

Expanding Entrepreneurial Capabilities through Business Incubators: A Case Study of Idea Hub Nigeria

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Abstract : Entrepreneurship has long been offered as the panacea for poor economic growth and high rate of unemployment. Business incubation is considered an effective means for enhancing entrepreneurial activities while engendering socio-economic development. Information Technology Developers Entrepreneurship Accelerator (iDEA), is a software business incubation programme established by the Nigerian government as a means of boosting digital entrepreneurship activities and reducing unemployment in the country. This study assessed the contribution of iDEA Nigeria's entrepreneurship programmes towards enhancing the capabilities of its tenants. Using the capability approach and the sustainable livelihoods approach, the study analysed iDEA programmes' contribution towards the expansion of participants' entrepreneurial capabilities. Apart from identifying a set of entrepreneurial capabilities from both the literature and empirical analysis, the study went further to ascertain how iDEA incubation has helped to enhance those capabilities for its tenants. It also examined digital entrepreneurship as a valued functioning and as an intermediate functioning leading to other valuable functioning. Furthermore, the study examined gender as a conversion factor in digital entrepreneurship. Both qualitative and quantitative research methods were used for the study, and measurement of key variables was made. While the entire population was utilised to collect data for the quantitative research, purposive sampling was used to select respondents for semi-structured interviews in the qualitative research. However, only 40 beneficiaries agreed to take part in the survey while 10 respondents were interviewed for the study. Responses collected from questionnaires administered were subjected to statistical analysis using SPSS. The study developed indexes to measure the perception of the respondents, on how iDEA programmes have enhanced their entrepreneurial capabilities. The Capabilities Enhancement Perception Index (CEPI) computed indicated that the respondents believed that iDEA programmes enhanced their entrepreneurial capabilities. While access to power supply and reliable internet have the highest positive deviations around mean, negotiation skills and access to customers/clients have the highest negative deviation. These were well supported by the findings of the qualitative analysis in which the participants unequivocally narrated how the resources provided by iDEA aid them in their entrepreneurial endeavours. It was also found that iDEA programmes have a significant effect on the tenants' access to networking opportunities, both with other emerging entrepreneurs and established entrepreneurs. While assessing gender as a conversion factor, it was discovered that there was very low female participation within the digital entrepreneurship ecosystem. The root cause of this gender disparity was found in unquestioned cultural beliefs and social norms which relegate women to a subservient position and household duties. The findings also showed that many of the entrepreneurs could be considered opportunity-based entrepreneurs rather than necessity entrepreneurs, and that digital entrepreneurship is a valued functioning for iDEA tenants. With regards to challenges facing digital entrepreneurship in Nigeria, infrastructural/institutional inadequacies, lack of funding opportunities, and unfavourable government policies, were considered inimical to entrepreneurial capabilities in the country.

Keywords : entrepreneurial capabilities, unemployment, business incubators, development

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