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Entrepreneurship, Wealth Creation and Empowerment in Enugu State

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Abstract
Entrepreneurship through innovation propel wealth creation and empowerment by creating new products, creating new jobs, creating new skills, increasing income levels and investment status. This study examined the impact of entrepreneurship on wealth creation and empowerment in Enugu State. The study adopted qualitative research design. Findings indicate that entrepreneurship impacted positively on the net worth, asset accumulation and income growth of entrepreneurs in Enugu State. Furthermore, the study found that entrepreneurship reduced youth unemployment and increased self-employment in Enugu State. The implication is that entrepreneurship has impacted positively on wealth creation and empowerment in Enugu State. The study therefore, recommends that among other things, government at all levels should encourage the implementation of entrepreneurship policies.

Keywords: Entrepreneurship, innovation, wealth creation, empowerment

Introduction

Entrepreneurship is vital tool for wealth creation and empowerment in every nation. It propels wealth creation and empowerment through creating new products, creating new jobs, creating new skills, increasing income level and investment status.

On the heels of the above, entrepreneurship plays crucial role in achieving the Sustainable Development Goals (SDGs) by fostering decent work and economic growth. In the continent of Africa, entrepreneurship through innovation has initiated new businesses with over 20% of it within working-age (Brookings Institution, 2023).

Enugu State is a multiethnic and multi-religious state in southeastern Nigeria. It was created on August 27, 1991, and composed of parts of old Anambra and the new Imo States. The major ethnic group, the Igbo, makes up more than 96% of the state population. The State is particularly favoured in its natural resource endowments, providing the base for several economic activities from which people earn their living. Small-scale industries are the chief hallmark of the urban areas. Nevertheless, unemployment among youths has been the main problem in the recent past.

Presently, entrepreneurship through innovation has undergone rapid, technology-driven transformation, strongly supported by the State government's push to make Enugu a digital innovation hub. Among the key drivers to entrepreneurship in Enugu State include; Enugu State SME Center that provides specialized training and financial support for entrepreneurs, Enugu

Startup Incubation Program (ESIP) that provides a 6 week program designed to train and mentor early-stage entrepreneurs.

Despite Africa's immense entrepreneurial and innovative potentials supported by statistics, the impacts of entrepreneurship and innovation in wealth creation and empowerment in Enugu State are yet to be clearly established. Therefore, this study is embarked upon to close this gap in knowledge.

Research Questions

i. What is the impact of entrepreneurship on net worth of entrepreneurs in Enugu State?
ii. What is the impact of entrepreneurship on asset accumulation of entrepreneurs in Enugu State?
iii. What is the impact of entrepreneurship on income growth of entrepreneurs in Enugu State?
iv. To what extent has entrepreneurship impacted on youth unemployment in Enugu State?
v. How does entrepreneurship impact on self employment in Enugu State?

Objectives of the Study

The broad objective of the study is to ascertain how entrepreneurship has impacted on wealth creation and empowerment in Enugu State. The specific objectives are as follows:

i. To examine the impact of entrepreneurship on net worth of entrepreneurs in Enugu State.
ii. To find out the impact of entrepreneurship on asset accumulation of entrepreneurs in Enugu State
iii. To examine the impact of entrepreneurship on income growth of entrepreneurs in Enugu State
iv. To explore the extent entrepreneurship impacted on youth unemployment in Enugu State
v. To describe how entrepreneurship impacted on self employment in Enugu State.

Literature Review

Conceptual Review

In this paper, five major concepts are identified and clarified for better understanding of the subject matter. These include; entrepreneurship, innovation, wealth creation and empowerment.

Entrepreneurship

Entrepreneurship is the willingness and ability of an individual to seek out investment opportunities, establish and run an enterprise successfully. Srinivasa (2021) sees entrepreneurship as a system of operating business, in which opportunities exiting within the scope of a market are exploited. Omoruyi *et al.;* (2017) defined entrepreneurship as the potentials possessed either by an individual or groups of individuals in an organization who identify new opportunities existing in society to gain economic advantages such as profit that will, in turn, bring success to the initiator or the organization that invents it. Therefore, entrepreneurship is the process of creating something new; managing what is created with the view of generating profit or achieving the desired goal.

Theories of Entrepreneurship

Entrepreneurship as a field of study relies on key theories that explain the processes and outcomes of entrepreneurial activity. These theories provide framework for understanding how entrepreneurs create wealth, foster economic development, and address societal challenges. Some of these theories include:

- **Resource-Based Theory:** This theory emphasizes the importance of resources financial capital, human capital, technical know - how and social networks as critical factors for entrepreneurial success (Barney, 1991). This theory is particularly relevant in Africa, where access to capital and technology is often limited. According to the theory, entrepreneurs who possess valuable, rare, and inimitable resources are better positioned to create a competitive advantage and generate wealth. Entrepreneurs who can effectively utilize local resources and build human capital can drive innovation and contribute to economic growth and wealth creation (Hitt et al., 2001).

- **Social Entrepreneurship Theory:** Social entrepreneurship theory focuses on the creation of social value alongside economic profits. Social entrepreneurs are driven by the desire to address social issues such as poverty, unemployment, and education while building sustainable businesses (Peredo & McLean, 2006). This theory holds significant relevance in the African context, where many entrepreneurs are committed to solving local challenges. By targeting underserved communities and developing solutions that improve quality of life, social entrepreneurs not only create financial wealth but also contribute to social well-being and sustainable development.
- **Innovation Theory:** Innovation Theory emphasizes the importance of innovation in entrepreneurial activity. It argues that entrepreneurs are innovators who drive "creative destruction" through the introduction of new products, methods, or markets that disrupt existing economic structures. Schumpeter's theory of creative destruction suggests that innovation, whether through new products, services, or processes, drives economic growth by disrupting established markets. Entrepreneurs who introduce new ideas and technologies have the potential to capture new markets, create jobs, and foster wealth creation.
- **Opportunity-Based Theory:** Opportunity-based theory is also known as the Drucker / Stevenson theory of entrepreneurship. This theory sees entrepreneurship as the ability to identify, evaluate, and exploit opportunities or gaps in the market.

Innovation

Innovation is the process of creating, improving, or implementing new ideas, methods, or products to solve problems or enhance efficiency (UNESCO). According to OECD (2025), innovation is the implementation of a new or significantly improved product, or process, a new marketing method, or a new organizational method in business practices, work place organization or external relations. Agu et al. (2024) in simple terms explains innovation as the act of introducing new product/offerings to the market

Wealth Creation

Wealth creation describes a situation of prosperity. Wealth means the possession of riches, the abundance of valuable resources or material possession. Generally, wealth creation is the process of increasing ones net worth by consistently saving, investing in income-generating assets. Adam smith cited by Horsfall (2017) viewed wealth creation as the combination of materials, labour, land, and technology in such a way as to capture profit.

Empowerment

Empowerment concept is a process which gives people power over the different social, economic, cultural and political forces which govern their lives. It is the process of gaining the autonomy, confidence, and resources needed to control one's life. The aim of empowerment is to create true wealth and involve the people in all aspects of governance. Therefore, to have a good job, good source of income is to be empowered.

Link between Entrepreneurship and Innovation

Entrepreneurship is the engine. Innovation is the spark. Entrepreneurship begins by identifying an innovative opportunity and translating that idea into action. Innovation focuses on the novelty of the offering, while entrepreneurship focuses on the venture and building a business. Therefore, you cannot significantly separate entrepreneurship from innovation because they are deeply connected. While entrepreneurship is the act of building a business to commercialize ideas, innovation is the creation of new ideas, products and processes.

Theoretical Review

Several theories explain how entrepreneurs create wealth and foster development. From a conceptual standpoint, four are especially relevant: Resource-Based Theory holds that valuable, rare, and inimitable resources, financial capital, human capital, technical know-how, and social networks, are critical to entrepreneurial success (Barney, 1991); Social Entrepreneurship Theory emphasizes the creation of social value alongside profit, addressing challenges such as poverty and unemployment (Peredo & McLean, 2006); Innovation Theory, drawing on Schumpeter's notion of creative destruction, casts entrepreneurs as innovators who disrupt existing markets; and Opportunity-Based Theory (the Drucker–Stevenson view) frames entrepreneurship as the ability to identify, evaluate, and exploit gaps in the market.

At a broader level, the economic theory of entrepreneurship comprises three streams. The classical theory, rooted in Britain's industrial revolution, described the entrepreneur's role in the production and distribution of goods within a competitive marketplace (Say, 1803). The neo-classical theory emerged from criticisms of the classical model, relegating economic phenomena to instances of pure exchange within a largely closed system. The Austrian Market Process, influenced by Schumpeter (1934), concentrated on human action within an economy of knowledge and cast the entrepreneur as a driver of market-based systems whose function is to create something new. Beyond economics, psychological theory locates the entrepreneurial spirit in individual traits, motives, and personality, notably the need for achievement and locus of control, while sociological theory looks to the social environment, including networks, life-course stage, ethnic identity, and population ecology (Landstrom, 1998).

Empirical Review

Prior studies broadly affirm the developmental value of entrepreneurship and innovation. Juliana et al. (2021), using ANOVA, found that advancement of technology and creative thinking induced entrepreneurship development in Nigeria, while Onileowo and Anifowose (2020) established that entrepreneurship is an instrument for realising sustainable economic development and that its job-creating capacity drives growth. Employing an ARDL model on annual time-series data, Omotayo et al. (2024) found that the self-employment rate significantly impacted economic development in the long run. Focusing on youth, Nnordee et al. (2025) established that entrepreneurship education is a critical driver of youth empowerment in Africa, and Deinibiteim (2026), using content analysis, traced youth unemployment to a skills mismatch and pointed to youth entrepreneurship as the way out. Finally, Okechukwu and Nwekwo (2020), using descriptive statistics and a Z-test, linked rising unemployment to insecurity and argued that entrepreneurial development, by reducing unemployment, would significantly combat it.

Methodology

- **Research Design and Approach**:The study employed a qualitative research design to ascertain peoples view on how entrepreneurship has impacted on wealth creation and empowerment in Enugu State. This research design is suitable for the objectives of this study.
- **Data Collection Methods:** The study made use of interview in data collection. Structured questions for interview were administered to the respondents and responses were documented.
- **Sampling Strategy and Population:** The study employed snowball sampling strategy to collect a sample size of 150. Fifty respondents were entrepreneurs who through their referrals connected us to hundred more participants. Therefore the targeted population was one hundred and fifty. The use of the total study population is justified by the fact that it was small.
- **Data Analysis Techniques:** Data collected were analyzed using content analysis technique. The study used the research questions to categorize responses collected from the respondents. This analytical technique is reliable for analyzing qualitative data from interviews.
- **Ethical Considerations:** All the respondents provided their responses willingly. In addition, respondents were assured of confidentiality.

Data Analysis and Result
Presentation of Findings

The findings of the study are categorized under the research questions raised in this study. This is to enable the findings meet the objectives of the study.

- **What is the impact of entrepreneurship on net worth of entrepreneurs in Enugu State?**
  From the interview responses, the following findings were established:
  i. That entrepreneurship led to production of new products which led increase in assets of entrepreneurs in Enugu State.
  ii. That entrepreneurship led to the development of new technologies which led to reduction in liabilities of entrepreneurs in Enugu State.
- **What is the impact of entrepreneurship on asset accumulation of entrepreneurs in Enugu State?**
  From the interview responses, it was established that through entrepreneurship, entrepreneurs have more products, more machines leading to increase in asset accumulation of entrepreneurs in Enugu State.
- **What is the impact of entrepreneurship on income growth of entrepreneurs in Enugu State?**
  From the interview responses, it was established that all entrepreneurs in Enugu State have witnessed income growth within the last five past years.
- **To what extent has entrepreneurship impacted on youth unemployment in Enugu State?**
  From the interview responses, the following findings were established:
  i. That entrepreneurship has created job opportunities which have helped in reducing unemployment in Enugu State.

ii. That entrepreneurship has to a great extent reduced youth unemployment in Enugu State.

- **How does entrepreneurship impact on self-employment in Enugu State?**
  From the interview responses, it was established that most entrepreneurs in Enugu State are part of their business ventures; as such we conclude that entrepreneurship and innovation have impacted positively on self-employment in Enugu State.

Analysis and Interpretation

The analysis and interpretation of the findings was done according to the research questions raised in the course of the study. The reason behind this was to enable the findings meet the broad objective of this study generally.

Research Question One: What is the impact of entrepreneurship on net worth of entrepreneurs in Enugu State?

The analysis of interview responses to this research question revealed that entrepreneurship led to production of new products which led to increase in assets of entrepreneurs in Enugu State. It also revealed that entrepreneurship has led to the development of new technologies which led to reduction in liabilities of entrepreneurs in Enugu State. The interpretation of these findings is that entrepreneurship impacted positively on the net worth of entrepreneurs in Enugu State.

Research Question Two: What is the impact of entrepreneurship on asset accumulation of entrepreneurs in Enugu State?

The analysis of interview responses to this research question revealed that through entrepreneurship, entrepreneurs have acquired more products and more machines. The interpretation of this finding is that entrepreneurship led to increase in asset accumulation of entrepreneurs in Enugu State.

Research Question Three: What is the impact of entrepreneurship on income growth of entrepreneurs in Enugu State?

The analysis of interview responses to this research question revealed that all entrepreneurs in Enugu State have witnessed income growth within the last five past years. The interpretation of the findings is that entrepreneurship has engendered income growth of entrepreneurs in Enugu State.

Research Question Four: To what extent has entrepreneurship and impacted on youth unemployment in Enugu State?

The analysis of interview responses to this research question revealed that entrepreneurship and innovation have created job opportunities which have helped in reducing unemployment in Enugu State. It also established that entrepreneurship has to a great extent reduced youth unemployment in Enugu State. The implication is that entrepreneurship impacted negatively to youth unemployment in Enugu State.

Research Question Five: **How does entrepreneurship impact on self employment in Enugu State?**

The analysis of interview responses to this research question revealed that most entrepreneurs in Enugu State are part of their business ventures; as such we conclude that entrepreneurship has impacted positively on self employment in Enugu State.

Discussion of Results

The result of the study revealed that entrepreneurship has impacted on wealth creation and empowerment of entrepreneurs in Enugu State. In the area of wealth creation, entrepreneurship has brought about increase in the net worth of entrepreneurs in Enugu State through increase in the number of new products they added to their stock and the development of new technologies that have increased their production efficiency. Furthermore, entrepreneurship has positively impacted to asset accumulation of entrepreneurs in Enugu State. This was established by the presence of more products and machines in the capital stock of these entrepreneurs. These findings are consistent with the findings of Juliana et al. (2021) who established that technology and creative thinking induced entrepreneurship development in Nigeria.

In the area of empowerment, entrepreneurship has contributed significantly to the reduction of youth unemployment in Enugu State. In addition, entrepreneurship has provided self-employment for over 90% of the entrepreneurs studied in Enugu State. These findings are in line with the findings of Nnordee et al. (2025) who found out that entrepreneurship education is a critical driver in youth empowerment in Africa. In addition, Onileowo and Anifowose (2020) found out that entrepreneurship created jobs in Nigeria. This finding is in agreement with the finding of this study that entrepreneurship has impacted negatively to youth unemployment in Enugu State.

The implication of these finds is that, increasing entrepreneurship activities will contribute significantly to the achievement of sustainable economic development of Enugu State and Nigeria at large. Therefore, any policy channeled towards entrepreneurship development should be encouraged as it will add to strategies needed in addressing development issues in Nigeria.

Summary of key Findings

The study discovered the following:

1. Entrepreneurship has positively impacted on the net worth of entrepreneurs in Enugu State.
2. Entrepreneurship has led to increase in assets of entrepreneurs in Enugu State.
3. Entrepreneurship has led to income growth of entrepreneurs in Enugu State.
4. Entrepreneurship has impacted negatively on youth unemployment in Enugu State. This situation empowered the unemployed youth.
5. Entrepreneurship empowered entrepreneurs in Enugu State through making them self-employed and employers of labour.

Implications of the Study

The implications of the study are that entrepreneurship impacted positively on wealth creation and empowerment in Enugu State as we established the following; entrepreneurship positively impacting on the net worth of entrepreneurs in Enugu State, entrepreneurship leading to increase in assets of entrepreneurs in Enugu State, entrepreneurship leading to income growth of entrepreneurs in Enugu State, entrepreneurship leading to reduction of youth unemployment and creation of self-employment for entrepreneurs in Enugu State.

Recommendations

In the light of the findings of this study, the following recommendations were made:

1. Since entrepreneurship has positively impacted on the net worth of entrepreneurs in Enugu State, government should increase efforts in encouraging entrepreneurship development in Nigeria through provision of sustainable electricity supply.
2. Since entrepreneurship has led to increase in assets of entrepreneurs in Enugu State, government should encourage entrepreneurship in Nigeria through the provision of interest-free loans.
3. Since entrepreneurship has led to income growth of entrepreneurs in Enugu State, government should encourage entrepreneurship by removing all income dwindling levies like business premises levy, business permit etc.
4. Since entrepreneurship has impacted negatively on youth unemployment in Enugu State, which is one way of empowerment, government should encourage entrepreneurship through collaborating with them in provision of skills for the youth.
5. Since entrepreneurship empowered entrepreneurs in Enugu State through making them self-employed and employers of labour, government should encourage entrepreneurship Nigeria through appreciation and provision financial aids for expansion.

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