

## Entrepreneurship Practices Adopted by Automobile Mechanics in Dwindling Economy in Abuja and Niger State, Nigeria

By

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### ABSTRACT

*The purpose of the study was to identify the entrepreneurship practices adopted by automobile mechanics in dwindling economy in Abuja and Niger state, Nigeria. Two research questions were raised to guide the study and two null hypotheses were formulated and tested at .5 level of significant. The design used was descriptive survey research design. Simple Random Sampling Technique (SRST) was used to select a sample size of 100 respondents that consisted of 50 automobile mechanics from Abuja and 50 from Niger State from a population of 412. The instrument for data collection was a structured questionnaire. The internal consistency of the items on the instrument was found to be .88 using Cronbach's Alpha method. Data collected were analysed using mean and z-test. The findings revealed among others that automobile mechanics in Abuja and Niger State adopt advertising services, relating with customers, staff management, creative and imaginative, use of social and mass media, good accounting practices, money management, keeping track of customers' record, time management, development and recognizing opportunities, negotiation practice in dwindling economy. It was therefore recommended that, automobile mechanics should adopt market research on latest tools and methods, business plan development practice and record keeping of sales and purchases practice in dwindling economy.*

**Key words:** Entrepreneurship, Practices, Automobile Mechanic, Dwindling Economy

### INTRODUCTION

Entrepreneurship could be seen as the ability of an individual to turn ideas into action. Entrepreneurship includes creativity, innovation and risk-taking, as well as the ability to plan and manage projects in order to achieve objectives. According to Agomuo (2002), entrepreneurship is a process of bringing together creative and innovative ideas, combining them with management and organization skills in order to combine people, money and resources to meet an identified need and thereby create wealth. Gibb (2005) defined entrepreneurship as a way of thinking, reasoning and acting that results in the creation, enhancement, realization, and renewal of value for an individual, group, organization or society. Martin and Osberg (2007)

asserted that entrepreneurship is the product of a combination of three elements: the context in which the opportunity arises or is created, a set of personal competences necessary to identify and use the opportunity and the capacity to actualize the opportunity by transforming it into business. Baron and Henry (2010) maintained that entrepreneurs not only identify, but also create opportunities which in turn produce opportunities that did not previously exist through entrepreneurship practices.

Entrepreneurship practices can be defined as all the appropriate activities adopted by entrepreneur to start and successfully manage a business in a competitive environment. Terry (2005) defined entrepreneurship practices as all activities that are necessary to create or carry on an

enterprise. Akande (2011) & Ezeani (2012) further described entrepreneurship practice as the quality business activities required for the creation of creation of new organizations. Entrepreneurship practices are simply business undertakings which individuals observe to enable them effectively progress in the turbulent business environment as an entrepreneur or self-employed. According to Lyve (2005), advertising services, relating with customers, services promotional practices. market research, creative and imaginative, use of social and mass media, good accounting practices, money management, keeping track of expenses and customers record and time management are practices carried out by entrepreneurs. Sujun (2015) further revealed that, development and recognizing opportunities, negotiation practice, business plan development, business valuation, strengths and weaknesses identification, hiring of staff and effective staff management are entrepreneurship practices employed by entrepreneurs including automobile mechanics.

Automobile mechanic is experienced personnel who specialized in automobile maintenance, repairs and sometimes modification. Ezekiel (2013) described automobile mechanic as a trained person with the knowledge or professional experience in the skills and techniques related to automobile maintenance. Idris and Arah (2015) defined an automobile mechanic as skilled personnel, trained in any of the trades in auto mechanics, which include: auto body repair and spray painting, auto electrical work, auto-body mechanic work, auto-body building (panel beating) and auto parts merchandising. According to Obasa (2013), automobile mechanics need to adopt entrepreneurship practices to enhance the progress of their enterprise during the manifested significant decline in economic activity spreads across the economy of the country termed as dwindling economy.

Dwindling economy is a significant decline in activity across the economy, lasting longer than a few months. It is visible in industrial production, employment, real income and wholesale-retail trade. National Bureau of Economic Research (2010), defined dwindling economy as a period between a peak and a trough of a business cycle during which

a significant weakening in economic activity spreads across the economy. Dwindling economy is characterized by negative real Gross Domestic Product (GDP) growth and increase in unemployment. According to Shane (2011), dwindling economy increases costs, risk, stress, uncertainty, and business failures while decreasing the availability of employment. Connaughton and Madsen (2009) also disclosed that, dwindling economy decreases potential business income and wealth and require entrepreneurship practices to overcome. Entrepreneurs such as automobile mechanics require entrepreneurship practices to overcome the negative effects of dwindling economy.

### **Statement of the problem**

Nigerian economy has been battered by low oil prices hammering government revenues, weakening the national currency and driving up inflation high. Adeosun (2017) noted that Nigerian economy situation is in its worst possible time, inflation rate shrank at 17.1%, the GDP had contracted by 2.06% and the economy by 0.36%. The worst economy situation caused high rate at which car owners abandon their faulty cars at automobile mechanics workshop. Many automobile workshops suffered decline in customers because people choose to use their cars less and some do maintenance on their vehicles themselves rather than take them to professional to be fixed. Ahiauzu (2010) assert that, there is a positive relationship between entrepreneurship and economic growth. Henderson (2007) further explained that, entrepreneurship practices are very essential in lifting Nigerian economy out of dwindling. Hence, the problem of this study is what are the entrepreneurship practices adopted by automobile mechanics in dwindling economy in Abuja and Niger state, Nigeria.

### **Purpose of the Study**

The purpose of the study was to identify the entrepreneurship practices adopted by automobile mechanics in dwindling economy in Abuja and Niger state, Nigeria. Specifically, the study seeks to identify:

1. Entrepreneurship practices adopted by automobile mechanics in dwindling economy
2. Strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy.

**Research Questions**

The following research questions were formulated to guide the study:

1. What are the entrepreneurship practices adopted by automobile mechanics in dwindling economy?
2. What are the strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy?

**Hypotheses**

The following null hypotheses were formulated and tested at 0.05 level of significance:

**HO<sub>1</sub>:** There is no significant difference between the mean responses of automobile mechanics in Abuja and Niger State on the entrepreneurship practices adopted by automobile mechanics in dwindling economy

**HO<sub>2</sub>:** There is no significant difference between the mean responses of automobile mechanics in Abuja and Niger State on strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy

**METHODOLOGY**

The research design used for this study was the descriptive survey research design. Fox & Bayat (2007) defined descriptive survey research design as design aimed at casting light on current issues or problem through a process of data collection. The study was carried out in Abuja and Niger State, Nigeria. The population of the study consisted of 412 registered automobile mechanics in Abuja and Niger State. Simple Random Sampling Technique (SRST) was used to select a sample size of 100 respondents that consisted of 50 from Abuja and 50 from Niger State. The instrument for data collection was a structured questionnaire designed on five points rating scale of Always Adopted (AA), Occasionally Adopted (OA), Rarely Adopted (RA), Not Adopted at All (NAA) and Undecided (UD) with numerical values of 5, 4, 3, 2, and 1, respectively was used to collect data for the study. The instrument contained two sections, A, and B. Section A comprises of entrepreneurship practices adopted by automobile mechanics in dwindling economy and section B comprises of strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy. Cronbach Alpha method was used to determine the internal consistency of the items on the instrument and found to be .88. The study employed the use of mean to answer the research questions and z-test to test the hypotheses.

**RESULTS:**

**Research Question 1:** What are the entrepreneurship practices adopted by automobile mechanics in dwindling economy?

**Table 1:** Mean of respondents on the entrepreneurship practices adopted by automobile mechanics in dwindling economy

S/N	Entrepreneurship practices	N1=50, N2=50			Remarks
		by =5 %	me =5 %	me =5 %	
1.	Advertising services properly using various mediums	3.73	3.50	3.62	Adopted
2.	Relating with customers effectively	3.52	3.64	3.58	Adopted
3.	Staff management practices	3.53	3.79	3.66	Adopted
4.	Market research on latest tools and methods	2.71	2.63	2.67	Not Adopted
5.	Being creative and imaginative in services delivery	3.78	3.52	3.65	Adopted
6.	Use of social and mass media for service marketing	3.81	3.69	3.75	Adopted
7.	Good accounting practices	3.68	3.82	3.75	Adopted
8.	Record keeping of sales and purchases practice	2.61	2.90	2.76	Not Adopted
9.	Money management or sound financial Know-how practice	3.61	3.98	3.80	Adopted
10.	Keeping track of customers record	3.87	3.93	3.90	Adopted

11	Effective time management practice	3.74	3.69	3.72	Adopted
12	Idea development and recognizing opportunities for improvements	3.86	3.59	3.73	Adopted
13	Effective negotiation practice	3.63	3.66	3.65	Adopted
14	Business plan development practice	2.52	2.72	2.62	Not Adopted
15	Business valuation practice to ascertain level of achievement	3.50	3.91	3.71	Adopted
16	Business strengths and weaknesses identification	3.60	3.54	3.57	Adopted
17	Dealing with business failure	3.63	3.73	3.68	Adopted
18	Hiring well trained and qualified auto mechanics	3.76	3.81	3.79	Adopted
<b>Grand Means</b>		<b>3.51</b>	<b>3.56</b>	<b>3.53</b>	<b>Adopted</b>

**Keys:**  $N_1$  = Numbers of Abuja automobile mechanics,  $N_2$  = Numbers of Niger State,  $\bar{X}_1$  = Mean of Abuja automobile mechanics,  $\bar{X}_2$  = Mean of Niger State automobile mechanics,  $\bar{X}_1$  = Average mean of automobile mechanics.

Table 1 revealed that the 15 out of the 18 items had average mean value above 3.50. This indicate that the respondents were of the opinion that the 15 items were entrepreneurship practices

adopted by automobile mechanics in dwindling economy.

**Research question 2:** What are the strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy?

**Table 2:** Mean of respondents on the strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy  
N1=50, N2=50

S/N	Strategies for enhancing entrepreneurship practices	$\bar{X}_1$	$\bar{X}_2$	$\bar{X}_A$	Remarks
19	Reading business, industrial and technological magazines	3.59	3.73	3.66	Agreed
20	Reading books on business and entrepreneurship	3.66	3.52	3.59	Agreed
21	Attending business seminars and training	3.72	3.53	3.63	Agreed
22	Reading autobiographies and biographies of successful entrepreneurs	3.91	3.71	3.81	Agreed
23	Joining business organizations or investment clubs (both online and offline)	3.54	3.78	3.66	Agreed
24	Networking with other entrepreneurs	3.73	3.81	3.77	Agreed
25	Watching videos on how to become successful entrepreneurs	3.81	3.68	3.75	Agreed
26	Creating an online business blog	3.13	3.23	3.18	Not Agreed
27	Attending short courses on business etiquette	3.76	3.81	3.79	Agreed
<b>Grand Means</b>		<b>3.65</b>	<b>3.64</b>	<b>3.65</b>	<b>Agreed</b>

Table 2 revealed that 8 out of 9 items had average mean value above 3.50. This indicate that the respondents were of the opinion that 8 items were strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy.

**Hypotheses One**

**HO<sub>1</sub>:** There is no significant difference between the mean responses of automobile mechanics in Abuja and Niger State on the entrepreneurship practices adopted by automobile mechanics in dwindling economy

**Table 3:** z-test analysis of responses of automobile mechanics on entrepreneurship practices adopted by automobile mechanics in dwindling economy

Respondents	N	$\bar{x}$	SD	df	z-value	p-value	Remark
Abuja automobile mechanics	50	3.51	0.62	98	0.434	0.666	Not Significant
Niger State automobile mechanics	50	3.56	0.53				

Table 3 revealed that the p-value > 0.5, which implies that there is no significant difference between the mean responses of automobile mechanics in Abuja and Niger State on the entrepreneurship practices adopted by automobile mechanics in dwindling economy. Hence, hypothesis one was retained

#### **Hypotheses Two**

**HO<sub>2</sub>:** There is no significant difference between the mean responses of automobile mechanics in Abuja and Niger State on strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy

**Table 4:** z-test analysis of responses of automobile mechanics on strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy

Respondents	N	$\bar{x}$	SD	df	z-value	p-value	Remark
Abuja automobile mechanics	50	3.65	0.51	98	0.094	0.926	Not Significant
Niger State automobile mechanics	50	3.64	0.56				

Table 4 revealed that the p-value > 0.5, which implies that there is no significant difference between the mean responses of automobile mechanics in Abuja and Niger State on strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy. Hence, hypothesis two was retained.

#### **FINDINGS**

1. Advertising services, relating with customers, staff management, creative and imaginative, use of social and mass media, good accounting practices, money management, keeping track of customers' record, time management, development and recognizing opportunities, negotiation practice, business valuation, strengths and weaknesses identification, dealing with business failure and hiring of staff were entrepreneurship practices adopted by automobile mechanics in dwindling economy.
2. Reading magazines and books on business and entrepreneurship, attending business

seminars and training, reading autobiographies and biographies of successful entrepreneurs, joining business organizations or investment clubs (both online and offline), networking with other entrepreneurs, watching videos on how to become successful entrepreneurs, attending short courses on business etiquette were strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy.

3. There was no significant difference between the mean responses of automobile mechanics in Abuja and Niger State on the entrepreneurship practices adopted by automobile mechanics in dwindling economy.
4. There was no significant difference between the mean responses of automobile mechanics in Abuja and Niger State on strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy.

## DISCUSSION OF FINDINGS

Results presented on the entrepreneurship practices adopted by automobile mechanics in dwindling economy revealed that advertising services, relating with customers, staff management, creative and imaginative, use of social and mass media, good accounting practices, money management, keeping track of customers' record, time management, development and recognizing opportunities, negotiation practice, business valuation, strengths and weaknesses identification, dealing with business failure and hiring of staff were entrepreneurship practices adopted by automobile mechanics in dwindling economy. The finding is in agreement with the findings of Sujan (2015) in his study, the 17 skills required to succeed as an entrepreneur who revealed that entrepreneurs adopts advertising services, relating with customers, staff management, creative and imaginative, use of social and mass media, good accounting practices, money management, keeping track of customers' record, time management, development and recognizing opportunities, negotiation practice to succeed. The finding also agrees with the findings of Nwachukwu (2012) who revealed business valuation, strengths and weaknesses identification, dealing with business failure and hiring of staff were entrepreneurship practices adopted by entrepreneurs.

Furthermore, the t-test analysis for the test of significant difference between mean responses of automobile mechanics in Abuja and Niger State on the entrepreneurship practices adopted in dwindling economy revealed no significant difference. This finding is in-line with the findings of Musa and Medugu (2016) who found no significant difference between the mean responses of MMM teachers and entrepreneurs on the emerging entrepreneurial competencies required by MMM students in establishing an automobile enterprise.

Results presented on the strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy revealed that reading magazines and books on business and entrepreneurship, attending business seminars and training, reading autobiographies and biographies of successful entrepreneurs, joining business organizations or investment clubs (both online and

offline), networking with other entrepreneurs, watching videos on how to become successful entrepreneurs, attending short courses on business etiquette were strategies for enhancing automobile mechanics entrepreneurship practices in dwindling economy. The finding concord with the findings of Eneh (2010) in his study titled survival strategies for entrepreneurs in dwindling Nigerian economy who revealed attending business seminars and training, joining business organizations or investment clubs (both online and offline), networking with other entrepreneurs, attending short courses on business etiquette were strategies for enhancing entrepreneurship practices in Nigerian dwindling economy.

Furthermore, the t-test analysis for the test of significant difference between mean responses of automobile mechanics in Abuja and Niger State on the strategies for enhancing entrepreneurship practices in dwindling economy revealed no significant difference. This finding is in-line with the findings of Musa and Medugu (2016) who found no significant difference between the mean responses of MMM teachers and entrepreneurs on the emerging entrepreneurial competencies required by MMM students in establishing an automobile enterprise.

## CONCLUSION

Based on the findings of the study, it is concluded that automobile mechanics adopts advertising services, relating with customers, staff management, creative and imaginative, use of social and mass media, good accounting practices, money management, keeping track of customers' record, time management, development and recognizing opportunities, negotiation practice, business valuation, strengths and weaknesses identification, dealing with business failure and hiring of staff as entrepreneurship practices in dwindling economy. Hence, there is need for automobile mechanics to adopt market research on latest tools and methods, business plan development practice and record keeping of sales and purchases as entrepreneurship practice in dwindling economy.

## RECOMMENDATIONS

Based on the findings of the study, the following recommendations were made.

1. Automobile mechanics should adopt market research on latest tools and methods, business plan development practice and record keeping of sales and purchases practice in dwindling economy.
2. Automobile mechanics should create online business blog for enhancing their entrepreneurship practices in dwindling economy.

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