AFRICAN JOURNAL OF ORGANIZATIONAL PERSPECTIVES AND ECONOMY
VOL. 9 NO. 1 JUNE 2025

ENTREPRENEURSHIP FOR NATIONAL DEVELOPMENT IN NIGERIA'S CASHLESS ECONOMY

IME E. ESARA
Department of Banking and Finance,
Akwa Ibom State Polytechnic,
Ikot Osurua, Ikot Ekpene.

&

UTITOFON MORGAN
Department of Banking and Finance,
Akwa Ibom State Polytechnic,
Ikot Osurua, Ikot Ekpene.

Article history:
Received: 20 June 2025;
Received in revised form:
23 June 2025;
Accepted: 26 June 2025;

Keywords:
Entrepreneurship, national development, cashless economy and Nigeria.

Abstract
This paper examines how entrepreneurial activities can contribute to national development in Nigeria's cashless economy. The paper maintains that enhanced economic growth and development in the recent policy of the cashless economy of Central Bank of Nigeria can be achieved through active entrepreneurial endeavours. The paper concludes that government macroeconomic policies should be re-directed to revamp down turns in the economy in order to foster greater entrepreneurial skills, which in spread national economic development in the current Nigeria's cashless economy. The paper recommends a holistic or balanced approach in infrastructural development to advance entrepreneurial development in Nigeria.

Introduction

Economic development of any nation depends upon the level of capital and accumulation of wealth of the nation, her citizenry and investors. As the level of investment increases, development is bound to occur. Entrepreneurship in its real concept does not refer only to the big time businesses in our society but also to little business enterprises such as tailoring, hair dressing, hair barbing, cobblers and transporters, etc. These are forms of entrepreneurial businesses that need development and rapid transformation. Recently, information and communication technology plays a vitally different role towards the development of entrepreneurial skills for national development (Joshua, 2008; Major, 2012).

Nigeria's economic development has been slow mainly because the entrepreneurs lack the requisite know-how and capital to start businesses that can transform the economy and ensure national development. There is dearth of finance houses or refusal by the banks to loan to small business outfit. This, in itself, constitutes a great impediment to national development (Wosu and Suotor, 2012). The quest for a national development that should be considered sustainable must be one anchor which forms the fulcrum on which national development is based; this is because the entrepreneurs should be acquainted with the new level of development in line with the policy of cashless economy.

This is because most Nigerian entrepreneurs fail to patronize the positive development in Nigerian banks (Raheem, 2011; Ihua, 2009). In a nutshell, entrepreneurial skills development have been proved to be a key to sustainable development given the fact that the desire of every nation especially developing nations like Nigeria is how to build a self-reliant and resilient economy not dependent on imports from other nations especially now that she intends to achieve national acceptance in the macro-economic policy of cashless economy (Adebayo and Jenyo, 2002).

Definition of Concepts

Entrepreneur: This is a concept derived from two French words "Entre" which means "between" and "prendre" meaning "to take." Joined together, it means someone who intermediates in an undertaking to get something done. It has been variously defined as an economic agent who unites all means of production i.e. labour and capital to produce a given level of output. As an innovator who uses a process of the existing products and services to introduce and produce new products and services. As one that searches for change, responds and expects opportunity from it. Other definitions are of the view that entrepreneurs bear the risk of investment in new areas of life. He is one who commits resources towards the satisfaction of human needs.

Innovation has been an aspect of entrepreneurship in this dynamic world. This is why the entrepreneurs apply both mental and physical skill to make discoveries and exploit opportunities to have economic gains. Entrepreneurs are regarded as change agents who take advantage of change, manage the change and change, the behavior of people through innovative and services that are transformed into consumable products (Charles and Lotsmart, 2013).

Cashless Economy

The global economic meltdown brought alongside it some levels of damages to the global economy including Nigeria's. The banking sector which has formed the fulcrum on which the economy of Nigeria relies upon financially was equally not safe from the global financial crunch. The resultant impact was the shortage of fund, which greeted the entire globe in the wake of 2008-2010.

This led to the dearth of entrepreneurial development in the world economy including Nigeria. An attempt to cushion the severe effect of the crunch led to many reforms in the financial system by the Central Bank of Nigeria (CBN), one of which was the re-consolidation of the banks between 2005-2010. Although before the crisis, banks have already been re-capitalized and consolidated to the tune of N25bn and 25 operational certified banks but such exercise did not spare Nigeria from the global crisis. This is because the foreign bank which houses our foreign reserves was also in dire need of a bail-out owing to the global crisis (Chari and Kehoe: 2008).

While still grappling with the financial crisis and some major reforms in the banking industry, electronic banking (e-banking) came emphasizing reduction in the level of cash at hand aside the banking system (Wosu and Macaulay, 2012). The CBN issued regulatory frameworks to guide the smooth operations of the new cashless policy beginning from January 1, 2009. The above policy brought positive change in the conduct of banking system in Nigeria. The cashless economy can be operated with the use of Automated Teller Machine (ATM), Point of Sales (POS), credit or debit cards, master card, visa, Entranzact, mobile money and interswitch (Wosu and Macaulay, 2012). The daily cash limit permitted by the reform through ATM is N 150,000.00 and N$00,000.00 through cheque as daily withdrawals depending on the number of account operated by the individuals The cashless policy puts the entrepreneurs in a position of prudent spending better focus and goal-oriented in business.

Sustainable National Development

Sustainable national development encompasses any strategic approach that helps to maintain development on a steady scale for the future. It involves the indigenous use of non-renewal resources which the present and the future generations can make use of at the moment. Sustainable national development is one that assures that a nation, society or the individual is on a steady ship of sustainable livelihood - with the ability to create jobs, provides basic products and services, generates national income and enhances the purchasing power in the economy (Omesi, 2012).

Sustainable national development that does not incorporate the development of competent auto-mechanics, truck drivers, carpenters, plumbers, electricians, electronics and computer operators, database, medical technicians, book keepers or recorders, web technicians, nursing assistants, cobblers, hair dressers, barbers and graduates etc. is not entrepreneurially based. When the above in the economy are developed to a large extent, there would be an overall national development in the country.

Sustainable development is not all about the protection of the environment but it centres on how we can make good use of the available natural resources and spare some for future use. This entails the elimination of poverty and environmental hazards or degradation in order to make improvement in human welfare.

Sustainable National Development Packages in Nigeria

Sustainable national development in Nigeria has been packaged in various regimes starting majorly with Operation Feed the Nation (OFN)by the Obasenjo Military Administration of 1979, Green Revolution of the 1980 by Alhaji Sheho Shagari, Nigeria's first Executive President, Directorate of Food, Roads and Rural Infrastructure of 1986 (DEFFRI) by the Military President, Gen. Ibrahim Badamosi Babangida (nd),followed by National Directorate of Employment (NDE) of 1986 of the same regime. Others include Family Economic Advancement Programmes (FEAP) of the Late Gen. Sanni Abacha Administration and of recent, National Economic Empowerment Development Strategies (NEEDS) initiated by the Umaru

Musa Yar'Adua/Goodluck Ebele Jonathan administrations. The above programmes were well articulated to train, finance, guide and provide rural communities with motorable roads, water, electricity, self-help rural development programmes, skill acquisition and credit facilities for the unemployed. But the implementation of the programmes project a problem to sustainable national development in Nigeria (Bames, 2010; Enu, 2010; Eno-Obong, 2012; Agbaeze, 2007; Ure and Piret, 2016).

The factors bedeviling entrepreneurship in Nigeria include:

Corruption: It is true that corruption retards economic growth. It exists in virtually all economies, not necessarily developing economies or indeed Africa although based on the structures in the advanced countries, they are able to control these practices. In Nigeria, the Economic and Financial Crime Commission(EFCC) set up by the govement, has been trying todeal with corruption. They have made quite a substantial amount of investigation and recoveries. Unconfirmed figures put recovered money at 55 billion including some of the money looted outside of the country by corrupt leaders.

Other factors which tend to weigh down entrepreneurs are:

Market: Most of our entrepreneurs do not have access to markets. In order for them to have access to markets, they have to understand the requirements of the market. This is one area where we are lacking. For instance, if you want to have access to the U.S. market, you must know of the market regulations in the USA. Such understanding - will assist the entrepreneurs to produce to meet the needs of the market. Adequate and timely market information must be provided. Also products must be competitive and meet required standards.

Infrastructure: This is tenable in all developing countries, but more prominent in Nigeria. Poor infrastructure has been a major cause of Nigerian products not being competitive in the international market. Public power supply has been another major constraint to enterprise development. A study carried out by the World Bank (2009) pointed out that if government is able to remove power as a bottleneck, Nigeria will gain at least 30% competitiveness in production. A couple of years ago, we had a similar problem in the telecom industry. In Nigeria, we had not more than 400,000 phones lines. But today, four years later based on the reform agenda, government liberalized the telecom sector and provided an enabling operating climate for private sector participation in that sector. Currently, about 50 million lines, the majority of which are either mobiles or fixed wireless, are operational. So we are able to cross the bridge of infrastructural deficiency in the telecom sector through right policy regulation as well as transparent licensing of private operators.

Finance: Access to capital is a major constraint in Nigeria. The government has tried several interventions in the last decade. However, about five years ago, the Banker's Committee decided to set aside 10% of their profits as equity investments in small businesses. Everybody hailed that decision. Unfortunately, the rate at which the money is being disbursed to enterprises has been very poor. So why was this happening?

First of all, you have to understand the mindset of the small businesses in Nigeria.

They own their businesses, and they control it themselves. Unlike what is obtained in USA, Canada and Europe where most people wanting to start a business will look for a partner, somebody with equity. The philosophy is "Let's share the risk together. Let's leverage on the strength of one another" etc. But back in Nigeria, the prevailing philosophy is "I want to start it myself. I want to do it myself."

The second consideration is that years ago, the financial services sector had been used to lending through debt, not equity. So the mindset again is different.

Most lending has to do with collaterals. If you default, they sell off your collateral. In the new participatory case, there is nothing to sell off, which means they have to do their homework a lot more to know the right type of businesses to invest in - whether they are growing businesses or not. They need to know all that, and that is where they can get their reward. So that has also become a challenge for the banks. They need to learn the ropes of venture capitalists.

On both sides, there are real challenges, and these have slowed down investments in equity. There is need for value orientation and sound financial education

Documentation Processes and Outcomes: The records are poorly kept and it is difficult for small businesses to have regular financial statements. This common business practice in developed economies must be shown to entrepreneurs and why it is important for them to have their own financial records - even to know how their businesses are growing, Western small businesses are very careful about documentation processes and outcomes which are likely due to Small Business Administration (SBA) requirements.

This is alien to the third world countries. In fact, it is non-existent in Nigeria.

But beyond the SBA requirements, the fact that entrepreneurs are able to document their processes help them to consistently control the outcome. That is one learning point that must be imbibed by all entrepreneurs. In addition, we need to start documenting some of the processes which have been successful using daily reflection journals as well as documenting various operational challenges and the solutions to these. This leads to effective use of feedback mechanisms in future operational plans as well as in developing strategic plans.

Importance of Entrepreneurship to the economy:

The following seven ways showcase the importance of entrepreneurs to any economy: Entrepreneurs are frequently thought of as national assets to be cultivated, motivated and remunerated to the greatest extent. Entrepreneurs can change the way we live and work. If successful, their innovations may improve our standard of living In short, in addition to creating wealth from their entrepreneurial ventures, they also create jobs and the condition for a prosperous society

Path Breaking

Bypath breaking, entrepreneurs create new businesses, in the form of new goods and services. The result is new employment, which can produce a cascading effect in the economy. The stimulation of related businesses or sectors that support the new venture adds to further economic development.

Businesses in associated industries, like call center operations, network maintenance companies and hardware providers in the telecom industry flourish. Education and training institutes nurture a new class of IT workers offering better, high-paying jobs. Infrastructure development organizations and even real estate companies capitalize on this growth as workers migrate to employment hubs seeking new improved lives.

Similarly, future development efforts in underdeveloped countries will require robust logistics support, capital investment from buildings to paper clips and a qualified workforce. From the highly qualified programmer to the construction worker, the entrepreneur enables benefits across a broad spectrum of the economy.

Entrepreneurs Add to National Income

Entrepreneurial ventures literally generate new wealth. Existing businesses may remain confined to the scope of existing markets and may hit the ceiling in terms of income. New and improved offerings, products or technologies from entrepreneurs enable new markets to be developed and create new wealth.

Additionally, the cascading effect of increased employment and higher earnings contribute to better national income in form of higher tax revenue and higher government spending. This revenue can be used by the government to invest in other, struggling sectors and human capital. Although it may make a few existing players redundant, the government can soften the blow by redirecting surplus wealth to retain workers.

Entrepreneurs Create Social Change

Through their unique offerings of new goods and services, entrepreneurs break away from tradition and indirectly support freedom by reducing dependence on obsolete systems and technologies. Overall, this results in an improved quality of life, greater morale and economic freedom. For example, the water supply in a water-scare region will, at times, force people to stop working to collect water. This will impact their business, productivity and income. Imagine an innovative, automatic, low-cost, flow-based pump that can fill in people's home water containers automatically. Such an installation will ensure people are able to focus on their core jobs without worrying about basic necessity like carrying water. More time devoted to work means economic growth. For a more contemporary example, smartphones and their smart apps have revolutionized work and play across the globe.

Smartphones are not exclusive to rich countries or rich people either. As the growth of China's smartphone market and its smartphone industry show, technological entrepreneurship will have profound, long lasting imparts on the entire human race.

Moreover, the globalization of tech means entrepreneurs in lesser-developed countries have access to the same tools as their counterparts in richer countries.

They also have the advantage of lower cost of living, so a young individual entrepreneur from an underdeveloped country can take on the might of the multi-million dollar existing product from a developed country.

Community Development

Entrepreneurs regularly nurture entrepreneurial ventures with other like-minded individuals. They also invest in country projects and provide financial support to local charities. This enables further development beyond their own ventures.

Some famous entrepreneurs, have used their money to finance good causes, from education to public health, mines to Agriculture etc. The qualities that make one an entrepreneur are the same qualities that motivate entrepreneurs.

The Other Side of Entrepreneurs

Are there any drawbacks to cultivating entrepreneurs and entrepreneurship? Is there an "upper limit" for the number of entrepreneurs a society can hold? Nigeria may provide an example of a place where high levels of self-employment have proved to be inefficient for economic development. Research reveals that Nigeria has in the past experienced large negative impacts on the growth of its economy because of self-employment. There may be truth in the old saying "too many chefs and not enough cooks spoil the soup".

The Role of States

Regulations play a crucial role in nurturing entrepreneurship, but regulation requires a fine balancing act on the part of the regulating authority Unregulated entrepreneurship may lead to unwanted social outcomes including unfair market practices, pervasive corruption, financial crisis and even criminal activity. Findings from United Nations University also indicate the Possible implications of "Over nurturing" entrepreneurship.

It is argued that "while entrepreneurship may raise economic growth and material welfare, it may not always result in improvements in non-material welfare (or happiness). Promotion of happiness is increasingly seen as an essential goal" Paradoxically, a significantly high number of entrepreneurs may lead to fierce competition and loss of career choices for individuals. With too many

entrepreneurs, levels of aspirations usually rise. Owing to the variability of success in entrepreneurial ventures, the scenario of having too many entrepreneurs may also lead to income inequalities, making citizens more-not less - unhappy.

The Bottom Line

The interesting interaction of entrepreneurship and economic development has vital inputs and inferences for policy makers, development institutes, business owners, change agents and charitable donors. If we understand the benefits and drawbacks, a balanced approached to nurturing entrepreneurship will definitely result in a positive impact on economy and society.

Strategies for Effective Entrepreneurial

Development in Nigeria One strategy to effectively strengthen entrepreneurship development in Nigeria's cashless economy is through genuine education in terms of technically developing the entrepreneurs for the world of work in the future.

Another means is by creating a friendly environment devoid of rancor and violence as they stand out as bane to national development. Again, entrepreneurship centers should be packaged with new ideas and funded to foster specifie skills required for entrepreneurship development. Training the trainers is a sine-qua-non to effective entrepreneurship development. This helps to identify plans create knowledge and make people potentially trainable and ready for entrepreneurship development, pool local private and public funds in order to create a viable small business venture for the development of entrepreneurship business (Wosu, 2012). There should be the provision of small business schools in almost all the major cities and some rural areas to build-in entrepreneurial spirit in the people, provide infrastructural facilities for the people as a starting point and easy access to funds. Banks should be established in most rural areas to educate the people on the use of the products of the banks. This will make the policy to be acceptable generally.

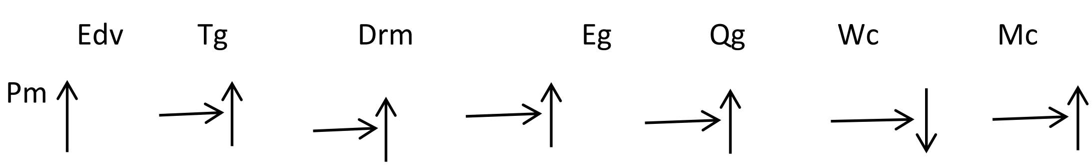
Entrepreneurship Sustenance in a Cashless Economy

The core value of sustainable development of entrepreneurship in this era of cashless economy is sustenance. Sustenance refers to the ability to meet basic human needs and these needs are food, cloth, shelter, education, health and protection. When any of these needs is inadequately supplied, a condition of absolute underdevelopment exists (Onuchuku, 2012). The entrepreneurs in the cashless era should ensure that the society is elevated so that it does not compromise its use in the future. This is because, a development path is considered sustainable if the achievements in life for the general improvement of welfare of citizens now do not compromise the welfare of tuture generation The entrepreneurs should be educated to the extent that they are ready to conduct their businesses through e-systems. Entrepreneurs should acquire the knowledge and the policy package of the reforms in banks to apply the methods of using the reform products and other means of payment for transacting businesses. Entrepreneurs should be encouraged to patronize thi banking system for safe keeping of money and this will augur well for the present and the future of entrepreneurs in Nigeria for national development driven through the 21" century (Bares, 2010; Aluko, 2013; Agbaeze, 2007).

Sustainable national development is a process of improvement in the general welfare of the society which manifests in desirable changes in various aspects of people's life. When people have access to good drinking water, good road, better and equipped hospital, education and some major infrastructural facilities like electricity, then there is sustained national development. Hence, the entrepreneurs strive better.

Model Relationship of Entrepreneurship and National Development in Nigeria

The level of national development is a function of the entrepreneurial activities in Nigeria i.e ND = f (EDV).



Pv $\rightarrow\downarrow$ Cr $\rightarrow\downarrow$ Eea $\rightarrow\uparrow$ Ny $\rightarrow\uparrow$ SI $\rightarrow\uparrow$ QI $\rightarrow\uparrow$ Nd $\rightarrow\uparrow$

Authors' model

Where

Edv = Entrepreneurial Development,
Tg = Technology growth
Drm = Domestic resource utilization and mobilization
Eg = Employment generation
0g = Output growth
We = Wealth creation
Mc = Market competition enhanced
Pm = Prices in the market
Pv = poverty level reduce
Cr = Crime rate reduces
Eca = Enhanced entrepreneurship activities
Ny = Enhanced national income
SI = Standard of living
Qi = Quality of Life
Nd = National development

$\uparrow$ = Increase in

$\downarrow$ = Decrease in

$\rightarrow$ = Leads / Caused

Conclusion

This paper, from the foregoing, posits that entrepreneurial development is vital to the attainment of sustainable national development in Nigeria. Government and the private hands should therefore make concerted efforts toward a total overhaul of the economy and the creation of conducive environment that will enable the development of capacity build up to boost entrepreneurial skills.

This will facilitate employment creation and income generation to reduce poverty in Nigeria (Emi, 2012). Equally, it will enhance a high level patronage of the new cash policy as entrepreneurs are made to see visibly, the importance of the cash policy towards national economic and financial development.

Recommendations

Government should establish monitoring units to oversee the implementation of entrepreneurial centres in schools and skills acquisition centers. Programmers and policies should have an in-built mechanism of sustenance for proper implementation.

Would-be entrepreneurs should be encouraged through tax reduction, low rental values etc. to encourage them at the beginning. Adequate provision of infrastructural facilities such as road, regular power supply, water, banks, school etc. for proper functioning of the entrepreneurs should be ensured.

Reduction of interest rates charged on loans and the provision of access to funds will in no small measure face-lift entrepreneurship in Nigeria. Also, local resources should be made available to the entrepreneurs to reduce importation. For instance, students who distinct themselves in entrepreneurial skill training in the tertiary institutions should be given grants to encourage them venture into those skills while undertaking their programmes in school.

References

Adebayo, O. and Jenyo, K. (2002). What is entrepreneurship and was it evolved? International Journal of Innovation in Management Sciences. 4(1): 159- 167.

Agbaeze, E. K. (2007). Development of entrepreneurship: The Nigerian Perspective Enugu: Precision Publishers.

Aluko, M.A.D. (2004). Sustainable development, environmental degradation and the entrenchment of poverty in the Niger Delta of Nigeria. Journal of Human Ecology, 15(1): 63-68.

Barnes, A. (2010). Poverty eradication, millennium goals and sustainable development in Nigeria. Journal of Sustainable Development, 3(4): 138-144

Chari, V., and Kehoe, P. (2004), Financial Crisis as Herds: Overturning the critiques. Journal of Economic Theory, 1(19): 128-150.

Charles, C. F. and Lotsmart, N. F. (2013). The concept of self-reliance in community development initiatives in the Cameroun grass fields. Nordic Journal of African Studies, 12(2): 196-219

Chinonye, L. E. (2010). Entrepreneurship a conceptual approach. Lagos: Permark Nigeria Limited.

Emi, D. B. (2012). Enhancing the entrepreneurship education in Nigeria. American Journal of Social Issues and Humanities. 2(4): 232-239.

Eno-obong. H. (2006). Challenges of entrepreneurship in home economies and enhancement strategies. Journal of Home economies Research (7): 68-75.

Thua, U. (2009). SME's the failure-factor: A comparison between United Kingdom and Nigerian. Journal of Social Science, 18(3): 199-207.

Joshua, M. (2008). Small and medium scale business as instrument of economic growth in Nigeria. Lagos: Kinston Publishers.

Major, H. 1. (2012). The entrepreneurial skill as a string that propels economic growth of a nation. Paper presented at the +" annual faculty conference of Business Education, Ignatius Ajuru University of Education, Port Harcourt, held on 17-20 October. 2012.

Nwazor, J. C. (2012). Capacity building, entrepreneurship and sustainable development. Journal of Emerging Trends in educational Research and policy, 3(1): 51-54.

Nwoks, J, and Horsfall, H. (2010). Entrepreneurship and society development: The Nigerian experience. Port Harcourt: Sangolden Biz Link

Ottih, L. O. (2002). Creating an entrepreneurial generation: The role of Nigerian Universities in the 21" century. Lead paper presented at the Faculty of Business Education Conference, Lenaties Ajuru University of Education, Port Harcourt, Nigeria held on 18-20 October, 2012

Raheem, S. (2011). The survival of entrepreneurial strategies in a deregulated economy. International Journal of Management Sciences, 3(6): 6-6.

Urve, V., and Piret, L. (2006). The role of entrepreneurship ie economic development and implication for SME Policy in Estonia. Paper presented at the 14'h Nordic conference on small business research, Stockholm, Sweden held on 11-13 May, 2006.

Wosu, C. and Macaulay E. D. (2012). Electronic Payments system as a veritable tool for financial sector reforms in Nigeria. International Journal of Educational Development, 3(1): 75-83.

Wosu, C., (2012). Implication of the global economic and financial crunch on Nigeria's Economy. Journal of Business and Economic Research, 7(1): 168-173.

Wosu, C., and Amadi, N. N. (2013). Insurgence of violence in Nigeria and impact on the economy: Reflections on the Boko Haram sect. Rivers Social Sciences Forum, 12(5): 1010-107.

Wosu, C., and Asuru, C. (2012). Security bridges and spiral violence: implication for peace building in Nigeria. Paper presented at the National Association of Female Teachers (NAFET) conference at the international conference centre, Abuja, Nigeria held on 3-7 September, 201