

Effect Of Business Incubators On Employment Generation In Nigeria

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Abstract- This study investigated the effect of business incubators on employment generation in Nigeria. Primary data were sourced from selected business incubators in Portharcourt Nigeria. The sample space comprised of owners/managers and trainees of business incubators in Portharcourt. The purposive sampling technique was adopted and 49 participants were selected for the study. Two forms of business incubators were identified and they include non-technology based business incubators and technology based business incubators. These were the independent variables while employment generation was the dependent variable. Structured questionnaire was used to generate the data and the data were analyzed using the multiple regression analysis. The findings revealed that there was positive effect of non-technology and technology-based business incubators on employment generation in Nigeria. However, despite their positive effect, both variables did not significantly enhance employment generation in Nigeria. The study concluded that business incubators are veritable hubs that have driven employment generation in Nigeria and part of the recommendation was that both technology and non-technology based business incubators can accelerate employment generation significantly in Nigeria when they are publicized by the government, capital is made available to trainees and creation of innovative solutions that will boost employment generation in Nigeria.

Index Terms- Business Incubators, Employment, Multiple Regression Analysis, Non-Technology Based Business Incubators, Technology

I. INTRODUCTION

The idea of a business incubator is said to have originated in 1956 when Joseph Mancuso, a manager of a hardware shop, transformed an abandoned 850,000-square-foot manufacturing complex in Batavia, New York, into a brand-new establishment he named the Batavia Industrial Center (Dahl, 2019). Mr. Mancuso gave business owners access to

professionals for business guidance and collaborative office space (Dahl, 2019). After witnessing freshly born chicks from a startup chicken processor running around the building, he started referring to the establishment as an incubator (Dahl, 2019). By offering businesses discounted office space and shared services like office supplies, internet connection, and professionals in a dedicated facility, business incubators today carry on the tradition. These startup incubators have the chance to provide various forms of support because the entrepreneurs and the incubator employees are located in the same region (Rice, 2022). Entrepreneurs gain from networking with other startups in addition to incubator personnel and specialists (Dahl, 2019).

Up to 10 million of Nigeria's more than 37 million registered micro, small, and medium-sized businesses are considered start-ups (SMEDAN, 2022). The majority of these start-ups are the result of business incubators, which specialise in providing young entrepreneurs with intense training so they may launch their own companies and become independent. Every nation's progress and prosperity depend on the ingenuity of its people, particularly its young people (Newo, Oladipo, Ayankoya, and Olanrewaju, 2024), and business incubators provide this exact function.

Since the civil war ended in 1970, Nigeria has been dedicated to developing its labour force and creating jobs. Since then, the government has increased its support for the expansion of entrepreneurship through the implementation of several policies and initiatives, such as the Economic Structural Adjustment Programme (SAP) in 1986, and the creation of organisations such as the Small and

Medium Enterprise Development Association of Nigeria (SMEDAN), the National Directorate of Employment (NDE), and the National Open Apprenticeship Scheme (NOAS) (Akanle & Omotayo, 2019).

In 1988, UNDP and UNFSTD presented the idea of business incubation to the Nigerian government (Adelowo, Olaopa, and Siyanbola, 2022). The Federal Government then hired a group of three companies—NISER, OAU, and a private consulting firm—to provide advice on the implementation modalities and desirability. In the end, Nigeria's first technology business incubation was founded in Agege in 1993. Kano and Aba followed in 1994 and 1996, respectively (InfoDev, 2020; Lalkaka, 2021). These three cities were chosen because they serve as industrial hubs in the areas in which they are situated. Twelve more centers have been developed nationwide since the Federal Government established these centers, which are overseen by the Federal Ministry of Science and Technology (FMST) (Siyanbola, 2024). According to Siyanbola (2024), the number has grown to 25 centers around Nigeria as of 2024.

Scholars have contended that the main objective of technology and business incubation programs in developing nations like Nigeria is to promote economic development by strengthening the nation's technological and entrepreneurial foundation and increasing employment levels (InfoDev, 2020; Lalkaka, 2021). According to a National Bureau of Statistics (NBS) estimate, Nigeria's jobless rate rose from 12.1% in 2019 to 18.8% in 2020. Since 2014, Nigeria's unemployment rate has increased 12 times in a row (NBS, 2024). Additionally, it demonstrates that Nigeria's underemployment rate rose from 19.1% in 2021 to 21.2% in 2022. This indicates that 58.1% of Nigerian youngsters between the ages of 15 and 34 do not currently have a job. Additionally, 17.9 million Nigerian adolescents between the ages of 15 and 34 do not have a job in 2023. With 50 million persons in Nigeria between the ages of 15 and 34, this means that less than 35.8% of the country's young are unemployed and 64.2% are employed. Half of this group, or 32.1%, is invariably underemployed (NBS, 2024).

With the spread of business incubators in Nigeria, discussions on whether business incubator programs are successful employment generation tool have increased. Examining business incubators and how they affect employment will not only drive government and private sector interest, but will also enhance their visibility and engage more research interest which will spur entrepreneurship development in Nigeria. Evaluating of the services offered in business incubators will also help for a better understanding of the role of business incubators on development and employment generation.

1.1 Statement of the Problem

Many studies have shown that business incubators contribute substantially to gross and net job creation in economies of the world (Andersson and Noseleit, 2018; Fackler, Fuchs, Hölscher and Schnabel, 2018; Nana and Akaeze, 2019; Fuchs and Weyh, 2010). At the same time, products of business incubators also contribute to job displacements, in particular because of their high exit rates (Fackler, Schnabel, and Wagner 2021; Geroski, 2019; Okoli and Okoli, 2021). Business incubator appears to be a growing new area of interest for the public and private sector and as a result there appears to be insufficient knowledge concerning their effect on employment statistics in Nigeria.

As a follow-up to the above stated problem, it is observed that this area of business incubators and the effect they have on employment generation has remained under-researched in development economics literature. More worrisome is the fact that despite the growing attention on technology start-ups in Nigeria, literature on how business incubators have affected employment generation in Nigeria remains scanty with no much empirical evidence, as observed in the works of Alaka and Adesina (2023), Asikhia, Ologunba, Akinlabi and Makinde (2020), Usman (2024). These studies mentioned here studied only business incubators without linking it with employment generation. Job creation is one of the most important aspects of business incubators, but we know relatively little about the types of business incubators that exist in Nigeria and their impact on employment generation. This research work takes a

holistic examination of business incubators by identifying the various types in Nigeria, their characteristics and their correlation with employment generation in the Nigerian economy.

1.2 Objectives of the Study

The general objective of this study is to analyze the effect of business incubators on employment generation in Nigeria. Specifically, this study seeks to:

1. Investigate the effect of non-technology based business incubators on employment generation in Nigeria;
2. Determine the effect of technology-based business incubators on employment generation in Nigeria.

In order to achieve the above stated objectives, this study raises the following critical research questions: What effect does non-technology based business incubators have on employment generation in Nigeria? What is the effect of technology-based business incubators on employment generation in Nigeria? The study has two main hypotheses which will be tested in the latter part of the research. The hypotheses are stated in their null forms as follows:

H₀₁: There is no significant effect of non-technology based business incubators on employment generation in Nigeria.

H₀₂: Technology-based business incubators have no significance effect on employment generation in Nigeria.

Ideally, this research will be significant and useful to the government as it will highlight the activities of business incubators and how they have affected employment generation in Nigeria. This is critical information which the government needs in order to further drive policies that will encourage business incubation and employment generation. Also, this research will highlight to critical stakeholders, investors and business analysts on how business incubators operate, and how they encourage employment in Nigeria. This is vital as it enhances their visibility and operational efficiency. Again, this research will add to the existing economic literature on business incubators and employment generation in Nigeria. Importantly, it will ensure that theoretical

and empirical knowledge is enhanced for further research in this area.

This research focuses on two types of business incubators namely technology and non-technology based business incubators. The geographic scope is Portharcourt, Rivers State. This area is selected because of its strategic location as a business incubation hub in Southern part of Nigeria. The scope further includes business incubator owners and clients.

II. LITERATURE REVIEW

2.1 Conceptual Literature Review

Business Incubators: From a layman's perspective, business incubation aims to train new businesses so they can thrive in the current competitive business climate (Hallen et al., 2023). An incubator can be viewed from the perspective of preterm birth, where a premature baby is placed in an incubator for a while to develop. This procedure is applicable to a starting company that must grow and overcome the obstacles in the contemporary business climate in order to succeed (NBIA, 2013). Because they act as catalysts in the process of launching and expanding businesses by giving entrepreneurs the knowledge, connections, and resources necessary to make their endeavours successful, business incubation has shown to be a powerful instrument for fostering economic growth throughout the world. According to Oshewolo (2010), business incubation generally contributes to a nation's economic development by fostering a culture of techno-entrepreneurship, increasing employment, and starting new businesses (Bakar et al., 2015; Okafor et al., 2015). Before graduating, entrepreneurs normally spend three to five years in an incubation center, while there is typically no upper limit (Linton, 2017). The majority of incubators are non-profits, and they are now commonplace in many nations to draw in and keep entrepreneurs (Dahl, 2019).

Physical or Non-technology Based Business Incubators: Organisations that offer small firms tangible facilities and intangible support, such as office space, services provided, training, knowledge transfer, idea development, advertising, and business to business, are known as physical or non-technology based business incubators (Hallen et al., 2023). By assisting emerging small businesses in their early

phases of development, physical business incubators play a crucial role in their growth and nurturing. In terms of architecture, an incubation center is a physical space where young entrepreneurs may congregate, foster impromptu conversation, and develop personally by learning about many facets of business and entrepreneurship in their specialised fields.

Virtual or Technology-based Business Incubators: Due to the increased emphasis on technology and globalisation in recent years, some incubators have expanded their offerings to include "virtual business incubation," which uses web-based technologies (Shepard, 2017). Additionally, specialised incubators (and accelerators) have developed to target under-represented demographics including gender and race (Yu, 2016) as well as particular verticals and industries like biotechnology and financial services (Knopp, 2012; Shepard, 2017). Due to the development of virtual networks and virtual valves, our knowledge-based economy has diminished the significance of physical workspace (Abraham and Knight, 2020). The COVID-19 pandemic and the ensuing physical proximity restrictions have significantly strengthened this overall trend (Abraham and Knight, 2020).

As seen by the growing number of virtual company incubators, these changes have sparked the creation of entrepreneurial support systems (Heye, 2020). In the context of physical incubators, virtual business incubators are defined as business incubators and service providers that offer a comprehensive package of services (more than one) intended to support, facilitate, and accelerate the growth of new businesses, such as 3D virtual models, search engines, and social media marketing (Nyagadza, 2022). They accomplish this by using tools and services that are, at the very least, largely independent of the services' location.

Employment Generation:

According to the European Union (2024), employment generation is the process of making new jobs available for people who were previously not employed or engaged in any paid work. Creation of new jobs in an economy is the primary function of all economic units (Hunter, 2024). In Nigeria, micro

small and medium scale enterprises are the highest sources of employment generation as they account for more than 80% employment in the country (National Bureau of Statistics, 2024). Expectedly, business incubators aims at equipping small business starters with the technical skills to establish their own business and exit the unemployment pool.

2.2 Theoretical Review: Human Capital Theory Economists Gary Becker and Theodore Schultz first proposed the human capital hypothesis in the 1950s and early 1960s. According to this hypothesis, people can increase their productivity and future incomes by investing in health care, education, and training. Over time, this productivity and potential profits are accrued. Additionally, this theory presupposes that if human capital expenditures are impacted by market forces, governmental laws, and personal preferences, there will be a rate of return. According to Fuchs and Weyh (2010), the processes for raising individual productivity and overall economic growth are education, training, and skill acquisition. Increasing human capital, labour productivity, and technology levels globally can all be achieved through education. Human capital, according to Thorpe et al. (2020), is the intangible economic value of a person's skills and experience. This includes education, training, intelligence, skills, overall health, and other qualities that employers value, such as punctuality and loyalty. Human capital theory states that increasing education and skill training can help people become more productive. Furthermore, according to this theory, educating young people about entrepreneurship may help them develop new ideas and expertise as well as expose them to business innovation and knowledge, setting them up for long-term sustainable success (Nwekeaku, 2023).

This theory can be put in the context of business incubation, employment generation and youth development in Nigeria by:

- 1 Putting money into educational and training programs that give youth the knowledge and abilities they need to start and manage profitable businesses.
- 2 Encouraging the development of an environment that is favourable to entrepreneurs. Funding, mentors, and networking opportunities are examples of such a supporting atmosphere.

- 3 Encouraging the establishment of partnerships between business, government, and academic institutions to provide youth with the tools and support they need to thrive
- 4 Fostering a culture of ongoing education and self-improvement among young entrepreneurs to help them learn new skills and adjust to shifting business conditions. By implementing the ideas of human capital theory, Nigeria can foster an entrepreneurial culture and support the growth of a new generation of talented entrepreneurial leaders.

In summary, the ability to adapt is seen as the primary component of human capital in the Schultz/Nelson-Phelps perspective. This method holds that human capital is particularly helpful when handling "disequilibrium" situations, or more broadly, when an environment is changing and businesses must adjust. In the framework of this study, it is anticipated that when business incubators and their trainees receive training and development, they will create jobs.

2.3 Empirical Review

There are a few empirical research on Nigerian business incubators and job creation. However, in order to provide a broader perspective on what researchers have done in this field, this study includes studies conducted in other nations.

In their investigation into the potential of incubation hubs as development drivers, Akanle, Ademuson, and Omotayo (2019) used an exploratory, explanatory, and descriptive research design. This approach takes into account the impact of incubation hubs on the community as well as the community's influence on them and their capacity to propel development in the nation-state. The study's conclusions showed that the incubation space might aid Nigeria in achieving sustainable development by supporting the local community and creating jobs.

A study on youth, unemployment, and incubation centers in Southwest Nigeria was conducted by Akanle and Omotayo (2019). According to their analysis, the incubation hub space is a crucial and essential way to create jobs and, thus, address the issue of unemployment. Young people who are eager to use their startups to improve society and solve

various social problems predominate in incubation hubs. The majority of the hubs' firms are information technology-driven, which has accelerated the expansion of southwest Nigeria's knowledge economy.

Opatola (2019) used secondary data collecting to assess the value of startup accelerators and business incubators in Nigeria. They noted that startup accelerators and company incubators are still relatively new in Nigeria, particularly at higher education institutions. The current incubators are still in their infancy, and many entrepreneurship-related themes are rarely covered. The study's findings demonstrated the critical role that Startup Accelerators and Business Incubators (BIs) play in the development of both new and established entrepreneurs and businesses.

The Igbo Trade Apprenticeship System, as a startup incubator, is a sustainable model for corporate social responsibility through social entrepreneurship (social change through entrepreneurial approach), according to Ugbaja (2019). Additionally, they recommended that businesses in Nigeria and other areas of Africa and the world use the Igbo Trade Apprenticeship System (ITAS) as a sustainable model for a startup incubator for social entrepreneurship in their CSR initiatives.

The impact of business incubation on the performance of SMEs in Oyo State, Nigeria, was examined by Asikhia, Ologunba, Akinlabi, and Makinde (2020). 386 SMEs were chosen for the study's survey research approach, and data was gathered using a standardised questionnaire. Multiple regression analysis was used to examine the data. The results showed that market share was significantly and negatively impacted by business networks. Additional research showed that technology and financial support significantly and favourably impacted profitability. The findings also showed that firm size was positively and significantly impacted by both financial and technological support. They came to the conclusion that the dependent variable (market shares, profitability, and firm size) is significantly impacted by the predictors of business incubation (financial support, market expertise, and technical support) in both positive and negative ways.

In order to create sustainable entrepreneurial capabilities in Nigeria, Jibrin, Makoyo, and Amony (2021) looked into technological incubation programs. The National Board for Technology Incubation, the organization in charge of carrying out the program, was introduced, along with the idea of a technology incubation program in Nigeria. The technological incubation program has proven to be a suitable policy tool for the development and promotion of entrepreneurial abilities in developing countries like Nigeria, according to the study's evaluation of the program's performance in that country.

With a focus on the government-owned Technology Incubation Center in Kano, Waziri and Alao (2021) investigated the function of business incubators in fostering entrepreneurship in Nigeria. The study used a qualitative research approach, which included in-person interviews with incubator management and entrepreneurs as well as field visits to the incubator to observe operations in their natural environment. The findings showed that business incubators have little effect on the development of entrepreneurship and, consequently, the expansion of incubated companies. This is mostly due to administrative problems, such as the program's inadequate capacity to provide human and material resources.

The impact of business incubators on entrepreneurship and the growth of SMEs in Nigeria was examined by Akpoviro, Oba-Adenuga, and Akanmu (2021). Sixty incubatees from Oyo and Lagos State National Board of Technological Beneficiaries (NBTI) made up the study's population. They discovered that business incubation coaching has a positive significant impact on human capital management towards entrepreneurship performance using analysis of variance (ANOVA) and correlation efficiency. They also discovered that incubation business knowledge has a positive significant impact on the sales turnover level of entrepreneurship performance.

Adelowo, Olaopa, and Siyanbola (2022) investigated technology business incubation as a tactic for the growth of SMEs in Nigeria. The ability of SMEs to participate in and profit from the knowledge economy depends on the degree of linkage with the

System of Innovation (NSI) in any country, they concluded, using evidence from the existing literature that the work reviewed. They also concluded that it is very clear that understanding the best way to manage innovation is a key element in shaping the competitiveness and economic growth in the emerging knowledge-economy.

The impact of business incubators on the entrepreneurial success of small enterprises in Lagos Island Local Government Area, Lagos State, was examined by Alaka and Adesina (2023). The hypotheses were tested using Pearson Product Moment Correlation Statistics. Entrepreneurial success was found to be significantly correlated with technology business incubators, physical business incubators, and virtual business incubators. The results showed that business incubators equip their staff with modern tools so they can communicate with customers in an efficient manner.

Ogutu and Kihonge (2023) investigated how business incubators affect economic expansion and the growth of entrepreneurship. A thorough assessment of the literature on the relationship between the number of business incubators and regional economic performance was part of the research. They came to the conclusion that investing in business incubators has the potential to benefit a nation's economy since they discovered a substantial correlation between economic development (measured by GDP) and the number of incubators present in a nation.

Usman (2024) investigated how business incubation programs affected the survival performance of participating enterprises in Nigeria. Over the course of the last three years (2013–2016), 1,211 participating enterprises from Nigeria's National Board for Technology Incubation (NBTI) Jos center made up the sample. Using Kaplan-Meier survival estimates, the study used survival analysis to ascertain how the Incubation Program affected entrepreneurship survival rates. The study's findings led them to the conclusion that business incubators improve the survivability of businesses.

2.4 Gap in Literature

Empirical evidence shows that the place of business incubators in the generation of employment has not

been given adequate attention by researchers in Nigeria. There is a close link between business incubators and tech startups because according to Hallen *et al.* (2023), business incubators help to train startup enterprises to make them survive the modern business competitive environment. Thus, analyzing business incubators from the perspective of technology and non-technology business incubators has not been done in any previous literature reviewed and this creates a veritable ground for filling in this gap in knowledge.

Furthermore, this study proposes an econometric approach to the analysis of business incubators and employment generation in Nigeria. Previous studies such as Asikhia *et al.* (2020), Ogutu and Kihonge (2023), Alaka and Adesina (2023) etc. adopted primary data using Descriptive statistics and literature review approach. This present study maintains primary data but with a different method of analysis and that is the multiple regression analysis using primary data.

III. METHODOLOGY

The research adopted the cross-sectional survey methods of research. This research design involves questionnaire administration, coding and analysis using quantitative techniques. The area of study is Portharcourt, Rivers State Nigeria. Portharcourt has a dense population of business incubators especially in the Southern region of Nigeria. It is estimated that annually, more than a thousand employments are generated from business incubators in Portharcourt alone (Business Digest, 2024). The start-up ecosystem in Portharcourt is ranked 5th in Nigeria and 768th globally (StartupBlink, 2024).

The owners and managers of business incubators and their students make up the study's population. However, as of the time of this study, the number of business incubators and their students is unknown. Because it gives the researcher the power to choose the best study subjects, non-probability sampling is therefore highly favoured. At this stage, the purposive sampling strategy is useful.

A structured questionnaire is used to generate the needed data from the business incubators in the

selected city in Nigeria. The questionnaires were administered through Google form for ease of access and computation. The questionnaire was submitted to a renowned expert in statistics and research for final scrutiny and vetting to ensure its validity. Copies of the questionnaires were administered to a pilot group of *incubatees* in Owerri over a two week period. The results of the two occasions were tested for consistency, using the Cronbach alpha reliability statistic (Jim, 2022). A reliability coefficient of 0.712 was obtained after the SPSS analysis and this was considered satisfactory for the research.

Participants in this study were chosen based on certain criteria, such as living in Portharcourt, managing or owning a business incubator, or being trainees or students of a business incubator. According to Sekaran (2013), a sample size greater than 30 but less than 500 is suitable for a study using a non-probability sampling technique. When the sample size of 49 was reached, the survey was closed in accordance with Sekaran's (2013) general guideline. This was done in order to efficiently handle the data and the little time allotted for this investigation. Multiple regression analysis and descriptive statistics were used to examine the data.

Model Specification

The adoption of multiple regression implies that a model should be formulated. This study pioneers a model for business incubators and how they affect employment generation in Nigeria. The model is specified as follows:

$$EMP = f(BI) \quad [1]$$

Where *EMP* is employment generation, *BI* is business incubators

Expanding the functional model above, we obtain:

$$EMP = f(TBI, NTBI) \quad [2]$$

Where:

TBI = Technology-based business incubators

NTBI = Non-technology-based business incubators

The model is expressed in a linear form as follows:

$$EMP = \beta_0 + \beta_1 TBI + \beta_2 NTBI + U_t \quad [3]$$

Where β_0 is the intercept of the model, β_1 and β_2 are the unknown coefficients of the model to be estimated and U_t is the error term. The SPSS statistical software version 29 is used to code the data and estimate the model parameters.

VI. DATA ANALYSIS

4.1 Data Presentation

The survey comprised 25 females and 24 males representing a percentage distribution of 51% and

49% respectively. A greater percentage of the participants belong in the age bracket of 26-30 years. In terms of their reasons for enrolling in the business incubation programme, 24.5 per cent said that they did so to enhance my knowledge of primary business of buying and selling while a greater percentage (38.8 per cent) noted that they enrolled in order to set up a business that can cater for their family. Table 1 shows the responses on the main research questions.

Table 1: Responses on non-technology based business incubators

a.	Non-tech Business Incubators	SA	AG	DA	SDA	Mean	Remark
1.	I feel that I have a special talent in buying and selling.	19 (38.8)	20 (40.8)	5 (10.2)	5 (10.2)	3.08	Positive
2.	I can manage a business that has a physical location effectively after I gain knowledge.	12 (24.5)	22 (44.9)	14 (28.6)	1 (2.0)	2.92	Positive
3.	Business incubator programme has widened my knowledge of consumer preferences.	21 (42.9)	18 (36.7)	6 (12.2)	4 (8.2)	3.14	Positive
4.	I am confident of securing a business of my own after my training.	41 (83.7)	8 (16.3)	0 (0.0)	0 (0.0)	3.84	Positive

Note; SA = Strongly Agree; AG = Agree; DA = Disagree; SDA = Strongly Disagree

Source: *SPSS Analysis* **Percentage figures are in parenthesis.

The responsiveness of the study participants to non-technology-based business incubators is summarized in Table 1. The table shows that 40.8 per cent of the participants agreed that they have a special talent in buying and selling. About 39 per cent strongly agreed to this assertion. In terms of managing a business that has a physical location effectively after gaining business knowledge, 45 per cent agreed to this while 25 per cent strongly agreed. Similarly, 43 per cent of the participants strongly agreed that business

incubator programme has widened their knowledge of consumer preferences while 83.7 per cent strongly agreed that they are confident of securing a business of their own after the business incubation training. Only the majority percentages are reported in the discussion of the data in Table 4.2 above. In summary, the statements on non-technology-based

business incubators returned positive mean values which implied that the participants agreed that non-technology-based business incubator programme helps them in gaining business knowledge.

Table 2: Responses on Technology based business incubators

b.	Tech Business Incubators	SA	AG	DA	SDA	Mean	Remark
5.	Tech-business incubators are expensive in this part of Nigeria.	4 (8.2)	13 (26.5)	27 (55.1)	5 (10.2)	2.33	Negative
6.	I have worked in a Technology company before now.	9 (18.4)	20 (40.8)	16 (32.7)	4 (8.2)	2.69	Positive

7.	Business incubator programmes that are technology-based are very rare to find.	25 (51.0)	21 (42.9)	2 (4.1)	1 (2.0)	3.43	Positive
8.	I am confident of opening my own company.	45 (91.8)	4 (8.2)	0 (0.0)	0 (0.0)	3.92	Positive

Source: SPSS Analysis **Percentage figures are in parenthesis

How the participants responded to questions on technology-based business incubators is summarized in Table 2. Evidence from Table 2 shows that 55.1 per cent of the participants disagreed to the statement that “Tech-business incubators are expensive in this part of Nigeria”. In other words, this means that participation in technology-based business incubators

are not expensive. Going further, about 41 per cent agreed that they have worked in a Technology company before now. Technology-based business incubators are very rare to find as opined by majority of the participants while 91.8 per cent strongly agreed that they are confident of opening their own company.

Table 3: Employment Generation Survey

c.	Employment Generation	SA	AG	DA	SDA	Mean	Remark
9.	Business incubator programmes helps individual participants to gain employment easily.	15 (30.6)	23 (46.9)	5 (10.2)	6 (12.2)	2.96	Positive
10.	Owning a business is made possible through business incubator programmes	8 (16.3)	26 (53.1)	8 (16.3)	7 (14.3)	2.71	Positive
11.	The number of people that got employed from business incubator programmes far exceeds ordinary businesses.	3 (6.1)	3 (6.1)	16 (32.7)	27 (55.1)	1.63	Negative
12.	Business incubators are the drivers of employment in Nigeria today.	16 (32.7)	12 (24.5)	12 (24.5)	9 (18.4)	2.71	Positive

4.2 Data Analysis

Source: SPSS Analysis **Percentage figures are in parenthesis

One very captivating aspect of the responses in Table 3 is that 47 per cent and 53 per cent agreed that business incubator programmes helps individual participants to gain employment easily and that owning a business is made possible through business incubator programmes. However, 55.1 per cent strongly disagreed that the number of people that got employed from business incubator programmes far exceeds ordinary businesses.

Table 4: Ordinary Least Square Regression Results

Variable	Coefficients	t-stat.	p-value	Decision
Constant	13.345	-	-	-
Non-technology	0.040	0.27	0.78	Positive but not significant
Technology-based	0.059	0.38	0.70	Positive but not significant

Source: SPSS Analysis

Evidence from Table 4 shows that non-technology-based business incubators exerts positive effect on employment generation increasing it by 0.040 units. Also, technology-based business incubators exert positive effect on employment generation increasing it by 0.059 units. However, both types of business incubators did not significantly increase employment generation in Nigeria since their probability values are greater than 0.05 critical value.

Test of Hypotheses

➤ Hypothesis One:

H₀₁: There is no significant effect of non-technology-based business incubators on employment generation in Nigeria.

The probability value of the t-statistic is 0.783 and it is greater than 0.05 critical value. Therefore, we accept the null hypothesis and conclude that there is no significant effect of non-technology-based business incubators on employment generation in Nigeria.

➤

➤ Hypothesis Two:

H₀₂: Technology-based business incubators have no significant effect on employment generation in Nigeria.

The probability value of the t-statistic is 0.702 and it is greater than 0.05 critical value. Therefore, we accept the null hypothesis and conclude that technology-based business incubators have no significant effect on employment generation in Nigeria.

4.3 Discussion of Findings

The analysis revealed that there was no significant effect of non-technology-based business incubators on employment generation in Nigeria. In other words, business incubators that are not in the area of technology failed to significantly enhance employment generation in Nigeria. Even though they exerted positive effect on employment generation, their positive effect was not significant enough to propel long term increase in employment rate in Nigeria. As stated by Akpoviroro *et al* (2021), business incubators positively influenced human capital management but they did not explore its effect on employment generation. Also, the less impact of business incubators on employment corroborates the

findings of Waziri and Alao (2021), Asikhia *et al* (2020).

The results further revealed that technology-based business incubators have no significant effect on employment generation in Nigeria. What this implies is that despite the positive relationship between technology-based business incubators and employment generation, their effect on employment generation in Nigeria still remains insignificant. As a result, business incubators fall short of their expected outcome on employment generation in Nigeria. Further implication of the finding is that there is insufficient business incubators in Nigeria – both technology and non-technology based and for this reason, there is slow growth in employment generation. With the emphasis on digital skills today, the non-significant effects of technology and non-technology-based business incubators no employment generation in Nigeria calls for serious worry and quick remedial measures.

V. CONCLUSION AND RECOMMENDATIONS

The study concludes that business incubators are veritable hubs that have driven employment generation in Nigeria. However, despite the positive effect business incubators have on employment generation in Nigeria, there is still insignificant growth in employment occasioned by these businesses. Many Nigerians are still not sure that they will do better in business and secure their own business outfit when they enroll in business incubator classes. As a result, numerous businesses have resorted to self-help and this may have led to the incessant collapse of start-ups because of the lack of mentorship from business incubation programmes. Therefore, the recommendations made below are to be considered.

1. Non-technology-based business incubators can accelerate employment generation significantly in Nigeria when it is publicized by the government and capital is made available to trainees.
2. In order to make technology-based business incubators to excel in Nigeria, efforts should be made by the private individuals to leverage on Nigeria's status as a growing technology hub in West Africa to innovate solutions in technology as this will boost employment generation for other Nigerians that will partner with such business.

3. Business incubator programmes should be set up in every State in Nigeria as this will accelerate business knowledge and help start-ups to gain visibility, expertise and employ more people.

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