demographic items and Likert-scale questions on entrepreneurship and sustainable development. Data were analyzed using frequency tables, percentages, mean scores, standard deviation, and multiple regression analysis to test relationships among variables. The decision rule accepted mean scores ≥ 3.00 and rejected those below 3.00, while hypotheses were tested at a 0.05 significance level ($p < 0.05 = \text{significant}$)

Data Presentation, Analysis and Interpretation

This section presents the analysis of data collected from respondents, interpreted using descriptive and inferential statistics to determine the role of entrepreneurship in sustainable national development. The analysis is supported with statistical evidence from the study and contextualized with relevant secondary data where necessary.

Demographic Characteristics of Respondents

Table 1: Gender Distribution

Gender	Frequency	Percentage
Male	120	60%
Female	80	40%
Total	200	100%

Source: Field Survey, 2026

The gender distribution shows that 120 respondents representing 60% are male, while 80 respondents representing 40% are female. This indicates a relatively higher participation of males in entrepreneurial activities within the study area. The implication is that entrepreneurship in the selected urban areas is still male-dominated, although female participation is also significant and growing. This finding aligns with the National Bureau of Statistics (NBS, 2023) report which indicates that male-owned enterprises dominate formal and informal business sectors in Nigeria

due to factors such as access to capital, cultural norms, and higher labour market participation. However, the increasing 40% female participation suggests gradual improvement in gender inclusion in entrepreneurship, likely influenced by government empowerment programmes such as the National Social Investment Programme (NSIP) and Women Empowerment Initiatives. The gender distribution implies that entrepreneurship-driven development strategies must consider gender disparities to ensure inclusive sustainable national development, as both male and female entrepreneurs contribute differently but significantly to economic outcomes.

Table 2: Educational Qualification

Qualification	Frequency	Percentage
SSCE	30	15%
Diploma	50	25%
Bachelor's Degree	90	45%
Postgraduate	30	15%
Total	200	100%

Source: Field Survey, 2026

The educational distribution reveals that 45% of respondents possess bachelor's degrees, 25% have diplomas, 15% have SSCE qualifications, and 15% possess postgraduate degrees. This indicates that most entrepreneurs are relatively educated, with the majority having tertiary education. This finding supports SMEDAN (2023), which reports that a growing number of MSME operators in Nigeria are increasingly educated due to rising awareness of the importance of business skills, management knowledge, and innovation in entrepreneurship success. Education enhances entrepreneurial capacity, decision-making, and innovation adoption. The dominance of tertiary-educated entrepreneurs implies that education plays a crucial role in entrepreneurial success and sustainability. This strengthens the argument that human capital development is essential for entrepreneurship to effectively contribute to sustainable national development.

Descriptive Statistics (Research Questions)

Research Question One: What is the effect of entrepreneurship on Economic Sustainability in the study area?

Table 3: Effects of Entrepreneurship on Economic Sustainability

Item	Mean	Decision
Entrepreneurship creates employment opportunities	4.32	Accepted
Entrepreneurship promotes economic growth	4.25	Accepted
Entrepreneurship increases productivity	4.11	Accepted
Entrepreneurship encourages innovation	4.28	Accepted

Source: Field Survey, 2026

The results show very high mean scores across all items: employment creation (4.32), economic growth (4.25), productivity increase (4.11), and innovation promotion (4.28), with a grand mean of 4.24. This indicates strong agreement among respondents that entrepreneurship significantly drives employment generation and economic growth. This finding is consistent with World Bank (2024) data, which highlights that SMEs contribute over 50% of employment in developing economies. It also aligns with Acs, Desai, and Hessels (2008), who argue that

entrepreneurial activity is strongly associated with job creation, innovation, and economic expansion. The result implies that entrepreneurship is a key engine of economic sustainability. Therefore, strengthening entrepreneurial ecosystems can significantly reduce unemployment and stimulate economic development in Nigeria.

Research Question Two: To what extent does entrepreneurship contribute to Social Sustainability?

Table 4: Effects of Entrepreneurship on Social Sustainability

Item	Mean	Decision
Entrepreneurship increases household income	4.20	Accepted
Entrepreneurship reduces poverty	4.14	Accepted
Entrepreneurship improves living standards	4.09	Accepted
Entrepreneurship promotes self-reliance	4.35	Accepted

Source: Field Survey, 2026

The results show high mean scores: income increase (4.20), poverty reduction (4.14), improved living standards (4.09), and self-reliance (4.35), with a grand mean of 4.20. This indicates that respondents strongly agree that entrepreneurship reduces poverty and improves living standards which are indicators of **social** sustainability. This supports United Nations (2024) findings that entrepreneurship and self-employment are major tools for poverty alleviation in developing economies. It also aligns with Hisrich, Peters, and Shepherd (2017), who emphasize that entrepreneurship enhances income distribution and household welfare through job creation and self-employment. The implication is that entrepreneurship serves as a direct pathway to social sustainability by improving income levels and reducing dependency on government support systems, thereby enhancing overall national welfare.

Inferential Statistics (Regression Analysis)

Table 5: Model Summary

Variable	R	R ²	Adjusted R ²
Entrepreneurship and Sustainable Development	0.784	0.615	0.607

Source: SPSS Output, 2026

The regression results show an R value of 0.784, indicating a strong positive relationship between entrepreneurship and sustainable national development. The R² value of 0.615 implies that 61.5% of variations in sustainable national development are explained by entrepreneurship-related variables, while 38.5% is explained by other external factors such as government policy, infrastructure, and institutional quality. This level of explanatory power is statistically strong and suggests that entrepreneurship plays a major role in shaping development outcomes in the study area. The high R² value confirms that entrepreneurship is a dominant determinant of sustainable national development, though not the sole factor influencing it.

Regression Coefficients

Variable	Beta	t-value	Sig.
Economic Sustainability	0.412	7.853	0.000
Social Sustainability	0.376	6.924	0.000

Source: SPSS Output, 2026

The regression coefficient shows that economic sustainability β is equal to 0.412, with a p value of 0.000. It also revealed that the coefficient of social sustainability β is equal to 0.376, with a p value of 0.000. Thus, H_{01} was rejected because p-value of $0.000 < 0.05$. Therefore, entrepreneurship significantly influences economic sustainability. Similarly, H_{02} was also rejected because p-value of $0.000 < 0.05$. Hence, entrepreneurship significantly contributes to social sustainability through poverty reduction and improved living standards. This finding is consistent with Schumpeterian theory, which emphasizes innovation-driven entrepreneurship as a driver of economic transformation, and with World Bank (2024) evidence that employment creation remains the most direct channel through which entrepreneurship impacts development. The overall findings suggest that entrepreneurship plays a crucial and statistically significant role in promoting sustainable national development in the study area. Specifically, entrepreneurship drives employment generation; economic growth; reduces poverty and improves living standards which explains a substantial proportion of development outcomes (61.5%). However, the remaining unexplained variation indicates that structural challenges such as infrastructure deficits, access to finance, and policy instability may still limit the full impact of entrepreneurship. The study confirms that entrepreneurship is a powerful but not sufficient driver of sustainable national development. Its effectiveness depends on enabling environmental factors, meaning that policy support, infrastructure development, and financial inclusion are necessary to maximize its developmental impact.

Discussion of Findings

The findings of this study reveal that entrepreneurship plays a significant and positive role in promoting sustainable national development, particularly through employment generation, poverty reduction, and improvement in living standards. The descriptive results showed high mean scores across all indicators, suggesting strong agreement among respondents that entrepreneurial activities contribute meaningfully to economic and social development outcomes. The regression analysis further confirmed this relationship, with entrepreneurship explaining 61.5% of the variation in sustainable national development, indicating a strong explanatory power of the model. One of the major findings is that entrepreneurship significantly enhances economic sustainability through employment generation and economic growth. This supports the Schumpeterian view of entrepreneurship as an engine of innovation and economic transformation. The result is also consistent with the findings of the World Bank (2024), which emphasizes that small and medium enterprises contribute a substantial proportion of employment in developing economies. In the Nigerian context, this finding aligns with SMEDAN (2023), which reports that MSMEs account for about 84% of employment. This implies that entrepreneurship remains a critical mechanism for addressing unemployment challenges, particularly among youths. Another key finding is that entrepreneurship contributes significantly to social sustainability through poverty reduction and improved living standards. Respondents strongly agreed that entrepreneurship increases household income, promotes self-reliance, and reduces dependency on government welfare. This finding is supported by Muhammad Yunus's micro-entrepreneurship theory, which emphasizes that self-employment and small business creation are effective tools for poverty reduction. It also aligns with the United Nations (2024) report, which highlights entrepreneurship as a key strategy for inclusive growth and social empowerment. The implication is that entrepreneurship serves as a direct pathway to social sustainability by improving income distribution and reducing economic vulnerability. The regression results also revealed that both employment generation and poverty reduction significantly influence sustainable national development, with employment generation having a stronger effect. This suggests that job creation is the most immediate channel through which entrepreneurship contributes to development outcomes. This finding is consistent with Acs, Desai, and Hessels (2008), who argue that entrepreneurial ecosystems are most effective when they generate productive employment and stimulate innovation-driven growth. However, despite these positive contributions, the findings also imply that entrepreneurship alone cannot fully

achieve sustainable national development. The R^2 value of 61.5% indicates that other factors such as infrastructure, government policy, access to finance, and institutional quality also play significant roles. This supports the World Bank (2023) position that structural constraints often limit the full impact of entrepreneurship in developing economies like Nigeria.

Conclusion

Based on the findings of the study, it is concluded that entrepreneurship is a vital instrument for achieving sustainable national development. The study demonstrates that entrepreneurial activities significantly contribute to economic and social sustainability via employment generation, poverty reduction, income improvement, and overall economic growth. The empirical evidence confirms that entrepreneurship is not only an economic tool but also a social development mechanism that enhances living standards and promotes self-reliance among individuals. The statistical results further establish that entrepreneurship has a strong and significant relationship with sustainable national development, explaining a substantial proportion of its variation. However, the study also concludes that the full potential of entrepreneurship in driving sustainable national development is constrained by structural challenges such as inadequate infrastructure, limited access to finance, policy inconsistency, and business environment instability. Therefore, entrepreneurship alone is not sufficient; it must be supported by enabling institutional and economic conditions. This suggests that, entrepreneurship remains a key driver of sustainable national development, but its effectiveness depends on the quality of the supporting environment in which it operates. Based on the findings of the study, the following recommendations are made to enhance the contribution of entrepreneurship to sustainable national development:

- i. Government and financial institutions should expand access to affordable credit for entrepreneurs through low-interest loans, microfinance schemes, and special intervention funds. This will enable small and medium enterprises to grow, innovate, and create more employment opportunities. Also, there is a need for urgent improvement in critical infrastructure such as electricity supply, transportation networks, and digital connectivity. Reliable infrastructure will reduce business operating costs and enhance entrepreneurial productivity.
- ii. Entrepreneurship education should be strengthened at all levels of the educational system. Training programmes should focus on business management, innovation, financial literacy, and digital skills to enhance entrepreneurial capacity. Also, government should ensure consistency in economic policies affecting businesses, reduce multiple taxation, and simplify regulatory procedures. A stable and predictable policy environment will encourage investment and business sustainability.
- iii. Special attention should be given to youth and women empowerment programmes through targeted funding, mentorship, and incubation centres. This will enhance inclusiveness and expand the entrepreneurial base of the economy. Similarly, agencies such as Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) and the Bank of Industry (BOI) should be strengthened to provide more effective support in terms of training, funding, and business development services.

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