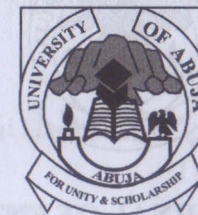


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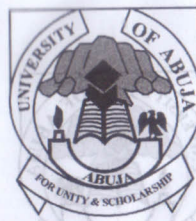


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SOCIO-CULTURAL DETERMINANTS OF BUSINESS INNOVATION: IN KWARA STATE, NIGERIA

By

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Abstract

Entrepreneurship has been one of the most discussed issues in today's global world. The increasing discussion on entrepreneurship is borne out of the fact that entrepreneurship is increasingly recognised as a viable engine of economic development of a country. The realization of the relevance of entrepreneurship has made researchers in related academic disciplines put vested interest in academic analysis of the phenomenon. Despite the relevance of socio-cultural elements in determining human behaviour generally, not so many of the existing researches have empirically underscored this point. Thus, this study intends to empirically examine the possible effect of socio-cultural factors on entrepreneurial innovation using selected entrepreneurs in Kwara State as the case in point. Methodology adopted for the study is a survey: the population of the study consists of all registered entrepreneurs with the local government headquarters as at when this research was conducted. The study used multi-stage sampling system to select the sample. Questionnaire and Focus group discussions were used as instrument of data collection for the study. Frequency distribution and simple percentage were used as descriptive statistics while regression was used as the inferential statistical tool. Verbatim quotation was also used to analyse the qualitative data generated for

the study. The study found out that socio-cultural factors have significant effect on innovation tendencies of the entrepreneur, thus we recommended that socio-cultural factors should be given prominence in the analysis of the determinant of business innovation of entrepreneurs.

Keywords: Entrepreneurship, Society, Culture, innovation, Behaviour, psychology

JEL: O:

Introduction

In today's world, entrepreneurship constitutes the bedrock on which socio-economic development of a nation could be laid upon. This is because through vibrant entrepreneurship activities in a society, the scope of capital formation and industrialization is facilitated. Essentially, entrepreneurship forms the basis for the wealth of nations because other factors of production such as capital, land and labour are passive, the entrepreneur is the active agent who accommodates capital, exploits natural resources, builds social, economic and political institutions and bring about national development (Geels, 2004; Afolabi, 2009).

Entrepreneurs do not just enhance development process of a country; their action is made possible through possession of certain behavioural dispositions such as risk-taking, achievement orientation, self-confidence, innovation and so on. Of all the behavioural dispositions of the entrepreneur, innovation has been singly recognised as the central most and the most important of all the behaviours (Olatunji, 2015). This is because, from the process of venture creation, venture management, survival and productivity, an activity cannot be seen as entrepreneurial except some element of innovation is put into it. Schumpeter (1934) argued that entrepreneurial action could be understood in terms of a single constitutive characteristic, which he called innovation.

Consequent upon the above, series of researches efforts have been geared towards the examination and analysis of the dynamics and importance of innovation in any business set up. Classical entrepreneurship scholars such as Schumpeter have described innovation as the central-most behavioural features of the entrepreneur. Drucker (1985) sees innovation as the most valuable elements of a business set-up; Gartner (1989) refers to innovation as the central value of entrepreneurship because entrepreneurship is about creation of idea or taking an invention to market. Rothwell (1992) described it as a necessary ingredient for industrial development of a society. In other words, these plethora of researches have enriched our understanding of the meaning, the importance, the dynamics and the centrality of innovation in general discussions of entrepreneurship.

Furthermore, the micro theorists of entrepreneurship see innovation as an innate behavioural characteristic of the entrepreneur (Olatunji, Issah & Sakariyau, 2015). In addition, the macro theorists are of the conception that innovation like other human behavioural elements are largely influenced by some specific societal factors such as the macro economic variables, business environment or other external factors. However, it is worth nothing that, even if the macro theorists recognised that, innovation is largely influenced by socio-environmental factors, available research in this respect have only drive home this argument theoretically with no much empirical studies to prove the point. Thus, this present effort is not only a further attempt to spell out the relevance of socio-cultural elements on the innovative tendencies of the entrepreneur, but also a way of covering the gap of insufficient empirical research efforts justifying the relevance of sociological factors on entrepreneurial dynamics specifically among entrepreneurs in the study setting. Deriving from the above, the desire to empirically ascertain if socio-cultural factors have significant effect on innovative behaviour of entrepreneurs prompted this study.

Literature Review

Due to the centrality of the word innovation to this study, the authors deemed it fit to review scholarly works as they are related to the key issues on this study.

The Meaning of Innovation

Creativity and innovation are such important concepts that are unique only to human being. The ability of humans as social animals to think, initiate or innovate has made them to transform not only their physical environment but also his entire social life. Through innovation, man has been able to make landmark discoveries and several inventions that have transformed social life from being traditional, to modern and to post-modern. Thus, it is the ability of man to innovate that makes change a constant reality of living. Conceptually, innovation is the term rature used in describing any art or action that is directed towards changing or creating new or alternative way of doing something.

That is why the term is highly synonymous with creativity (Okpara 2007). On a micro level, innovation is the ability of an individual to cause a change with his personal thought, idea or action while on the macro level; it is the ability of a group of people or an organization to change themselves and their environment through collective action (Pianna, 2003). Although, innovation is an important human features but it is not all humans that display it in a significant proportion. In many instances, innovation involves deviating from the norms because it arises from un-satisfaction with the current state of things, it most times involves breaking the usual routine, the usual know way of doing things or the dominant ways of thinking or acting regarding a phenomenon, introducing new things, novel idea, a unique behaviour or launching new standards (Haris, 1998; Okpara, 2000).

According to Okpara (2007), innovation is a process by which an aspect of culture (material or immaterial) is changed or improved upon. It is the art or act of making or otherwise bringing into existences

something new - whether a new solution to a problem, a new method or device, or a new artistic object or form (Mihaly, 1997). Observing from a more rational angle, Wyckoff (1991) sees innovation as not only creating something new but such a new thing or idea must also be useful and valuable. In other words, a new idea or technology that is not useful would not be valued and hence could not be regarded as a form of innovation (Stevenson & Gumpert, 1985). Okpara (2000) sees it as a way of moving from the known to the unknown, i.e. using what have been known to bring about what is yet to be known. Technically, because innovation is part and parcel of human living, it is as such an integral part of culture. Pearce (1974) observed that though, most often than not, existing culture exerts a negative force on innovation but, were it not for innovation, a larger aspect of culture would not have been created.

Deriving from the above, it could be deduced therein that innovation has been an important factor in human life and because most times, products of innovation are often valued, it becomes the most central feature of the entrepreneur (Shumpeter, 1934; Drucker, 1985). Drucker (1985) argued that innovation is not only the primary feature of the entrepreneur but also the central tool for entrepreneurial undertakings. Schumpeter (1934) described innovation as a novelty – an idea or an invention discovered to create a new product or service, it is the key force in creating new demand and an important step towards wealth creation.

According to Hindle (2009); innovation is the most central element of the entrepreneurial process because innovation remains the driver and the actualiser of the whole entrepreneurial process. For instance, someone that runs a business with a higher level of achievement orientation, risk taking ability and some level of internal locus of control but lacks appropriate dose of innovation is likely to fail. This is so because, if the entrepreneur is not creative and innovative in the process, the possibility of value creation will be absent and hence the

destabilization of the whole entrepreneurial process. Thus, it could be said that entrepreneurship is about adding innovative elements to other entrepreneurial features. This means that without innovation a business enterprise does not only become obsolete but also likely goes into extinction (Stevenson & Gumpert, 1985; Agu, 2006; Okpara 2007; Olatunji, 2015).

In today's world, business enterprises globally are experiencing series of crises ranging from rising energy demand and material costs, fierce international competition, indiscriminate technological inventions, continual employees' demand and so on. All these challenges demand that the entrepreneur becomes more creative and innovative in order to prosper and survive the tide of the time (Morrison, 2000). In the World Economic Forum's Global Competitiveness Report (2009), Zoltán Ács & Laszlo Szerb classified countries into: factor-driven economies, efficiency-driven economies and innovation-driven economies and innovation has been observed as the major element that determines not only the level of entrepreneurial development of a country but also its overall economic development.

It is evident from the foregoing that innovation is an important behavioural feature of the entrepreneur. Although, a plethora of researches has examined this important business concept, not much empirical research have examined the factors that could propel this important entrepreneurial behaviour. However, because researches have unequivocally shown that the human being is essentially a socio-cultural being (Harris, 1995; Abimbola, 2007; Olatunji, 2009; Olatunji, Lawal & Raji, 2014), the assumption in this paper is that some socio-cultural elements are likely to have significant effect on innovation prospect of entrepreneurs.

Socio-cultural factors and Innovation: An overview

According to Olatunji (2009), one unique distinction between human and animal is the possession of culture by the former. Technically, culture involves all of human activities, attitudes and behaviours that

are learned through the process of social interaction and which are inherited by generations (Olatinji, Lawal & Raji, 2014). Selznick & Broom (1968) describe culture basically as social heritage. Generally, culture is a very important phenomenon in human life because it determines how individual acts, thinks and how his specific behaviour looks like. Thus, it could be right to say that, cultural elements determine human behaviour and social scientist have always found it difficult to study, understand or predict the dynamics of a specific behaviour or the behavioural pattern of group of people in any society around the globe without studying their culture (Cited in Olatunji, Lawal & Raji, 2014).

One important question that could be begging for answer in this paper is: how is culture relevant in the discussion of business innovation? Culture is important because, apart from the fact that innovation is culture-bound, socio-cultural elements such as the belief system, family factors, educational qualification determine people's tendencies towards innovation. Thus, this study provides two key insights about culture and innovation: that innovation is culture bound and that cultural contexts could significantly determine its processes, extent and dimensions. This observation is premised on the fact that individuals and societies are to be differed in levels of innovative dispositions due to the differences existing in their social background and cultural orientations.

De Alwis & Senathiraja (2003) observed that some important behavioural dispositions of the entrepreneur are influenced by socio-cultural and personal background factors such as age, ethnicity, religion and education, of the entrepreneur. According to Shivanni, Mukherjee & Sharan, (undated), the action of enterprise creation, the essential innovation elements necessary for managing an enterprise, all are consequences of the relationship between environmental conditions of individuals determined by their socio-cultural background. According to Minniti & Bygrave (2003), cultural and social norms are the major factors determining entrepreneurial

orientation and seem to be the factor influencing series of entrepreneurial dispositions. In other words, socio-cultural factors are important determinant of entrepreneurial behaviour generally and his innovative tendencies specifically. Generally, there are lots of socio-cultural and social psychological factors which are observed to likely have significant influence on innovation behaviour of the entrepreneur. These factors ranges from family background, religious affiliation, ethnicity, gender, social capital, cultural conception of work, belief in spirituality, social capital, age, work experience, educational background among others. However, of the numerous highlighted likely socio-cultural factors influencing business innovation, five of them will be empirically examined in this research. These are: family background, educational status, social capital, belief in spirituality and cultural conception of work.

Methodology

The research design adopted for this study is survey. Specifically, cross-sectional survey was adopted for the study. The survey design was adopted because the study seeks to examine the influence of some social and cultural variables on innovation tendencies of the entrepreneur.

The population of this study comprises 14,738 entrepreneurs who are registered with the local government revenue offices in six of the sixteen local government areas of Kwara state. Also, the Focus Group Discussion (FGD) participants were also selected from entrepreneurs in the respective local government areas selected for the study and the total number of persons who participated in the six (6) FGD sessions conducted in this study is forty-seven (47).

Multi-stage sampling method was adopted for this study. Cluster sampling technique was used to delineate the study area in accordance with the three senatorial districts in Kwara State. Delineation of the study area in line with senatorial districts in the state is utilized because

the three senatorial districts comprised people with varying socio-cultural and linguistic backgrounds. Having delineated the state, two local government areas each were purposively chosen from the number of local government areas in each senatorial district because of active entrepreneurial activities present in those areas. Simple random sampling was then used to select samples from the studied population in each local government areas. Table 1 provides detailed analysis of the study population, numbers of questionnaire distributed in each LGA and the number of returned questionnaires.

Table 1: Breakdown of Number of Registered Entrepreneurs in each LGA, the Number of Questionnaire Distributed, the Number of Questionnaire returned and the Number of Valid Questionnaires

LGA	Numbers of registered entrepreneurs	Number of questionnaire distributed	Number of returned questionnaire	Number of Valid questionnaire
Irepodun	912	91	84	84
Offa	2,300	230	208	205
Ilorin West	5,581	558	538	526
Ilorin South	4,023	402	391	387
Kaiama	703	70	69	69
Moro	1,219	122	113	113
Total	14,738	1,473	1,403	1,384

Source: Respective LGA's revenue offices, 2014

Of the 1,473 respondents selected through different sampling procedures used for this study, 1403 eventually responded appropriately to the questionnaire items and of the 1,403 retrieved copies of the questionnaires, only 1,384 were valid. The valid

response rate is thus 94 percent. In addition to the quantitative data, qualitative data were also collected and used for this study. Focus Group Discussion (FGD) was also conducted to complement the quantitative data. Purposive sampling method was first used to deliberately select some respondents to participate in the Focus Group Discussion sessions and Snowball probability sampling technique was also used to conveniently select willing participants for the FGD sessions. FGDs were conducted in sessions and participants were informed about the study objectives

The study employed the questionnaire as the primary instrument of collecting quantitative data for the study. Questionnaire was considered appropriate as one of the research instruments for this study because of its features as an appropriate research tool useful for eliciting information from a large number of respondents. The questionnaire was divided into three sections. Section A comprised of the background information of respondents. Section B consisted of assessment of respondents' innovation tendencies and section C assessed respondents' socio-cultural features. In addition to the data obtained through the questionnaire, Focus Group Discussions were also conducted to obtain qualitative data for the study. The reason for the combination of methods was due to the nature of the study variables which using just one method of data collection might not be enough to retrieve adequate and necessary data for the study, in other words, the qualitative and quantitative data were used to either substantiate or corroborate each other.

The dependent variable of this study is innovation while the independent variables are the socio-cultural factors which comprise educational background; family background; social capital; belief

system and the entrepreneur's cultural conception of work. The statistical tools that were used for data analysis include: Frequency and percentile distributions, Multiple Regressions analyses, and Verbatim quotations of responses of Focus Groups Discussions Participants as well as SPSS was used for all the quantitative data analysed in this study. Qualitative data gathered in the study were audio-recorded and later transcribed and some parts were quoted verbatim in the process of analysing quantitative data of the study.

The hypotheses for the study are stated as follow:

- Ho₁: Entrepreneur's family background does not have significant effect on his/her business innovation tendency.
- Ho₂: Entrepreneur's educational background does not have significant effect on his/her business innovation tendency.
- Ho₃: Entrepreneurs' social capital does not have significant effect on his/her business innovation tendency
- Ho₄: Entrepreneur's belief in spirituality does not have significant effect on his/her business innovation tendency
- Ho₅: Entrepreneur's cultural conception of work does not have significant effect on his/her business innovation tendency

Data presentation and analysis

This sub-section is used to present and analyse the data collected for this study.

Table 2: Socio Demographic Features of the Entrepreneurs

1	Gender	Frequency	Percentage
	Male	955	69.00
	Female	429	31.00
	Total	1,384	100.00
2	Age range	Frequency	Percentage
	Between 17-25 years	210	15.20
	Between 26-35 years	581	42.00
	Between 36-50 years	453	32.70
	51 years and above	140	10.10
	Total	1,384	100.00
3	Religious Affiliation	Frequency	Percentage
	ATR	37	2.69
	Christianity	693	50.07
	Islam	611	44.14
	Others	43	3.10
	Total	1,384	100.00
4	Educational Qualification	Frequency	Percentage
	Lowly educated	939	67.80
	Highly educated	445	32.2
	Total	1,384	100.00
5	Nature of Father's occupation	Frequency	Percentage
	Self employed	1076	77.70
	Salary earner	308	22.30
	Total	1,384	100.00

Source: Researcher's Fieldwork, 2014

As presented in Table 2, a total of 955 (69%) entrepreneurs were male, while 429 (31%) entrepreneurs were female. The inference that could be derived from the above finding is that more males than females engage in entrepreneurship activities in the study area. The table also shows that, 210 (15.2%) of the entrepreneurs were within the age bracket of 17-25 years of age. While majority of the entrepreneurs 581 (42.0%) fell within the age bracket of 26-35 years of age. 453 (32.7%) entrepreneurs were in the age bracket 36-50 years of age and 140 entrepreneurs (10.1%) fell within the age bracket 51 years and above. What could be inferred from this is that majority (74.7%) of individuals who engage in entrepreneurial activities are youth within the age category of 26-50 years. Item 3 of the Table 2 also revealed the religious affiliation of the entrepreneurs, where 37 (2.69%) respondents indicated that they were adherents of African Traditional Religion; 693 (50.07%) were Christians while 611 (44.14%) were Muslims and 43 (3.10%) indicated that they were adherents of other religious beliefs aside the most popular afore-mentioned ones. Although, Kwara is a Muslim dominated state but the reason majority of the entrepreneurs are Christians could be because most entrepreneurs were of the Igbo ethnic extraction.

An examination of the entrepreneurs' educational qualifications presented in Table 2 shows that 939 (67.8%) of the sampled entrepreneurs did not have formal education while 445 (32.2%) have primary school certificate. This finding implied that, entrepreneurship in Nigeria is largely reserved for the less educated as the number of less educated entrepreneurs in the study outweighs that of the educated. On the nature of father's occupation, the Table shows that, 1076 (77.7%) of the entrepreneurs indicated that their fathers are self-employed while 308 (22.3%) indicated that their fathers are

salary earners. What could be deduced from this is that majority of the entrepreneurs' fathers are self-employed. This finding is in line with the observation of Shapero & Sokol (1982) in their cross cultural research on the influence of family background on entrepreneurial event that over 89 percent of business people in Nigeria are influenced by their family background.

Test of Hypotheses on the Effect of Socio-Cultural Factors on Innovation

Multiple Regression Analysis is used in this study to examine the statistical significance of the effects of the socio-cultural variables (family background, educational background, social capital, cultural conception of work, belief in spirituality) on innovation. The regression model is stated as:

$$Y_i = B_0 + B_1 X_{1i} + B_2 X_{2i} + B_3 X_{3i} + B_4 X_{4i} + B_5 X_{5i} + U_i$$

Where:

Y_i = innovation (Dependent Variable)

X_{1i} = family background (Independent Variable)

X_{2i} = educational qualification (Independent Variable)

X_{3i} = cultural conception of work (Independent Variable)

X_{4i} = social capital (Independent Variable)

X_{5i} = belief in spirituality

B_0 = intercept of the Model

B_1, B_2, B_3, B_4 and B_5 = Co-efficient of the independent variables

U_i = Stochastic (disturbance) error term representing all other qualitative variables apart from the afore-mentioned ones that may influence innovation in business.

The hypothesis which is tested in this regard is stated below:

- H_0 : Entrepreneur's Socio-cultural elements do not have significant effect on his/her business innovation tendency.
- H_1 : Entrepreneur's Socio-cultural elements have significant effect on his/her business innovation tendency.

To test the above hypothesis, family background, educational qualification, cultural conception of work, social capital and belief in spirituality were regressed with innovation and the results are presented in table 5.

Table 5: Regression Results of the Effects of Socio-cultural factors on Innovation of Entrepreneurs in Kwara State

Variables	Co-efficient	Standard Error	t-statistics	P-value
Constant	.850	.104	8.716	0.00
Family background	.832	.046	18.087	0.00
Educational qualification	.851	.012	4.123	0.00
Cultural Conception	0.244	.027	9.025	0.00
Social Capital	.872	.153	17.215	0.00
Belief in spirituality	-.022	.063	-1.352	0.00
R ² : 0.767		No of observation: 1,384		
Adjusted R ² : .764		R: 0.876		
F-statistics: 62.182				

Source: Author's Computations

According to the multiple regression analysis results in Table 5, it is revealed that family background, educational qualification, cultural conception of work and social capital have direct and positive effect on innovation. But belief in spirituality is inversely related to innovation. This means that socio-cultural factors such as family background, educational qualification; cultural conception of work and social capital of the entrepreneur have significant effect on innovation. In contrast however, it could also be inferred from the

results that belief in spirituality has inverse influence on innovation. Thus, it could be said that an increase in socio-cultural elements such as supportive family background, favourable educational background, cultural conception and social capital leads to a proportional increase in innovation behaviour of the entrepreneur, while increase in belief in spirituality leads to decrease in innovative tendency of the entrepreneur.

Specifically, the magnitude of effects of the identified socio-cultural factors on innovation revealed that, family background has 0.832, educational qualification has 0.851, cultural conception of work has 0.244, social capital has 0.872 and belief in spirituality has -.022) magnitude (co-efficient) effect on innovation. Above all, F-statistics tests the overall significance of the regression analysis model (goodness of fit). The computed empirical value of F-test is 62.182 while its theoretical value at 0.05 level of significance is 2.60 and this implies that the F-test is statistically significant. Therefore, the whole regression exercise is statistically significant.

The findings above are consistent with various studies that have been carried out on entrepreneurship globally and locally. For instance, the findings which revealed that family background has significant positive effect on entrepreneur's innovation behaviour goes with the views of researchers such as Singer (1972) and Gamage et.al. (2003) who agreed that the family plays dominant roles in determining not only entrepreneurial activities but also largely determine the business behaviour of the entrepreneur. Similarly, the finding which showed that educational qualification has significant positive effect on innovation is in line with the general assumption that formal education is a pre-requisite for innovation in any human endeavour. Research findings of scholars such as Staw, (1991); Meng & Lang, (1996);

Alwis & Senathraja, (2003); support this finding. This finding also supports the observation of Maxwell & Westerfield (2002) who argued that entrepreneurs are not uniformly innovative; rather, the level of innovation is dependent upon the entrepreneur's formal education and managerial experience. Their study of 184 firms in the Midwest showed a significant correlation between a higher level of managerial experience and more years of education with a higher level of innovation. More so, this finding further substantiate the position of the social learning theory which proposed that learning which is an essential focus of education is a major determinant of entrepreneurial behaviour.

Further, the finding of the hypothesis which reflects that social capital of the entrepreneur supports their possibility of being innovative in business is further ascertained through verbal responses made by some of FGD participants in the study.

A participant reacted thus:

My social network is what keeps my business moving. This is because my people such as brothers, sisters, friends and some of my town people, even those outside this state have been of immense value to the success of my business endeavour. For instance, the last time my uncle came home from Ghana, he was the one that told me some new things to do in this business which I took to and sincerely speaking those actions are helping my sales as I am talking to you (A 33 year old local pharmaceutical product seller in Omu-Aran town in Irepodun LGA).

Another participant responded that:

Truthfully, I have been benefiting from them and such benefits have really helped my business. Let me give you a good example, my son who read Agriculture in school has taught me a lot of new improved techniques on how to get more proceed in this business and his ideas have made me do lots of new things regarding this agro-business (A 53 year old Agriculturist from Jebba town in Moro LGA of the state).

What could be deduced from the statements above is that the social capital of these respondents had influenced them to make some innovations which have added value to their entrepreneurial endeavour thereby confirming the fact there is a significant positive relationship between social capital of the entrepreneur and the possibility of doing new things (innovation) in business. This finding corroborates with the position of social capital theory. More so, this finding also corroborates the theoretical position of the social capital theory which asserts that social network of an individual goes a long way in influencing the behavioural dispositions of an individual even in entrepreneurial setting.

However, finding of the hypothesis which examined the nature of relationship between belief in spirituality and innovation shows that there is significant inverse relationship between belief in spirituality and innovative behaviour of the entrepreneurs. Some of the comments made by some FGD participants ascertained this finding further as many of the FGD participants who have strong belief in spirituality conceived that there is need to make consultations and seek spiritual guidance before embarking on any novel endeavour because the success of that endeavour is significantly depending on divine guidance. A participant's comment goes thus:

... for me and for any true believer, you don't just dabble into something, you need to take appropriate steps so that all your efforts will not be in vain. So because of this religious understanding I cannot begin or enter into any business alliance or do any new thing in my business without seeking divine guidance first.... A young entrepreneur who deals in second hand clothes in Baboko market in Ilorin metropolis).

What could be inferred from the above response is that belief in spirituality does not have significant relationship with innovation. Thus, from the foregoing, it could be concluded that four of the five identified socio-cultural factors have significant influence on innovation and it is only belief in spirituality that has inverse relationship with innovation. This contrast notwithstanding, the identified socio-cultural factors have significant effect on the entrepreneur's innovative behaviour, this generally reflected in the regression result ($R^2 = 0.767$).

Table 5: Analysis of the Effects of Socio-Cultural Factors on Innovation by Respective Local Government Areas used for the Study (Disaggregation)

Variables (Socio-Cultural Factors)	LOCAL GOVERNMENT AREAS						R ² Value
	Ilorin West	Ilorin South	Offa	Moro	Irepodun	Kaima	
Constant	0.731	0.854	0.889	0.856	0.811	0.793	
Family Background	0.711 (0.051) t-test = 7.213	0.830 (0.169) t-test = 11.217	0.813 (0.113) t-test = 9.37	0.952 (0.276) t-test = 5.333	0.880 (0.031) t-test = 4.98	0.791 (0.195) t-test = 4.87	0.697
Educational Background	0.891 (0.241) t-test = 6.319	0.877 (0.284) t-test = 12.190	0.932 (0.199) t-test = 7.067	0.783 (0.019) t-test = 13.241	0.900 (0.071) t-test = 11.117	0.681 (0.021) t-test = 9.162	0.844
Cultural Conception of work	0.791 (0.093) t-test = 13.011	0.633 (0.071) t-test = 18.230	0.893 (0.111) t-test = 11.763	0.880 (0.177) t-test = 9.132	0.871 (0.113) t-test = 7.235	0.676 (0.088) t-test = 4.399	0.790
Social Capital	0.911 (0.179) t-test = 17.211	0.893 (0.095) t-test = 9.231	0.931 (0.211) t-test = 19.012	0.798 (0.128) t-test = 5.131	0.921 (0.221) t-test = 18.517	0.651 (0.195) t-test = 3.191	0.850
Belief in Spirituality	0.511 (0.111) t-test = 3.312	0.499 (0.155) t-test = 7.111	-0.022 (0.089) t-test = 1.317	-0.313 (0.093) t-test = 0.919	-0.513 (0.099) t-test = 1.231	-0.295 (0.743) t-test = 1.117	-0.022
R ²	0.763	0.746	0.638	0.723	0.711	0.608	0.767
F-statistics	61.513	59.112	43.432	17.329	60.251	51.921	62.180
No. of Obs.	526	387	205	113	84	69	1384

Source: Authors' Computation

i The standard error is in parenthesis

ii The co-efficient is significant at 0.05 level of significance

The analysis in table 5 demonstrate the effect of socio-cultural background on innovation tendencies of the entrepreneurs on disaggregate level. For family background, it could be deduced that family background have significant but positive effect on innovation across the six Local Government Areas (LGAs) used for the study but the LGA in which family background influenced innovation most (most sensitive) is Moro LGA having a co-efficient value of 0.952. However, it is important to also note that despite the difference in the socio-cultural attributes of the people, family background constantly has significant effect on the incidence of business innovation in the State ($R^2 = 0.767$). On the effect of educational qualification, cultural conception of work and social capital on innovation, the LGA that is most sensitive to the three variables is Offa, having the highest co-efficient level with innovation at ($b = 0.932$; 0.893 and 0.931) respectively. However, on the local government that is more sensitive on the effect of belief in spirituality on innovation tendencies of the entrepreneur, Ilorin-West LGA has the highest co-efficient with innovation at 0.511 level of co-efficient.

Summary and Conclusion

This study was carried out to empirically examine the influence of socio-cultural factors on innovation of business people in Kwara State, Nigeria. The study examined the effects of some socio-cultural factors (family background, educational background, social capital, cultural conception of work and belief in spirituality), on innovation. The main objective of the study was to investigate whether the identified socio-cultural factors have significant effect on innovation

behaviour of entrepreneurs in Kwara State. Holding other entrepreneurial behaviours constant, innovation was used as the dependent variable. The findings emanating from the test are enumerated below:

- i. Family background of the entrepreneurs has significant but positive effect on their business innovation tendency
- ii. Entrepreneur's educational background has significant effect on their innovation tendency.
- iii. Entrepreneur's cultural conception of work has significant but positive effect on their innovation tendency.
- iv. Social capital of the entrepreneurs has significant but positive effect on their innovation tendency.
- v. Entrepreneur's belief in spirituality has significant but inverse effect on innovation tendency of the entrepreneur.

In view of the findings from this study, it is the contention of the researchers that explanation for entrepreneurs' innovation dispositions could be located in their socio-cultural backgrounds. The study has contributed to previous knowledge on sociology of entrepreneurship by exploring many socio-cultural variables (educational background, cultural conception of work, social capital, family background and belief in spirituality) as important predictor of innovative dispositions of entrepreneurs. This is a contribution to previous works done by early scholars such as Max Weber who wrote (although theoretically) on the influence of religious values on the rise of modern capitalism, also Schumpeter and McClelland whose works on entrepreneurship have become relevant point of reference in analysing social change and social development in human society. Generally, this study has contributed to the existing literatures on

Cultural Sociology, Economic Sociology and Social Psychology. This is, as it provides insights into how socio-cultural factors influence human psychology in the economic realm. More so, conducting the research in a typical African setting such as Kwara state is a contribution to fill the gap of insufficient research works and little academic literatures on the sociology of entrepreneurship in the African context, the Nigerian social system and Kwara State specifically.

Policy Recommendations

Based on the importance of entrepreneurship in human life and given the significance of socio-cultural factors on innovation as an important entrepreneurial behaviour, there is the need to make important recommendations for policy makers in order to make socio-cultural factors enhance innovative dispositions of entrepreneurs.

- i First and foremost, there is the need to call the attention of the government, especially those in the State Ministry of Trade and Commerce as well as those in charge of entrepreneurial empowerment to the need to always consider socio-cultural factors as important when discussing, formulating and implementing entrepreneurial policies generally. This is very necessary because innovative disposition of the entrepreneurs is an important predictor of their overall performance and development. And because the study found out that innovative tendency of the entrepreneur is largely affected by their socio-cultural characteristics, then socio-cultural elements should always be considered in general entrepreneurial empowerment programmes and policies. In order to achieve

this, qualified sociologists especial those in Sociology of Development and Economic Sociology should always be consulted to assist in this regard.

ii More so, this study recommended that at a time like this, when the government at the State and Local levels are struggling to empower their citizens entrepreneurially, socio-cultural factors/features of the beneficiaries should be given utmost priority when formulating and implementing entrepreneurial policies. In other words, the empowerment process should always give those with socio-cultural backgrounds favourable to entrepreneurship higher priority in the empowerment process. Specifically, individuals with favourable family background, social capital and those that positive cultural conception of work should always be located for empowerment purpose. More so, education for entrepreneurship should be encouraged among the youths.

iii This study also recommends that, pure cultural elements such as cultural conception of work and belief in spirituality should also be taken cognizance of. For instance, the study of African mores, relevant tales and folklores as well as other traditional value system relating to entrepreneurship could be made part of the entrepreneurial education curriculum and its teaching should be encouraged from the primary to tertiary level. In addition, such teachings could be edited and printed in indigenous languages (Yoruba, Hausa, Ibo) as well as English in form of a textbook for the adult or in-form of story book or reading book for the children. Relevant proverbs could also be

printed in poster form to be hanged in public places such the marketplace, the school corridors, the airports and so on. Lastly, this study recommends that religious stakeholders could be considered in the process of encouraging innovation as well as other entrepreneurial behaviours among the entrepreneurs. This could be done by co-opting religious leaders into the empowerment (education/counseling) process; the only reason for their co-option is to encourage people not only to participate in entrepreneurial activities but also to give them divine invocations regarding adopting positive entrepreneurial behaviours.

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