Hybrid Entrepreneurship as a Tool for Poverty Reduction in Nigeria: A Review of Literature with Qualitative Research and Content Analysis

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Abstract

In today’s Nigeria, employment in organizations has turned upside down due to poor economic situations which do not allow many companies to pay their employees well. There is a need for individuals to look for ways to increase their incomes for meeting financial obligations. The need for hybrid entrepreneurship is critical as well. This paper conducts a review of literature on hybrid entrepreneurship as a tool for poverty reduction. The research employs qualitative research approach and content analysis. The study concludes that, hybrid entrepreneurship is a determinant practice to reduce the rate of poverty in Nigeria. The paper recommends that, hybrid entrepreneurship should be encouraged among the Nigerian citizens so as to reduce the poverty level that has become a problem of Nigerians. Also, every Nigerian should try to get involved or engage in other businesses to augment their incomes so as to achieve their personal and family goals.

Keywords: Entrepreneurship, Hybrid Entrepreneurship, Paid Employment, Self-Employment, Poverty Reduction

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I. Introduction

Poverty has become a major concern for world leaders, governments, international bodies, non-governmental bodies, individuals as well as researchers. As a matter of fact, poverty is a great challenge in the globe. As Aristotle states, “Poverty is the parent of revolution and crime” (Aristotle, 3843-22BC). The concern has forced the local and international bodies to focus on methods to eliminate and to reduce poverty rate in the world, especially in developing economies.

Ezeanyei, Imoagwu and Ejefobihi (2019) mention that when there is no development in the entrepreneurial or business activities, the daily income of individuals could be stagnant or reduced. Therefore, there is need for the development of business activities in order for poverty to be decreased in any economy. One of the entrepreneurial or business activities identified is hybrid entrepreneurship (Kurczewska, Mackiewicz, Doryh, & Wawrzyniak, 2020; Luc, Chirita, Delvaux & Kepnou, 2018; Dzomonda & Fatoki, 2018; Solesvik, 2017; Raffiée & Feng, 2014). Kurczewska et. al. (2020) posit that, hybrid entrepreneurship brings a new employment phenomenon into entrepreneurial practices and theory. The state of developing economies like Nigeria has forced the people to think and rethink on a source of income to achieve their personal and family goals. Hybrid entrepreneurship is more of a creative and supportive entry mode into full entrepreneurship (Dzomonda & Fatoki, 2018; Xi, Block, Lasch, Robert & Thurik, 2017; Raffiée & Feng, 2014). As noted by Viljamaa and Varamäki (2015), hybrid entrepreneurship serves as a vantage platform for learning which allows individuals to develop relevant entrepreneurial skills for entrepreneurial venture (Solesvik, 2017) and establish the market demand for their offering (Raffiée & Feng, 2014).

In Africa at large, poverty has been viewed as part of the continental characteristics due to the high level of unemployment and high rate of inflation. Nigeria as a developing economy in Africa is faced with a series of challenges that have led to poor living conditions which has resulted in poverty. Umaru and Ibrahim (2019) point that, poverty level is identified when the daily income in an economy is less than $1.25 or exactly $1.25 and contextual observation indicates that most daily income in Nigeria is not up to $1.25. This signifies the evidence of poverty in Nigerian economy which requires vigorous efforts from the government to curb this menace.

II. Hybrid Entrepreneurship

Luc et. al. (2018) see hybrid entrepreneurship as the process that involves combination of self-employment and wage labor. It is a situation whereby an individual combines both paid job and entrepreneurial venture together. It implies that an individual works and still engages in self-employment activities. Hammarskroem and Nylén (2014) see hybrid entrepreneurship as the means which a person tries out a business idea and business entrepreneurial skills while still maintains wage-work in order to alleviate personal financial risk. According to Dzomonda and Fatoki (2018), hybrid entrepreneurship is a situation where individuals integrate their time in both self and wage employment. In other words, the individual has a business of his own while he/she still works as an employee. Thus, hybrid entrepreneurship could be the mixture of an individual being an employee as well as employer in different organizations. Hammarskroem and Nylén (2014) further see hybrid entrepreneurship as method for minimization of personal risk, which involves entrepreneurial venture and paid employment.
Hybrid entrepreneurship has been confused with part-time entrepreneurship. Some studies state that hybrid entrepreneurship is the same with part-time entrepreneurship (Luc et al 2018; Schulz, Ubrig, & Procher, 2016; Petrova, 2012) while some studies state that hybrid entrepreneurship is different from part-time entrepreneurship (Dzomonda & Fatokì, 2018; Nordstrom, 2015; Hammarström & Nylén, 2014; Viljamaa & Varamäki, 2014; Folta, Delmar, & Wennberg, 2010; Petrova, 2010; Kim, Aldrich & Keister, 2006). Nordstrom (2015) is of the view that part-time entrepreneurship covers a series of alternatives compared to hybrid entrepreneurship. Part-time entrepreneurship could make an individual to mix unemployment and entrepreneurship at a go or it could be having a series of portfolio businesses (Nordstrom, 2015; Petrova, 2012).

Part-time entrepreneur is recognized by having a normal wage job while balancing the work with personal business at the same time (Petrova, 2010). An individual can only engage in part-time entrepreneurship in as much as the individual is not under a paid or wage job while practicing entrepreneurship. Specifically, the combination of paid employment and self-employment is known to be hybrid entrepreneurship (Kurczewska et al., 2020; Dzomonda & Fatoki, 2018). Hammarström and Nylén (2014) narrate that, hybrid entrepreneurship is aimed at attempting business or entrepreneurial idea while still under employment contract with an organization. This is a strategy in which an individual tries his/her entrepreneurial abilities and the opportunities of his/her ideas in order to minimize personal financial risk while still keeping a wage-work. Hybrid entrepreneurship gives an understanding of the practice of entrepreneurship without worrying about income or profit. In other words, it is pre-entrepreneurship practice. Therefore, a hybrid entrepreneur may have the intention of becoming a full entrepreneur (Kurczewska et al., 2020). Part-time entrepreneurship has the sole aim to complement the current income of an individual. A part-time entrepreneur does not have the aim of becoming a full entrepreneur unlike a hybrid entrepreneur. A part-time entrepreneur sticks to the wage job while being able to meet his/her other financial obligations with a side venture (Hammarström & Nylén, 2014). Basically, hybrid entrepreneurship is associated with the early stages of entrepreneurial venture development. It is worth noting that, establishing a part-time business is not necessarily indicative of a desire to enter full-time entrepreneurship (Viljamaa, Varamäki, & Joensuu-Salo, 2017).

Hybrid entrepreneurship could be established based on passion motive, changes in employment market, job insecurity or uncertainty, creative challenges, contract job status, non-standard working arrangements, government policy, desire for autonomy or independence, a need for social recognition and additional income among others (Dzomonda & Fatoki, 2018; Luc et al., 2018; Clark, 2018; Solesvik, 2017; Popiel, 2017; Schulz et al., 2016; Kelley, Singer, & Herrington, 2016; Kuhn, 2016; Florida, 2014).

III. Poverty Reduction

Poverty is seen as a condition of low-income or low consumption (Ezeanyeji et al., 2019). Poverty is the inability of individuals in an economy to attain a minimum standard of living (World Bank Report, 1990). Ibotoye, Atoyebi and Sufian (2015) refer poverty as the absence of command over basic consumption needs such as insufficient food, clothing and/or shelter while Olayemi (1995) refers to the poor as those having no access to the basic necessities of life such as food, clothes and economic obligation. They lack skillful employment, have few, if any economic assets and sometime lack self-esteem. World Bank (2011) sees poverty as an economic situation where people lack plenty income to obtain certain minimal levels of health services, food, housing, clothing and education which are necessities for the standard of living. Therefore, poverty is the incapacity of people in an economy to meet basic needs of life.

Ikechukwu, Onyi and Edeh (2017) divide poverty into three categories: Absolute poverty, relative poverty and subjective poverty. Absolute poverty is a situation where an individual is constrained with limited financial resources and he is unable to meet his/her basic needs of life such as food, clothes, shelter and health. Relative Poverty is a situation where an individual’s income is less than the average income of the population in the society being considered. Subjective poverty is based on the individual perception about an individual’s standard of living.

Poverty reduction is the alleviation of level of poverty in an economy. Ezeanyeji et. al. (2018) identify Agricultural Development Programmes (ADPs), Directorate of Food, Roads and Rural Infrastructure (DFRRI), National Agricultural Land Development Authority (NALDA), Better Life Programme (BLP), National Directorate of Employment (NDE), People’ Bank of Nigeria (PBN), Agricultural Credit Guarantee Scheme, River Basin Development Authorities, Community Bank and Interventions from International Development Agencies among others as policies or strategies employed since the inception of Nigeria to reduce poverty.

IV. Lazear Theory of Entrepreneurship


Lazear Theory of Entrepreneurship indicates that, entrepreneurs should be jack-of-all-trades in order to have broad and diverse knowledge, skills and professional experience in different aspects of business (Kurczewska & Mackiewicz, 2020). The theory explains an individual selection into entrepreneurship (Hsieh, Parker and van Praag, 2017), which signifies alternative perception to the risk aversion theory. The theory considers that individuals with a balanced but diversified combination of skills and knowledge, collected from diverse sources and domains, are more likely to become entrepreneurs, therefore capturing hybrid entrepreneurship in theory and in practice.

Despite the relevance of Lazear Theory of Entrepreneurship to the practice and concept of hybrid entrepreneurship, Kurczewska and Mackiewicz (2020) state that this theory fails to capture how entrepreneurs as jack-of-all-trades become successful. Thus,
entrepreneurial performance is not captured in the theory. In the same vein, it is also pointed that self-efficacy is not included in Lazear Theory of Entrepreneurship as a factor that predicts individual entry into entrepreneurship. Lazear did not include it in his set of factors explaining entrepreneurial career (Tegtmeier, Kurczewska & Halberstadt, 2016).

V. Conceptual Framework

The conceptual framework of research is indicated in Figure 1 below. As it is observed, three factors which are paid employment, hybrid entrepreneurship and self-employment affect poverty reduction.

![Conceptual Framework](image)

**Figure 1.** Conceptual Framework of Research

**Source:** Researchers’ Conceptual Framework, 2021

VI. Research Methodology

The study adopts qualitative research approach and employs exploratory research design. The paper makes use of secondary data and the data are retrieved via review of the past studies on hybrid entrepreneurship. The study employs a critical review on past studies on the subject matter so as to identify the relationship that exists between hybrid entrepreneurship and poverty reduction. Content analysis is used to analyze the observations in the studies reviewed.

**Review of Studies on Hybrid Entrepreneurship and Poverty Reduction**

The review of studies on hybrid entrepreneurship and poverty reduction via qualitative research and content analysis are listed below in Table 1:

**Table 1: Studies on Hybrid Entrepreneurship and Poverty Reduction**

<table>
<thead>
<tr>
<th>S/ N</th>
<th>Author Name and Year</th>
<th>Title</th>
<th>Methodology</th>
<th>Findings</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dornad, Werner and Kraus (2020)</td>
<td>Hybrid entrepreneurship: A systematic literature review</td>
<td>Qualitative research approach, systematic literature review and content analysis</td>
<td>The study concludes that there is a missing consensus in applied terminologies, criteria and conception of hybrid</td>
<td>Poverty reduction is not captured in the study and it is not a paper authored by</td>
</tr>
<tr>
<td>2</td>
<td>Aladebi (2020)</td>
<td>Hybrid Entrepreneurship: Combining Employment and Self Employment in Nigeria</td>
<td>Qualitative research approach, purposive sampling and descriptive statistics</td>
<td>Most of the hybrid business owners were employees in the public sector and they are approximately 31-50 years old. Also, autonomy and desire for extra income are the main reasons for running hybrid entrepreneurship</td>
<td>Poverty reduction is not considered in the study, although this research was conducted in Nigeria</td>
</tr>
<tr>
<td>3</td>
<td>Ferreira, (2020)</td>
<td>Experiential learning theory and hybrid entrepreneurship: Factors influencing the transition to full-time entrepreneurship</td>
<td>Sec. data analysis and thematic analysis</td>
<td>It indicated hybrid entrepreneurship as an effective learning ground and path toward full-time entrepreneurship</td>
<td>The study is not empirically conducted and poverty reduction is not captured. More over, the study is not conducted in Nigeria</td>
</tr>
<tr>
<td>4</td>
<td>Kurczewska et. al. (2020)</td>
<td>Peculiarity Of Hybrid Entrepreneurs- Revisiting Lazear’s Theory of Entrepreneurship</td>
<td>Quantitative research design, Primary data and Logistic regression</td>
<td>Professors and managerial experiences enhance hybrid entrepreneurship than education experience</td>
<td>The study does not focus on poverty level reduction and it is not done in Nigeria</td>
</tr>
<tr>
<td>5</td>
<td>Jayathilaka &amp; Sachitra (2020)</td>
<td>Examine the Drivers to Engage in Hybrid Entrepreneurship in Sri Lanka</td>
<td>Quantitative research approach, primary data and binary logistic regression</td>
<td>Sufficient skills acquired and receiving family support have statistically significant influence for engaging in hybrid entrepreneurship</td>
<td>Poverty reduction is not captured and it is not examined in Nigeria</td>
</tr>
<tr>
<td>6</td>
<td>Kurczewska and Mackiewicz (2020)</td>
<td>Are jacks-of-all-trades successful entrepreneurs? Revisiting Lazear’s theory of entrepreneurship</td>
<td>Survey research design, primary data and Logit regression</td>
<td>Individuals with more diverse educational and professional background tend to have both</td>
<td>The study focuses on characteristics of hybrid Entrepreneurs</td>
</tr>
<tr>
<td>7</td>
<td>Iram Bilal &amp; Rasool (2020)</td>
<td>Hybrid Entrepreneurship Escalating in Women Academicians</td>
<td>Qualitative research, snowball sampling, primary data via interview and thematic analysis</td>
<td>Most teachers are facing financial constraints due to low salary packages, single parenting, and time flexibility towards hybrid entrepreneurship. The study does not capture how hybrid entrepreneur ship can be used to reduce poverty. Also, it is not conducted in Nigeria.</td>
<td>13</td>
</tr>
<tr>
<td>8</td>
<td>Luc et. al. (2018)</td>
<td>Hybrid Entrepreneurship: Employees climbing the entrepreneurial ladder</td>
<td>Descriptive research design, simple random sampling, primary data and descriptive statistics</td>
<td>Employees progress on the entrepreneurial ladder is stimulated by soft support and high wage job. Poverty reduction is not captured in the paper and it is not conducted in Nigeria.</td>
<td>14</td>
</tr>
<tr>
<td>9</td>
<td>Indudewi (2015)</td>
<td>Success factors of hybrid entrepreneurs: Case study of Universitas Ciputra academicians</td>
<td>Qualitative research approach, case study, expert research design, and content analysis</td>
<td>It is revealed that all academicians need their lecturing job to be successful as hybrid entrepreneurs as well as good communication skills. The study does not focus on poverty reduction and it is not done in Nigeria.</td>
<td>15</td>
</tr>
<tr>
<td>10</td>
<td>Schulz, Ubrig, &amp; Procher (2017)</td>
<td>The role of hybrid entrepreneur ship in explaining multiple job holders' earnings structure</td>
<td>Secondary data from British Household Panel Survey and logit regression</td>
<td>Self-employment is more profitable to earnings than paid employment. The study is not done in Nigeria and poverty reduction is not captured.</td>
<td>16</td>
</tr>
<tr>
<td>11</td>
<td>Folia, Delmar and Wenneberg (2010)</td>
<td>Hybrid Entrepreneurship in Sweden</td>
<td>Primary data, multi-stage sampling and EPRo (Entrepreneurial Processes Database)</td>
<td>Hybrid entry influences self-employment. The study is not done in Nigeria and poverty reduction is not captured.</td>
<td>17</td>
</tr>
<tr>
<td>12</td>
<td>Xi, Block, &amp; Lasch (2012)</td>
<td>Mode of entry into hybrid</td>
<td>Systematic sampling</td>
<td>It is indicated that Poverty reduction is</td>
<td>18</td>
</tr>
</tbody>
</table>
who wishes to lower their financial risks when developing their own business is done in Nigeria

19 Ferreira, Ferguso n & Pat (2019) Entrepreneural marketing and hybrid entrepreneurship: The case of JM Reis Bamboo Rods
Case study research design primarily data via observation and content analysis
Entrepreneural marketing either enhances the success of an individual hybrid entrepreneurship Poverty reduction is not consider d in the study and the study is not examined in Nigeria

Case study research design and content analysis
Hybrid entrepreneurship is a viable path for people willing to realize their entreprenurial ambitions in a lower-risk and organic way
The study is not done in Nigeria and poverty reduction is not capture d

21 Krintkar a, Kolverei d and Isaksen (2017) Hybrid entrepre neur: Character istics and achieve ments
Descriptive research design, primary data via question naire and descriptive statistics
The study indicates that most of the new businesses are started by hybrid entrepreneurs
The study is not done in Nigeria and poverty reduction is not capture d

22 Dzomou da & Fatoki (2018) Demystifying the motivations towards hybrid entrepren/eurship among the working populace in South Africa
Quantitative research, conven tional sampling method, primary data and t-tests
There is no significant gender difference on hybrid entrepreneurship.
It further showed that participants are motivated mainly by both a desire to supplement income and derive non-monetary benefits.
The study fails to capture poverty reduction. Also, it is not carried out in Nigeria

24 Raffree and Feng (2014) Small-scale entry via hybrid entrepren/eurship as a real option Qualitative research approach and descriptive statistics
Hybrid entrepreneurs could choose to either invest heavily in their entreprenurial project or exit easily from it, depending upon the early returns
The study fails to capture poverty reduction. Also, it is not carried out in Nigeria

It is indicated that not all hybrid entrepreneurs are intended to transit to full entreprenurship
The study fails to capture poverty reduction. Also, it is not carried out in Nigeria

26 Schulte, Urbig & Procher (2016) Hybrid entrepren/eurship and public policy: The case of firm entry deregulation Survey research design, primary data via question naire and logit regressio n
Hybrid entrepreneurs are more responsive to changes in entry regulation than full-time entrepreneurs. However, educated hybrid entrepreneurs respond to changes more than the uneducated
The study fails to capture poverty reduction. Also, it is not carried out in Nigeria

27 Cestino (2019) Hybrid entrepre neurship as the pursuit of valued forms of work Qualitative research design, multiple case-study research design and thematic analysis
It is revealed that both monetary and non-monetary benefits are the factors that enhance hybrid entreprenurship
The study fails to capture poverty reduction. Also, it is not carried out in Nigeria

Source: Authors’ own compilation

VII. Findings and Discussion

One of the contemporary issues in entrepreneurship is hybrid entrepreneurship. Hybrid entrepreneurship is very important for the survival of individuals, especially in developing economies like Nigeria. The challenges in Nigerian economy have made living conditions for Nigerians difficult to bear. The high rate of inflation as a
result of high prices of goods and services, high rent and high transportation costs among other have weakened the purchasing power of Nigerians. The findings show that, hybrid entrepreneurship helps individual to comfortably meet their daily expenses. It is a source of additional income, but not yet popular in Nigeria.

Additionally, it is observed that there are studies on hybrid entrepreneurship in the globe. Most of the studies are not done in Africa, especially in Nigeria as they are conducted in developed countries. The study of Aladejebi (2020) on hybrid entrepreneurship does not capture poverty reduction. Relatively, the studies of Hussaini and Ibrahim (2019), Ezenevje et. al. (2019), Ikehchukuwu, Onyi and Edeh (2017), Ibitoye, Atoyebi and Sufian (2015) examine entrepreneurship and poverty reduction in Nigeria, but hybrid entrepreneurship is not captured. This is a strong evidence that, more about hybrid entrepreneurship need to be examined.

It is obvious that much focus has not been given in the literature to how hybrid entrepreneurship could reduce poverty level, because most of the studies are from developed economies where poverty is not a major issue of concern. The few studies in Nigeria and probably in developing economies are only looking for how entrepreneurship activities could be promoted. What is prevalent in Nigeria and many other developing economies is part-time entrepreneurship which has not enhanced poverty reduction as such, because there is still evidence of poverty from the contextual observation. This could be as a result of the legal framework as it operates in Nigeria. Besides, the medical and legal professionals running self-employment with official jobs are not tolerated as such. Government and many private organizations see this as divided interest, which will jeopardize the main interest of organization. Also, it could be as a result of poor risk taking ability and poor income that are not sufficient to engage in extra activity.

VIII. Conclusion

Literature shows that, hybrid entrepreneurship has elevated some notable businessmen and businesswomen to achieve their personal goals for becoming billionaires of the world. For instance, Steve Wozniak as the founder of Apple worked in a paid job while running his personal business. Similarly, Pierre Omidyar was a paid personnel at a software development firm when he founded eBay.

Thus, one could see that hybrid entrepreneurship will lift individuals out of poverty to the point of becoming millionaires if embraced. It is concluded that, hybrid entrepreneurship is a determinant practice to reduce the rate of poverty in Nigeria because of availability of many untapped resources and opportunity. Thus, hybrid entrepreneurship has several advantages in terms of economics and finance.

Therefore, the study recommends that hybrid entrepreneurship should be encouraged among the citizens in Nigeria to reduce the poverty level. Also, every Nigerian should try to get involved or engage in other businesses to augment their income for achieving their personal and family goals. This would create jobs and minimize the poverty level.

References


