

## EFFECT OF STRATEGIC ENTREPRENEURIAL SKILLS DEVELOPMENT ON COMMERCIALIZATION OF AGRICULTURE AND ALLIED BUSINESSES IN SOKOTO STATE

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### Abstract

*The study examined the effect of strategic entrepreneurial skills development on commercialization of agriculture and allied businesses in Sokoto-Nigeria. Agribusiness in Nigeria is often considered as one of the surest path to growth and development of the economy for stability and self-reliance of the national economy. This study sought to examine the relationship between commercialization of agriculture and allied businesses in Sokoto vis-à-vis policies and decisions of strategic entrepreneurial skills development towards agricultural production, processing and distribution of output. Three objectives, three research questions and three hypotheses were raised for the study. The methodology involved the use of longitudinal survey approach which comprised 240 participants as sample size using probability sampling technique taken from 4 local government areas in the state comprised 332 as the population for study. The data elicited by the study were subjected to tests of normality of measures of central tendency and tested for correlational relationship by regression analysis which indicated the nature of associatively as either positive or negative between strategic entrepreneurial skills development on one hand and commercialization of agriculture and allied businesses on the other. The study also used descriptive and inferential statistics approach for the research subjects. The results of the study provided a platform for recommending effective strategic entrepreneurial skills training in agribusiness for both private and public sector entities to adapt to changes in attitude, innovation and collaboration in the pursuit of opportunities for success in agribusiness. Implementation of recommended models could foster competitiveness in agribusiness enterprises for growth and development.*

**Key words:** *strategic entrepreneurial skills development, agriculture and allied businesses, commercialization of agriculture*

### Introduction

The Nigerian agricultural sector is faced with multi-farious challenges such as poor land tenure system, low level of irrigation

farming, adverse climate change and land degradation which negatively impacts productivity. One of the main sources of national wealth is agriculture because the fate of the economy hinges on productivity

in agriculture with surpluses diffused throughout the system in a network of transactions (Dess et al 2015).

Existing literature indicates that a large proportion of research in the field of agribusiness is in relation to the production and commercialization of agricultural produce on the market rather than to farm inputs. It has also been observed that agribusiness serves as a catalyst for industrialization and produces synergy with agro-industrial activities to foster an increase in food production, supply of raw materials, provision of capital flow and expanded markets (Akande, 2018).

Strategic entrepreneurial skills development denotes the proper application of strategic entrepreneurship processes by firms, groups and individuals to adopt flexible changes in attitude, innovation and collaboration in pursuit of opportunities and advantages available in the environment (Chi, 2017).

Having recognized the prominent position of agriculture in Nigeria, particularly in Sokoto state, various institutions have been committed to the development of the agribusiness sub-sector as a core element fostering economic growth and development. It is observed that participation in agribusiness to a large extent could foster high economic growth and engender a positive impact on human development due to its crucial role in job creation, reduction in hunger and poverty, youth and women empowerment, exploitation of potential job opportunities with a tendency to reduce the high rate of youth participation in crimes and insurgent acts (Bungay2015).

Given the foregoing, this study sought to assess attitudinal changes of agribusiness entrepreneurs in Sokoto State towards innovation and collaboration in the agricultural sector to establish the significance of such attitudes on the performance of the agribusiness sub-sector towards economic growth and development of the state (Adamu,2018).

### **Statement of the Research Problem**

In the present complex economic, social and technological structures of Nigerian society, individuals, groups of individuals and firms are differently exposed to risks of failure, more so with the high rate of unemployment that has led to many challenges in the society, including poor participation of young people and women in empowerment programmes, high rate of hunger and poverty, low potential for job opportunities for competitive advantage, high rate of crime and insecurity as well as poor economic growth and development. Agribusiness is concerned with the production, processing and distribution of agricultural products and ranges from making available farm produce to processing as well as marketing output. It involves a complex value-added chain of activities that begins with the farmers' purchase of farm inputs and ends with output fit for use (Manson, 2017). The term is thus used to denote farming as well as all other industries and services that constitute the supply chain from the farm gates through processing, wholesaling and retailing to the consumer (Adamu, 2018).

The focus of this research is the challenge of labour transfer from primary agricultural production to small and

medium industrial activities to foster the growth of output and employment generation in the agric-industrial sector for -sustained development (Acemoglu, et al 2016). It has been observed that industrialization takes a leading role in the provision of employment as a means of generating income; diversifying the economy and export promotion for improvement in balance of payments situations and diversifying technical and managerial skills. These feats can only be accomplished with complementary support of the agricultural sector through the production of food, supply of raw materials for enhanced industrial production and provision of expanded markets for the manufacturing sector. Industrialization, therefore, can lead to a high level of productivity which in turn leads to income generation and a more than proportionate share of non-farm employment. Vibrant agribusiness in Sokoto is therefore essential and its absence could lead to poor standards of living, a high rate of unemployment among young people as well as a high rate of crime and social vices in an environment which is endowed with rich agricultural resources and fertile agricultural land, a large number of small irrigation dams and farm hands, among others. These can serve as catalysts for the effective and efficient performance of viable agribusiness which could in return lead to the generation of wealth and capital formation for industrialization. The sub-sector has however, fallen short of expectation in the state with little progress recorded in achieving a reduction in poverty and hunger, economic and business empowerment, employment generation and zero insecurity challenges of kidnapping,

political/religious crisis, Fulani-herdsmen menace, Boko Haram insurgency, armed robbery attacks, murders, child abduction and many more. These challenges and many more have made security issues topical public discussions that have resulted in the allocation of a huge portion of the meagre state resources in the protection of lives and property (Acemoglu & Robinson, 2014).

It is common knowledge that similar products either imported or produced by locally-based foreign firms are accorded more patronage in the Nigerian market than those manufactured by indigenous industries, thus being stiffed of needed revenue thereby engendering distress, in business closures and redundancies which significantly compromise their continued existence (Ehinomen, et al 2012).

### **Objectives of the Study**

The general objective of the study is to examine the effect of strategic entrepreneurial skills development on the commercialization of agriculture and allied businesses. The specific objectives are:

1. To assess the relationship between strategic entrepreneurial skills development and commercialization of agriculture in Sokoto State
2. To ascertain the relationship between strategic entrepreneurial skills development and the performance of the agricultural sector in Sokoto State.
3. To establish the relationship between entrepreneurial skills development and promotion of agriculture and allied businesses in

Sokoto State.

#### 1.4 Research Questions

1. What is the extent of the relationship between strategic entrepreneurial skills development and commercialization of agriculture in Sokoto State?
2. What is the extent of the relationship between entrepreneurial skills development and the performance of the agricultural sector in Sokoto State?
3. What is the extent of the relationship between entrepreneurial skills development and the promotion of agriculture and allied business in Sokoto State?

#### 1.5 Research Hypotheses

The following are the hypotheses for the study.

1. There is no significant relationship between the effect of strategic entrepreneurial skills development and the commercialization of agriculture in Sokoto State.
2. There is no significant relationship between strategic entrepreneurial skills development and the performance of the agricultural sector in Sokoto State.
3. There is no significant relationship between strategic entrepreneurial skills development and the promotion of agriculture and allied businesses in Sokoto State.

#### Methodology

The study employed the use of a longitudinal survey approach which sought

to examine the relationship between strategic entrepreneurial skills development and commercialization of agriculture and allied businesses in Sokoto State. It was a cohort study to examine to what extent strategic entrepreneurial skills development in the agricultural sector affects the performance and promotion of agriculture and allied businesses. Strategic entrepreneurial skills development was proxied by change from conservative practices, and innovation to refined collaboration among practitioners for expansion of activities; commercialization on the other hand was proxied by globalization as the correct business environment operates on a globalized dimension as the interconnectivity and acceptance of ideas, information and practices among systems of the world without barriers. With the phenomenon of globalization, change innovation and collaboration are major constraints Participants in the agricultural sector in Sokoto constituted the population of the study, but beneficiaries of the Fadama Projects 1,2 and 3 in Sokoto numbering three hundred and thirty-two (332) as the population of the study. The population was made up of beneficiaries of Fadama projects in Sokoto State and were fairly homogeneous in the provision of the markets.

This study adopted the use of purposive and snowball sampling techniques. Purposive sampling is a non-probability sampling by which decisions concerning research subjects are made by the researcher, based upon a variety of criteria which may include special knowledge of the research issue, or capacity and willingness to participate in the research (Acemoglu et al,

2013); This sampling therefore dictated by the purpose of the study. This method was considered appropriate taking into cognizance the nature and characteristics of the population of interest to the study (Zahra, 2013).

The study employed Yamane’s sample selection formula in choosing the research sample size for the study. The quality of an instrument and the extent to which such an instrument is free from measurement error is determined by the validity and reliability of the instrument (Maiyaki, 2018). A reliability coefficient of 0.73 was obtained. The data were analyzed using multiple regression analysis (R) with the aid of SPSS (version 20) to ascertain relationships Test of hypothesized relationships is more appropriately conducted using R because, it is most often used to predict the value of a response variable based on the value of two or more other predictors variables (Laerd, 2013).

Primary data obtained from the questionnaire were analysed by SPSS in the

computation of test statistics to determine the position of the three hypotheses raised for the study.

**Results and Discussion of Findings**

The results of respondents' opinions used for answering the research questions of the study are presented in Tables 1 and 2. **Research question 1** sought to establish the extent to which entrepreneurial skills development can affect the commercialization of agribusinesses. **Research question two** sought to establish a relationship between entrepreneurial skills development and the performance of the agricultural sector while **Research question three** sought to establish whether or not there is a link between entrepreneurial skills development and the promotion of agriculture and allied businesses' strategic entrepreneurial skills development as the predictors’ variable is proxied by INNOVATION, CHANGE and COLLABORATION

**Table 1: Descriptive Statistics of Elements of Strategic Entrepreneurial Skills Development**

Variable	Mean	Median	Mode	Standard Deviation
INNOVATION	4.25	4.00	4.00	0.752
CHANGE	4.11	4.00	4.00	0.760
COLLABORATION	4.18	4.00	4.00	0.729

Source: SPSS Version 20.0 Output

The table above is a summary of responses concerning descriptive statistics of elements of strategic entrepreneurial skills development. The Table is with respect to measures of central tendency and

standard deviation of data elicited by the study. The table shows the mean value and the standard deviation with respect to Innovation as a proxy of strategic entrepreneurial skills development to be

**Table 2: Hypotheses Testing: Summary of Test of Significance**

Hypothesized Path	Estimated $\beta$ -Value	C.R (t-value)	p-Value	Remarks
<b>HYPOTHESIS ONE (H<sub>1</sub>:) INNVT <math>\Rightarrow</math> GLOBA</b>	<b>0.792</b>	<b>24.174</b>	<b>0.000</b>	<b>Accepted</b>
<b>HYPOTHESIS TWO (H<sub>2</sub>:) CHNGE <math>\Rightarrow</math> GLOBA</b>	<b>0.781</b>	<b>23.284</b>	<b>0.000</b>	<b>Accepted</b>
<b>HYPOTHESIS THREE (H<sub>3</sub>:) COLLAB <math>\Rightarrow</math> GLOBA</b>	<b>0.855</b>	<b>31.642</b>	<b>0.000</b>	<b>Accepted</b>

Source: SPSS Version 20 Output

The acronyms for the hypotheses p-path in Table.2 above translates as follows:

**INNOVATION  $\blacktriangleright$ : GLOBALIZATION**  
Effect of strategic entrepreneurial skills development on commercialization of agribusiness.

**CHANGE  $\blacktriangleright$ GLOBALIZATION:** Effect of strategic entrepreneurial skills development on the performance of the agricultural sector

**COLLABORATION  $\blacktriangleright$ GLOBALIZATION:** Effect of entrepreneurial skills development on promotion of agriculture and allied businesses.

**Hypothesis One:** enunciated that there is no significant relationship between strategic entrepreneurial skills development and commercialization of agribusinesses in Sokoto- Nigeria. Results from Table 2 suggest otherwise and enunciation of no significance is rejected The results shown in the hypothesized path for the behaviour of INNOVATION suggest that the relationship between entrepreneurial skills development and commercialization of

agriculture is statistically significant at 0.05 level of significance which invariably presents a positive association between INNOVATION and commercialization of agribusinesses. The association is positive with a standardized estimated degree of the association being ( $\beta= 0.792$ ) and a t-value of 24.174 being greater than the recommended critical value of 1.96 for a significant relationship

**Hypothesis Two** Enunciated that there is no significant relationship between strategic entrepreneurial skills development and the performance of the agricultural sector in Sokoto-Nigeria. From the SPSS output, the hypothesis is not accepted as statistically significant based on the statistic that, the p-value of 0.00 is below 0.05, the required level of significance and the t-value of 23.284 is greater than the critical threshold value of  $\pm 1.96$ . The value of  $\beta$  being 0.781 indicates a positive relationship between entrepreneurial skills development and the performance of the agriculture and allied businesses in Sokoto-Nigeria.

**Hypothesis Three:** Enunciated that there is no significant relationship between entrepreneurial skills development and

4.25 and 0.752 respectively. This implies that the data with respect to INNOVATION is mildly dispersed about the mean among the sampled organizations. The mode and the mean for INNOVATION is an indication that there is no skewness in the distribution of data and is therefore almost symmetrical about the median as an indication that tests of significance can be applied by either the use of normal distribution or t-distribution of data. The mean score and standard deviation with respect to CHANGE as a proxy of strategic entrepreneurial skills development are 4.11 and 0.760 respectively. This suggests that the data with respect to CHANGE is narrowly spread about the mean and the median and mode coinciding is an indication of the normal distribution of data elicited for the study. Tests of significance can therefore be applied for CHANGE by the use of z-score or t-score calculation at a suitable confidence level.

The table also indicates that for the data elicited with respect to COLLABORATION as a proxy of entrepreneurial skills development, the standard deviation of 0.729 is an indication of a narrow spread about the mean of 4.18 and the agreement of the mode and median at a value of 4.00 is an indication that there is no skewness in the distribution and the use of z-score or t-score for tests of significance at a desirable level of

confidence is appropriate. The agreement between the median and mode at a value of 4.00 for all the elements of entrepreneurial skills development is an indication that data elicited for the study meets the normal distribution requirements or use of z-score or an approximation to it of t-score for tests of significance at desired levels of confidence.

Table 2 details the results of the tests of hypotheses of the study. The hypothesis linked the elements of entrepreneurial skills development to COLLABORATION as a proxy of commercialization of agriculture and allied businesses specified by an arrow. In testing the hypothesis, the standardized estimates of the relationship between variables of the elements of strategic entrepreneurial skills development in agriculture and allied businesses are represented by beta ( $\beta$ ). The critical ratio (t-value) and probability value (p-value) are obtained to represent decision criteria and level of significance respectively.

The relationship and degree of associability between constructs are identified by  $\beta$  and the, t-value and p-value represent the midst of the decision and level of significance respectively (Adams, 2015). As such, Table 2 as SPSS output shows how these were used to test all the hypotheses raised for the study.

promotion of agriculture and allied businesses. From the output of SPSS analysis, this hypothesis of no significant relationship is rejected based on the statistics that, the p-value of 0.00 is below the 0.05 level of significance and the t-value of 31.642 is greater than the critical value of 1.96. The regression coefficient of 0.855 for  $\beta$  is an indication of a positive association between entrepreneurial skills development and promotion of the agricultural sector in Sokoto State.

### Conclusion

From the findings of the study, it is indicated that with strategic entrepreneurial skills development in place in the agricultural sector, there could be a turnaround of the fortunes of agriculture from the position of adversity to that of surpluses even in the production of cash crops for export to generate income to support the industrialization agenda of the state. Collaboration among practitioners in agriculture and allied businesses was observed to be an impetus in promoting activities in the agricultural industry. Innovation as a component of strategic entrepreneurial skills development when crafted into creativity, the study observed could propel the agricultural sector to higher productivity and enhanced performance in agricultural production. Change denoting a shift from the status quo of traditional methods and conservative practices of agriculture as a component of strategic entrepreneurial skills development was observed to have great impacts on agriculture through refined practices to expand the frontiers of agriculture and allied businesses for commercialization of the sector

Adaption of novel strategies in the training of Sokoto agric entrepreneurs and practitioners in agriculture has the potential to modern the horizon of agribusinesses and push it out to a global dimension for the good of the populace and the state.

### Recommendations

Based on the findings, and conclusion of the study the following recommendations are made:

1. With the rapid range of the population of nations, food security becomes a national interest in the face of ineffective production processes in the agricultural sector. To mitigate such development, it becomes useful for a shift from the age-old traditional and conservative agricultural practices to more refined and effective mechanisms. It is therefore suggested for a change from the status quo to modern and more effective production possibilities through strategic entrepreneurial skills training and development.
2. The rapidly changing technology of the present times and positively affected all phases of human endeavor It therefore became usual that for production mechanisms to improve, innovation and creativity must be embraced. It is therefore suggested that increased productivity and expansion of the frontiers of agricultural enterprises must incorporate innovation and creative mechanisms through entrepreneurial skills training and development of agricultural enterprises and practitioners.
3. Globalization has come to stay as a vehicle by which people, organizations,



nations systems and even regional networks for improvement and enhancement of their lots. It is therefore suggested that more entrepreneurial skills training and development activities be upgraded with global reach. during which agricultural

entrepreneurial and agribusiness practitioners would be brought together to interact, compose notes, share experiences and jointly work out programmes and schemes of action for improving the performance of the agricultural sector.

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