



EFFECT OF ENTREPRENEURSHIP GRANTS ON BUSINESS STARTUP AMONG YOUTH IN FCT-ABUJA, NIGERIA

By

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Abstract

This study examined the effect of entrepreneurship grants on business startup among youth in FCT Abuja, Nigeria. The study adopted a survey research design. The population of the study comprised of all youth in Gwagalada and Kuje Area council FCT-Abuja who have being in business for at least 2 years. Therefore, the population of this study was defined as unknown. Three hundred and sixty-eight (368) was determined using Cochran's (1977) sample size formula and purposive sampling technique was used to select the respondents for this study. The study utilized adapted questionnaire as the instrument for data collection. The data collected for the study was analyzed using Partial Least Square Structural Equation Modeling in determining the measurement, structural models and hypotheses testing through SmartPLS 3.0 software. The study found that Tony Elumelu Entrepreneurship Grant has positive and insignificant effect on Business start Up among Youth in FCT-Abuja, Nigeria. while National Youth Entrepreneurship Grant has positive and significant effect on Business start Up among Youth in FCT-Abuja, Nigeria. Based on the findings, it is concluded that Tony Elumelu Entrepreneurship Grant positively but insignificantly influence Business Start Up among Youth in FCT-Abuja, Nigeria Whiles National Youth Entrepreneurship Grant positively and significantly influences Business Start-Up among Youth in FCT-Abuja, Nigeria. The study thus recommended among others that those in charge in disbursement of Tony Elumelu Entrepreneurship Grant in Nigeria specifically, FCT-Abuja should improve on the disbursement of the said Grant by targeting youths, increase the number of the beneficiaries reasonable and regularly organize programmes that will create more awareness on grant and how to access it.

Keywords: Entrepreneurship, Grant, Tony Elumelu, National Youth, Business Start-up, Youth.

Introduction

Nigerian government as advocate of her programme to reduce rate of unemployment in Nigeria partnered with private sectors to formulate and implement policies for business start-up. One of these policies is entrepreneurship grants to youth to enable them start businesses. Entrepreneurship grants are funding given by wealthy individuals (philanthropies), Government or large organizations to entrepreneurs to enable them start own business without committing to pay back or refund the funds given to them.

In Nigeria, institutions such as the Development Bank of Nigeria, Bank of Industry (BOI), Bank of Agriculture (BOA), Central Bank of Nigeria (CBN) NIRSAL, YouWiN and some private sectors offers entrepreneurship grants (Baro et al., 2017). In a bid to tackle some of the issues of business start-up and entrepreneurial (small and medium enterprise, SME) development and stimulate job creation, economic growth and diversification, the Nigerian Government introduced a youth empowerment programme known as the Youth Enterprise with Innovation in Nigeria (YouWiN) to support youth in developing and executing business ideas that will also create jobs by way of start-up businesses by individuals and corporation or enterprises.

A start-up refers to a young business venture which is a result of entrepreneurial activity. Such entities are founded to develop a unique product or service, bring it to the market and ensure patronage and customer loyalty. The objective of start-up grants is, essentially, to spur business venture creation and growth: self-employment has generally been touted as a foolproof measure of ensuring employment and economic empowerment. Reasonable entrepreneurship grants could influence business start-up (Baldrige & Curry, 2021).

It has been observed that the main objective of entrepreneurship grants to the youth is to offer them financial support to venture into business or startup business and becomes self-reliance, create more jobs, reduce unemployment rate and poverty rate by exploiting their business opportunities. Yet, the number of business startup by youths in Nigeria specifically FCT Abuja is less impress and remains subject of concern as many youths including some who benefited from entrepreneurship grants remain without business. This created the reason behind investigating the effect of entrepreneurship grant on business startup among youth in FCT Abuja, Nigeria.

The Nigerian government has, on various occasions patted itself on the back for consistent successes of job creation strategies. An example is the ₦57 billion the government

reported to have spent through finance avenues including its MSME Grants Scheme. And government has (together with private individuals) introduced a number of bodies and institutional arrangements to extend business grants to start-ups in the country (Fadare, 2021). In spite of this, youth unemployment continues to remain a serious problem in the country. With the unemployment rate at 28.6%, Nigeria's unemployed youth of 13.1 million is more than the population of Rwanda and several other African countries. The country's youth unemployed population stands at about 64% of total unemployed Nigerians (Nairametrics, 2020).

Although studies have been done in this area but most of them focused on different dimensions. For instance, Evans et al. (2016) focused on impact of government and other institutions' support on performance of small and medium enterprises in the agribusiness sector in Ghana; Andrew (2017) focused on the impact of government financial assistance on the performance and financing of Australian SMEs. While other studies focused on single variable. For example, OzoroOhwona (2019) focused on the Effect of Bank of Industry (BOI) Credit Schemes on Growth of Selected SMEs in Delta State Nigeria. Therefore, the objective of this study is to examine the effect Tony Elumelu Entrepreneurship Grant National Youth entrepreneurship grant on Business Startup among Youth in FCT Abuja, Nigeria. To achieve this objective the study raised the following specific objectives to:

- i. determine the effect of Tony Elumelu Foundation (TEF) entrepreneurship grant on Business Startup among Youth in FCT Abuja, Nigeria; and
- ii. evaluate the effect of National Youth Entrepreneurship Empowerment Grant on Business Startup among Youth in FCT Abuja, Nigeria.

Based on these objectives, the study formulated the following hypotheses:

Ho1: Tony Elumelu Foundation (TEF) entrepreneurship grant has no significant effect on Business Startup among Youth in FCT Abuja, Nigeria

HO2: National Youth Entrepreneurship Empowerment Grant has no significant effect on Business Startup among Youth FCT Abuja Nigeria

Literature Review

Entrepreneurship Grants

Entrepreneurship Grants are non-repayable funds or products distributed or gifted by government department/agency, corporation, foundation or trust, to a recipient or

entrepreneurs, often (but not in all ways) a non-profit entity, educational institution, business or an individual (Addah & Omogbiya, 2016). In order to receive an entrepreneurship grant, a business must file and write-up a form called “Grant Writing” often referred to as either a Grant proposal or an application. Most entrepreneurship grants are made to fund a specific set of people and require some level of compliance and reporting. The entrepreneurship grant writing process involves a business (an applicant) submitting a proposal to a potential funder (i.e. grant maker), either on the applicant’s request or in response to a request for proposal from the funder. Other entrepreneurship grants can be given to individuals who seek to open a small business. Sometimes entrepreneurship grant givers require grant seekers to have some form of tax-exempt status, be a registered non-profit organization or a local government (Adebayo, 2016).

According to Arnold et al. (2018) entrepreneurship grant is a sum of money given to people to start up business or given to an already existing business in order to help them further their business. They are usually distributed by governments, corporations, foundations, or trusts. Unlike many other types of business funding, grants don’t have to be paid back and business owners are not required to give up equity in exchange for a grant. Similarly, Boateng and Poku (2019) see entrepreneurship grant as money awarded to businesses in need. Unlike loans, grants don’t have to be paid off. The money is not being borrowed. There is no interest attached. Grants are given to businesses with no expectation of return (Arnold et al., 2018).

Entrepreneurship grants can come from the federal government, state government, local government, corporations and private individuals. Each of these sources has their own benefits, and their own draws (Dzisi, 2014). For example, the federal government has more grants available, but the local government is more likely to reward businesses that give back to the community. Each grant from each establishment has a specific focus, and business owners will want to find and apply to those grants that pointedly meet their needs. Unlike loans, grants can’t be spent on anything the business deems fit. Grants must be applied to the specified areas explained in the application. Depending on the company, that money may be allocated specifically to hiring fees, land, building, technology, programs, sustainability, etc (Cancino, et al., 2015).

Entrepreneurship grants are money that is given to a person, business or corporation from federal, state, local governments, or private businesses or corporations and well to do

individuals. Entrepreneurship grants do not require repayment of any kind. It is most definitely an attractive financial consideration for entrepreneurs and small or online businesses with little cash available for start-up, growth or expansion (Emenike, 2021). According to Humphery (2021) Entrepreneurship grants in Nigeria comprises of YouWin connect entrepreneurship grant, Bank of Industry Grant entrepreneurship grant, Tony Elumelu Entrepreneurship grant, Diamond Bank BET Programme entrepreneurship grant, SMEDAN (Small and Medium Enterprise Development Agency of Nigeria) Entrepreneurship Grant, National Youth Entrepreneurship Empowerment Grant, Africa's young Entrepreneur empowerment Nigeria (AYEEN) entrepreneurship grant, shell livewire Entrepreneurship Grant, GroFin Fund Entrepreneurship Grant and African Women innovation & Entrepreneurship Grant. However this study focused on Tony Elumelu Entrepreneurship grant and National Youth Entrepreneurship Empowerment Grant.

Tony Elumelu Entrepreneurship Grants

The Tony Elumelu Foundation (TEF) is an African nonprofit organization founded in 2010 by Tony O. Elumelu with its headquarter in Lagos, Nigeria. The Foundation is based on his belief that, with the right support, entrepreneurs can be empowered to contribute meaningfully to Africa's prosperity and social Development (Mohamud & Ndede, 2019). The TEF is positioned as 21st-century catalytic philanthropy. As a primary driver of Africapitalism, the Foundation is committed to Africa's economic transformation by enhancing the competitiveness and growth of the African private sector through a push for entrepreneurship. One of its driving aspirations is the improvement of African economies' competitiveness, which is why it targets to promote excellence in business leadership and entrepreneurship across Africa (Okrah et al., 2018).

The Tony Elumelu Foundation's main philosophy is based on the founder's legacy to empower a generation of successful for-profit entrepreneurs who, in turn, cause economic Development across Africa. The guiding principles are derived from an inclusive economic philosophy of Africapitalism, which promotes long-term, sustained, and vibrant African-led private-sector investment in key sectors of the continent's economy to drive economic and social development. Through its programs and activities, the TEF seeks to empower African entrepreneurs, to "institutionalize luck" and create an environment where entrepreneurship can flourish in a sustained manner (Davaria & Farokhmaneshb, 2017).

It is the belief in sustainability that it is said that TEF's longterm investment in empowering African entrepreneurs is emblematic of Tony Elumelu's philosophy of Africapitalism, which positions Africa's private sector, and most importantly entrepreneurs, as the catalyst for the social and economic development of the continent. Though launched in 2010, the Foundation in 2015 consolidated its various programs and initiatives and invested in Africa's next generation of entrepreneurs and business leaders a priority. Hence, the future of the Tony Elumelu Foundation centers on the provision of structured, robust, and multifaceted support to entrepreneurs around Africa (Akaeze & Akaeze, 2019).

With the vision of unlocking the shackles that have held African entrepreneurs back as they grow their start-ups into small to medium enterprises (SMEs), their SMEs into national growth companies, and their national growth companies into African multinationals and the knack to support new and young entrepreneurs, the Foundation introduced the Tony Elumelu entrepreneurship program. The Tony Elumelu Foundation Entrepreneurship Programme is an entrepreneurial initiative run by the Tony Elumelu Foundation, based in Nigeria, spanning across Africa (The Tony Elumelu Foundation. 2018). The Programme gives training, mentorship, and seed capital to entrepreneurs with start-up business ideas they require to execute in Africa (Boniface, 2021).

National Youth Entrepreneurship Empowerment Grant

These are financial resources that are allocated and reflected in national budgets by governments, either as grants or loans for young people to start new businesses ventures or expand existing businesses. National youth funds in different countries in Africa. National youth funds in Africa has been established in most of countries since 2000 and are still set, the focus of establishing these funds was to address the challenge of youth unemployment, since the economic growth is insufficient to generate enough employment for all youth in many developing countries (ILO, 2011). The objective of establishing youth funds vary from one country to another depending to the policy issues to be addressed, though one of the key objectives is to create employment among youth. According to ILO (2011) the fund is called aims at diversifying the economy and emphasizes on creation of income generating activities built on an entrepreneurial culture among youth and it aimed to stem the rural to urban. The fund was established as reaction to the existence of funds that had no impact on employment creation to youth and women in the economy. Thus, the fund was established to create better quality jobs, create more employment and incorporate informal sector to formal sector.

In addition, the grant aimed at addressing the problem of unemployment among youth graduates from universities, colleges, and secondary. The objectives of the fund included; developing new organizational operational model for employment offices, establishing public private partnership for employment efficiency, improving support measures for entrepreneurs and improving Nigerians competitiveness in the global labour market (Akinyemi & Adejumo, 2018).

Business Start-Up

According to Ries (2011), start-ups aim at creating new products or services in conditions of extreme uncertainty and manifest as an intentional act that involves repeated attempts to exercise control over identified process in order to achieve the desire outcomes. Blank and Dorf (2012) described business start-up as a temporary enterprises as these businesses will eventually metamorphose into large businesses, or fail and move to other opportunities. They define a start-up as a temporary company in the exploratory phase, with an ill-defined business model based on untested hypotheses, aiming at achieving a clear, innovative and scalable business model. After the exploratory phase where the firm tries to find a suitable, desirably ideal business model, the company can start the execution phase, ceasing to be a startup. In the execution phase, the company executes a well-defined, fully validated, repeatable and scalable business model (Blank & Dorf, 2012).

KPMG (2014) stated that start-up is an early stage in the life cycle of an enterprise where the entrepreneur moves from the idea stage to securing finance, laying down the basic structure of the business and initiating operations or trading. A number of reasons have been provided to justify why individuals start business. These includes the needs of independence/autonomy, the need for personal development, the needs to take advantage of an opportunity, the needs to provide security for one's family, community welfare associations, to follow role models, to meet identified market need, as a desire to make more money, as a desire to use knowledge and experience acquired, and as a desire to show that it could be done. The uniqueness of start-ups is argued by Oburo, (2021) as their drive towards solving a problem where the solution is not obvious and success is not guaranteed. These business units are rooted in innovation, and focus on addressing the deficiencies of existing products or create entirely new categories of goods and services.

A business startup or start-up is a company or projector business undertaken by an entrepreneur or entrepreneurs to seek develop and validate a scalable business model. At the beginning, business startups face high uncertainty and have high rates of failure, but

minorities of them do go on to be successful and influential. Startups typically begin by a founder (solo-founder) or co-founders who have a way to solve a problem (Hechavarrí'a, et al., 2015). The founder of a business startup will begin market validation by problem interview, solution interview, and building a minimum viable product (MVP), i.e. a prototype, to develop and validate their business models. The business startup process can take a long period of time (by some estimates, a year or longer), and hence sustaining effort is required. Over the long term, sustaining effort is especially challenging because of the high failure rates and uncertain outcomes. Having a business plan in place outlines what to do and how to plan and achieve an idea in the future. Typically, these plans outline the first 3 to 5 years of your business strategy (pender, et al., 2017).

A business startup is a young company established by one or more entrepreneurs to create unique and irreplaceable products or services. It aims at bringing innovation and building ideas quickly (Emenike, 2021). He further states that business start up can be either small business or big business start up. Small business startups are these businesses are created by regular people and are self-funded. They grow at their own pace and usually have a good site but don't have an app. Grocery stores, hairdressers, bakers, and travel agents are the perfect examples. While a big business startups ere business formed by partners who pool their resources together (Emenike, 2021). Large companies have a finite lifespan since customers' preferences, technologies, and competitors change over time. That's why businesses should be ready to adapt to new conditions. As a result, they design innovative products that can satisfy the needs of modern customers (Emenike, 2021).

A startup business is a newly formed business with particular momentum behind it based on perceived demand for its product or service (Okrah et al., 2018). The intention of a business startup is to grow rapidly as a result of offering something that addresses a particular market gap. There are no fixed parameters on what type of company can be considered a business startup, but the term most frequently applies to high-tech companies creating products that leverage technology to offer something new or to perform an existing task in a novel way (Okrah et al., 2018). There are no firm rules on when a business startup ceases to be considered a startup. Some suggest a startup stops being one when it hits certain size, completes its path to profitability, receives a high level of investment funds, becomes a public company or is acquired by a larger corporation (Kitingan, 2020).

According to Baldrige and Curry (2022), business startups are young companies founded to develop a unique product or service, bring it to market and make it irresistible and

irreplaceable for customers. Rooted in innovation, a startup aims to remedy deficiencies of existing products or create entirely new categories of goods and services, disrupting entrenched ways of thinking and doing business for entire industries. That's why many startups are known within their respective industries as "disruptors."

Youths

Youths including members of National Youth Service Corp (NYSC) constitute a big percentage of the workforce in Nigeria (Olaoye, 2013). Typical youth corps members are individuals below 30 years of age who are new graduates from the various tertiary institutions in Nigeria (Amoran et al., 2013). Youths are individuals between 15 and 35 years of age constituting approximately the population in Nigeria (NPC, 2013; Ajuwon, et al., 2017). Youth are a great human asset, future leaders and hope for the advancement of the global economy (Ogamba, 2018). In Nigeria the National Youth Development Policy refers to all young persons of age 18 – 33 years as youths. This category is present in most cultures, the most volatile and yet the most vulnerable segment of the population, socio-economically, emotionally and in other aspects. The youths share certain characteristics that distinguish them from other generation. Youth empowerment means creating and supporting the enabling conditions under which young people can act on their own behalf, on their own terms, rather than at the direction of others. These enabling conditions includes economics and social base, political will, adequate resource allocation and supportive legal and administrative frameworks, a stable environment of equality, peace and democracy and access to knowledge, information and skills and a positive value system.

Empirical Review

Nana and Christian (2019) conducted study on small business startup funding for Youth employment in Nigeria. The purpose of the study was to explore experiences of some owners who succeeded despite lack of access to formal and informal sources of initial capitals and examine entrepreneurship grants on Youth employment in Nigeria. Data was collected through semi-structured interviews with 15 small business owners in Lagos who started as unemployed youths. The study purposefully selected participants, used thematic for data analysis, NVivo 10 software for coding and interpretation. Findings revealed 3 critical challenges to access initial capitals for startups by unemployed youths including: (a) inability to provide collaterals, (b) Reliance on insufficient private finance and short term overdrafts, and (c) bureaucracy. Result may become basis for future interventions and support programs.

Authorities and youth leaders could use information for trainings and support programs to help unemployed youth access startup capitals for small business. The study also found that entrepreneurship grants in Nigeria are not sufficient Youth business creations.

Chukwu et al. (2019) investigated the national youth empowerment programme and the reduction of poverty in Nigeria under Buhari administration 2015-2019. Secondary data source collection was adopted for the study. Incrementalism theory was adopted as its theoretical framework of analysis. The study found that national youth empowerment programme influence youth to start businesses. The study found among others that, the major problem of past poverty alleviation and youth empowerment programmes in Nigeria was policy discontinuation, which is policy inconsistency as no administration continued with the policy/programmes of past administration. The study recommends among others that, there is the need for federal government to consolidate the N-Power scheme, since the creation of the programme was borne out of the need to empower the Nigerian youths and save them from the dangers of unemployment.

Institutional Theory

The research study is anchored on institutional theory. This theory was propounded by North (1990). This theory hold that an entrepreneur with a properly supportive environment and fund, will eventually succeed in creating an innovative business, with a potentially great impact on productivity and job creation as well as positive externalities for other firms. A large part of this support is the provision of financial resources. North (2005) define institutional environment as the rules of the game, where institutions are seen as the rules and governance systems that influence economic exchange. The institutional environment, thus, can affect directly the access to critical resources for new firms. Finance is recognized as the major problem for start-ups, and in response, many governments have developed programmes and policies to create an environment with improved financing opportunities (Tan & Peng 2003; Patzelt & Shepherd 2009). The study's view of entrepreneurial grants rests on the argument that financial resources are a critical ingredient for start-up development and serve as a means of acquiring other resources (e.g. new technology, licenses and so on), thereby providing them with strategic flexibility that helps the adjustment to complex and dynamic environments (Patzelt & Shepherd 2009; Tan & Peng 2003). The institutional theory identifies regulative measures as the most effective way through which policymakers influence entrepreneurs and business development (Gohmann, 2012). Therefore, this theory was

adopted for this study because it centered around supportive environment and fund requires for news business development.

Research Methodology

This study investigated the effect of entrepreneurship grants and National Youth Entrepreneurship Grants on business startup among youth in FCT-Abuja, Nigeria. The entrepreneurship grants as independent variable used in this study was measured by Tony Elumelu Entrepreneurship Grants and National Youth Entrepreneurship Grants, while the dependent variable is business start-up. This study adopted a survey research design. The population of this study comprised of all youth in FCT-Abuja who are in business for less than 2 years, specifically, Gwagwalada Area Council and Kuje Area council. Therefore, the population of this study was defined as unknown, as there is no any official published document that provides the comprehensive list of the youth in FCT-Abuja in Nigeria who benefited from these grants. The study covered all youth in FCT-Abuja, specifically, Gwagwalada Area Council and Kuje Area council who are in business and have benefited from any of these grants. The justification for focusing on the above named locations is based on the high concentration of business activities in the locations.

Since the population of this study was defined as unknown, the study therefore relied on Cochran's (1977) sample size determination formula. The Cochran (1977) sample size formula is given as $n = \frac{Z^2 pq}{e^2}$.

$n = Z^2 \times P(1 - P) / e^2$, Where, n is the sample size, Z^2 is the abscissa of the normal curve that cuts off an area α at the tails ($1 - \alpha$ equals the desired confidence level, e.g., 95%), e is the desired level of precision, p is the estimated proportion of an attribute that is present in the population, and q is 1-p. The value for Z is found in statistical tables which contain the area under the normal curve. For the purpose of this study, Z^2 is equal 1.96, p is equal 0.6, q(1-p) is equal 0.4 and e^2 is equal to 0.5. Therefore, the sample size determined for this study using Cochran's (1977) sample size formula was three hundred and sixty-eight (368) and purposive sampling technique was used to select the respondents for the study. In addition, the respondents for this study were elite youth (both Men and Women) who have in one way or the other benefited from Tony Elumelu Foundation (TEF) entrepreneurship and National Youth Entrepreneurship Empowerment Grants.

The study utilized adapted questionnaire as the instrument for data collection. The questionnaire was adapted from the works of Mohamud and Ndede (2019); Akaeze and Akaeze (2019); Oburo, (2021). The questionnaire was administered equally to the two Area Councils covered, as such 184 copies of questionnaire were administered to each location with aid of research assistants who have idea on those youth who benefited from these grants. The reliability of the instrument used was accessed using Cronbach alpha. Cronbach alpha value of greater than 0.7 is appropriate (Hair, et al., 2014). Out of three hundred and sixty-eight (368) copies of questionnaire administered, one hundred and ninety-four (194) copies representing 53% of total questionnaire administered were valid and useful for the analysis. The data was analyzed using Partial Least Square Structural Equation Modeling (PLS-SEM) in determining the measurement, structural models and hypotheses testing through SmartPLS 3.0 software (Hair, et al., 2019). Validity and reliability of the measures were first of all ascertained before testing the hypothesized relationships using algorithm and bootstrapping techniques (Hair, et al., 2014). The model for the PLS-SEM is depicted pictorially below:

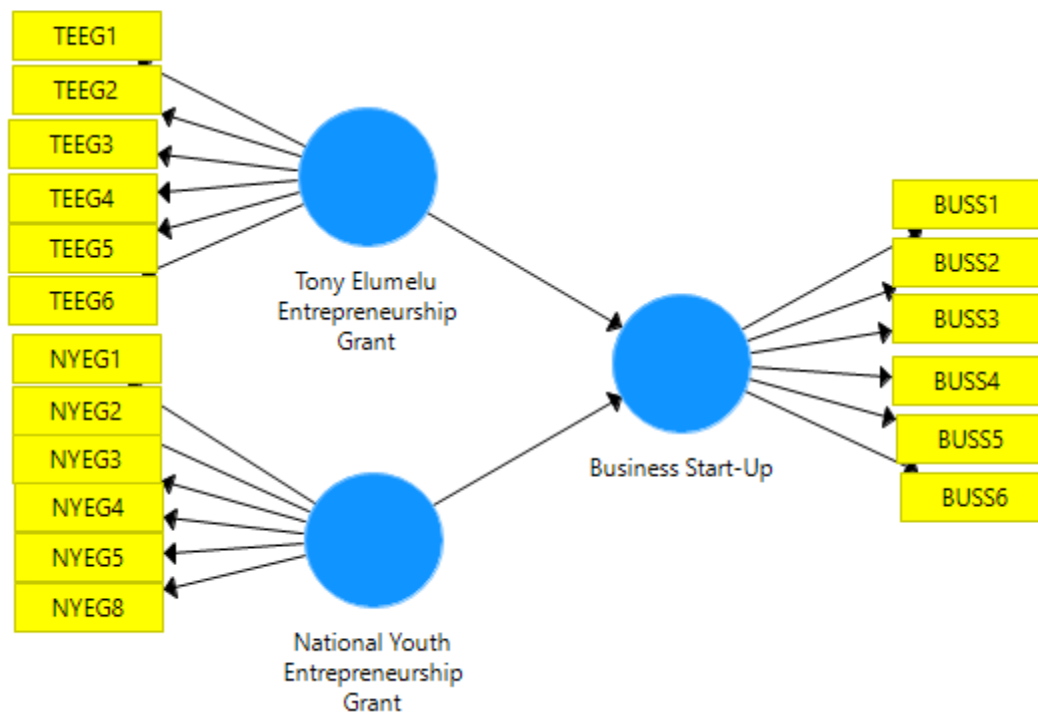


Fig. 1: Model Specification

Source: SmartPLS Output, 2023

The Variables

Business Start up (dependent variable), proxy by increase in market shares, increase in annual profit, increase in sales, access to further markets and increase in output.

Tony Elumelu Entrepreneurship Grants (independent variable)

National Youth Entrepreneurship Grant (independent variable)

Result and Discussion

Measurement Model Evaluation

The measurement model was evaluated using convergent validity. Convergent validity is determined by examining the factor loadings, composite reliability, and average variance extracted (AVE) (Gholami, et al, 2013). All the constructs used for National Youth Entrepreneurship Grant and Business Start-up in this study has achieved the acceptable loadings of above 0.6; while some of the construct used for Tony Elumelu Entrepreneurship Grant has been deleted due to the low loading. Composite reliability (CR) of all the constructs

were all above 0.7 and Average variance extracted (AVE) were all above 0.5 as recommended by Hair et al. (2014). The above result is shown in the fig. 2 and the table 1 below:

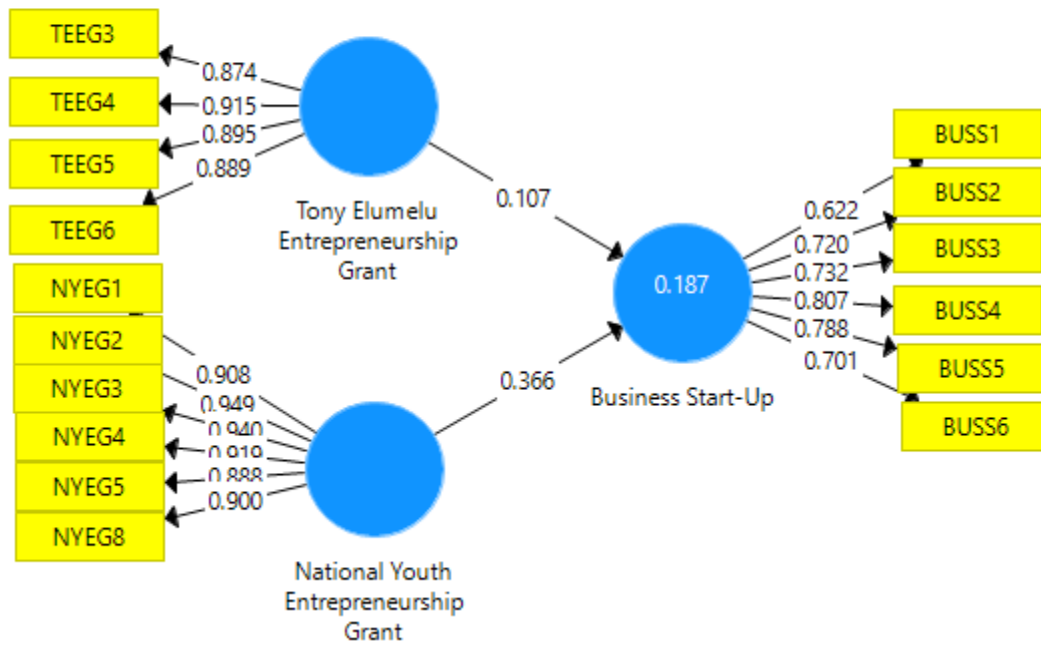


Fig. 2: Measurement model of the study constructs and indicators.

Source: SmartPLS Output, 2023

Table 1: Convergent validity

Variables	Indicators	Loadings	Cronbach's alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Tony Elumelu						
Entrepreneurship						
Grant	TEEG3	0.874	0.916	0.918	0.941	0.798
	TEEG4	0.915				
	TEEG5	0.895				
	TEEG6	0.889				
National Youth						
Entrepreneurship						
Grant	NYEG1	0.908	0.963	0.968	0.970	0.842
	NYEG2	0.949				
	NYEG3	0.940				
	NYEG4	0.919				
	NYEG5	0.888				
	NYEG8	0.900				
Business Start-Up	BUSS1	0.622	0.826	0.847	0.872	0.534
	BUSS2	0.720				
	BUSS3	0.732				
	BUSS4	0.807				
	BUSS5	0.788				
	BUSS6	0.701				

Source: SmartPLS Output, 2023

Structural Model and Hypotheses Testing

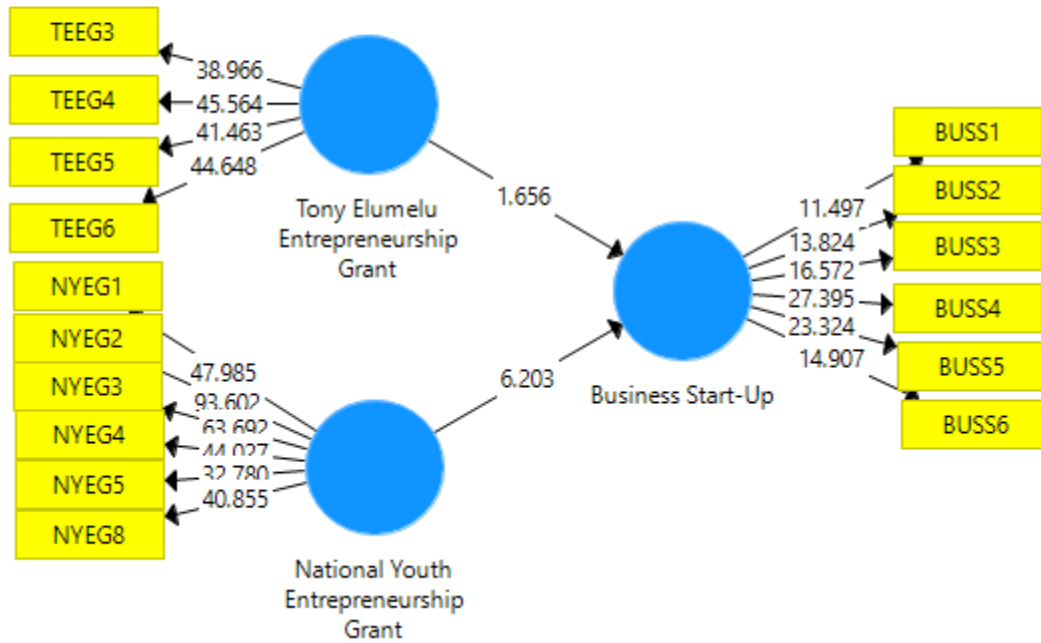


Fig. 3: Structural Model and Hypotheses Testing

Source: SmartPLS Output, 2023

Table 2

Results of the Structural Model Analysis (Hypotheses Testing)

Hypotheses	Relationship	Standard		T Statistics	P value	Decision	R ²	Adj. R ²
		Beta (β)	Error					
HO1	TEEG->BUSS	0.107	0.065	1.656	0.098	Accepted	0.187	0.181
HO2	NYEG-> BUSS	0.366	0.059	6.203	0.000	Rejected		

Source: SmartPLS Output, 2023

The Figure 3 and table 2 above show that beta and the corresponding t-values and p values were used in assessing the structural model in this study. This was done through the bootstrapping procedure. The bootstrapping result from the Smart PLS reveals that path coefficient of Tony Elumelu Entrepreneurship Grant and Business Start Up (TEEG->BUSS) is positive and statistically insignificant with 0.107 (11%) and t-value of 1.656 with their corresponding p-value of 0.098 (β- value = 0.107, t-value = 1.656 & p-value = 0.098). This

result has not provide sufficient ground for rejecting the null hypothesis which states that Tony Elumelu Entrepreneurship Grant has no significant effect on Business Start Up among Youth in FCT-Abuja, Nigeria. Therefore, this null hypothesis is hereby accepted. In addition, from the result above, it has proved that the relationship between Tony Elumelu Entrepreneurship Grant and Business Start Up is positive and insignificant at 0.05 level of significant.

The hypothesis with respect to National Youth Entrepreneurship Grant and Business Start-Up (NYEG-> BUSS), the bootstrapping result from the Smart PLS reveals that path coefficient of National Youth Entrepreneurship Grant and Business Start-Up is positive and statistical significant with a positive beta (β) value of 0.366 and t-value of 6.203 with their corresponding p- value of 0.000 (β -value = 0.366, t-value = 6.203 & p-value = 0.000).

This result has not provide sufficient ground for accepting the null hypothesis which states that National Youth Entrepreneurship Grant has no significant effect on Business Start Up among Youth in FCT-Abuja, Nigeria. Therefore, this null hypothesis is hereby rejected. This shows that the relationship between National Youth Entrepreneurship Grant and Business Start-Up (BEG-> BSU) is positive and significant at 0.05 significant levels.

For the predictive relevance of the model, R^2 shows the variance in the dependent variable as explained by the independent variables. The result shows R^2 value of 0.187 (19%) accounted by the predictive variables on the criterion variable of the model. The coefficient of determination (R^2) of 0.187 indicates that about 19% of variation in Business Start Up among Youth in FCT-Abuja, Nigeria can be explained by the combined effects of Tony Elumelu Entrepreneurship Grant and National Youth Entrepreneurship Grant. While the remaining 81% variation in Business Start Up among Youth in FCT-Abuja, Nigeria can be explained by other factors not captured in this study.

From the analysis above, the study found that Tony Elumelu Entrepreneurship Grant has positive and insignificant effect on Business Start Up among Youth in FCT-Abuja, Nigeria. The study also found that National Youth Entrepreneurship Grant has positive and significant effect on Business Start Up among Youth in FCT-Abuja, Nigeria.

Conclusion and Recommendations

This study examined the effect of Tony Elumelu Entrepreneurship Grant and National Youth Entrepreneurship Grant on Business Start Up among Youth in FCT-Abuja, Nigeria. The study found that Tony Elumelu Entrepreneurship Grant has positive and insignificant effect on

Business Start Up among Youth in FCT-Abuja, Nigeria, while National Youth Entrepreneurship Grant has positive and significant effect on Business Start Up among Youth in FCT-Abuja, Nigeria. Base on the findings from this study, it is conclude that Tony Elumelu Entrepreneurship Grant positively but insignificantly influence Business Start Up among Youth in FCT-Abuja, Nigeria. This implies that Entrepreneurship Grant for businesses offers by Tony Elumelu foundation has not spread enough to Youth in FCT-Abuja, Nigeria to influence their business start-up. Whiles National Youth Entrepreneurship Grant positively and significantly influences Business Start Up among Youth in FCT-Abuja, Nigeria. This implies that Youth in FCT-Abuja, Nigeria has positively and significantly benefited from National Youth Entrepreneurship Grant for their Start Up.

Based on the findings and conclusion drawn from this study, the study thus recommends that:

- i. Those in charge in disbursement of Tony Elumelu Entrepreneurship Grant in Nigeria specifically, FCT-Abuja should improve on the disbursement of the said Grant by targeting youths, increase the number of the beneficiaries reasonable and regularly organize programmes that will create more awareness on grant and how to access it.
- ii. National Youth Entrepreneurship Grant in Nigeria specifically, FCT-Abuja should continue to improve on Entrepreneurship Grant to the youth in Nigeria towards business startup.

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