Strategic factors predicting the likelihood of youth entrepreneurship in Ghana: a logistic regression analysis

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Abstract

Purpose – The paper sought to make contribution to youth entrepreneurship research field. This is because whilst youth entrepreneurship presents enormous socio-economic benefits, including economic growth, diversification, innovation and poverty elimination earlier research have paid more attention to adults' entrepreneurship with less attention been paid to youth entrepreneurship resulting in a compelling research gap following the present huge youth unemployment across the world. Consequently, the motivation of the paper is to guide public policy and practice on the promotion of youth entrepreneurship, especially in developing countries.
Design/methodology/approach – The study employs the survey research design based on logistic regression analysis as the key analytical technique to examine data. The choice of the logistic regression model is due to the fact that the main research question that informs the study is a dichotomous one. Hence it was found appropriate to select the logit regression model based on similar works in the field.
Findings – Over all, the results show that lack of financial support from one's family background, early entry into formal employment, as well as being born into entrepreneurial dominated families significantly predict the probability of a youth considering entrepreneurship as an attractive life venture.
Research limitations/implications – The study is based on non-probability sampling method and so readers must bear that in mind when they are interpreting the results.
Practical implications – Following from the findings, one of the practical implications is that youth entrepreneurs must align the external influences to the internal capacity of the businesses to initiate and/or start sustainable entrepreneurial ventures.
Originality/value – The study sheds light from an under-explored and new geographical context to advance existing knowledge in the field.

Keywords Ghana, Youth entrepreneurship, Critical incidence, SMEs

Paper type Research paper

Introduction

In recent times, as a result of high enrolment in higher education youth entrepreneurship is attracting research attention following large unemployment among the youth. Among the recent studies addressing the issue include, but are not limited to Afreh *et al.* (2019), informal entrepreneurship and migrant youth in rural Ghana; Sharma (2018), entrepreneur intentions and perceived barriers in Uttarakhand state of India; Ogamba (2019), youth entrepreneurship and sustainable development; Pantea (2018), youth organisations becoming entrepreneurial; Roman and Paraschiv (2019); international mobility and youth entrepreneurship; Mothibi and Malebana (2019), determinants of entrepreneurial intention among secondary school students in South Africa; Ezeh *et al.* (2019), entrepreneurial intention among undergraduate students in Northern Nigeria; Nguyen *et al.* (2019), entrepreneurial intentions among youth in Vietnam and Maneaa *et al.* (2019), examination of entrepreneurial perceptions of students in Romania.

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It is argued that youth entrepreneurship presents enormous socio-economic benefits, among which include economic growth and diversification, innovation and poverty elimination (Ogamba, 2019). Previous studies argued that when youth entrepreneurship is promoted and supported, there is a high tendency for majority of the youth to gain employment (Chigunta *et al.*, 2005). Youth entrepreneurship also has the potential of addressing emotional, social and psychological traumas which are associated with youth unemployment (Chigunta *et al.*, 2005). In the same vein, there is evidence to support the argument that youth entrepreneurship leads to the provision of valuable goods and services mostly empowering local communities (OECD, 2001; Chigunta *et al.*, 2005) and enhancing competition for the benefit of the civil society. A further augment is that the promoting and supporting youth entrepreneurship serves as a catalyst for innovation and resilience among the youth thereby providing solutions to challenging socio-economic situations in challenging economies (OECD, 2001; White and Kenyon, 2000).

However, Africa is not an exception regarding the topic of youth entrepreneurship. Youth entrepreneurship is among the strategic issues in Africa because according to the 2013 World population data sheet, there are nearly 200 million Africans aged between 15 and 24. This constitutes slightly more than 20% of Africa's population (UNECA fact sheet, 2011). Consequently, it can be argued that the African population is quite a youthful one and so the potential contribution of its young people to the continent's sustained economic development appears promising. The recently released GEM Africa's young entrepreneur report states that by 2040, Africa's young workforce will be the largest in the world, surpassing that of both China and India. Yet earlier studies have paid more attention to adult entrepreneurship and/or entrepreneurship in general with less attention paid to youth entrepreneurship thereby creating a compelling research gap (Hempel and Fiala, 2012).

Within the topic of youth entrepreneurship in Africa, Ghana presents a useful case study to shed light on the issue. The reason for this is that likewise in Africa in general, Ghana's statistics depict that the population is heavily dominated by the youth. For instance, out of an estimated population of 26,908,262, 18.7% (those aged between the ages of 15–24 years) and 34.05% (also those falling between the ages of 25 and 54 years) are the dominant (CIA World Factbook, 2017). Yet out of this population, more than 1.2 million individuals from 15 years and above are identified to be unemployed. Researchers (e.g. Mayhew *et al.*, 2012) have attributed the high rate of unemployment in Ghana to low youth entrepreneurial activities. Yet public policy in Ghana regarding youth entrepreneurship is currently affected due to inadequate systematic research that could inform public policy and practice. Of the few Ghanaian studies that exist on the topic (e.g. Afreh *et al.*, 2019; Adams and Quagrainie, 2018), the question of "what will predict the probability of a youth in Ghana considering entrepreneurship business" is not fully addressed. The present paper therefore contributes to youth entrepreneurship literature by addressing the proceeding research question that informs the study.

By answering the foregone research question, the study seeks to make two contributions to the field. First, the study seeks to contribute to the empirical front of the field regarding the expected findings. Second, the paper sheds light on the topic from a new and unexplored geographic context, Ghana. Although, unlike, South Africa, Ghana is not yet one of the BRICS group of countries, but Ghana is credited as a beacon of democracy in Africa. Consequently, a Ghanaian example on this topic will be a shining light to similar developing countries.

To proceed, the rest of the paper is structured as follows. Section 2 deals with literature review and hypotheses development. Section 3 focuses on method, results and analysis. Section 4 deals with discussion, whilst Section 5, the last section addressing the conclusions and implications.

Literature review

Overview of entrepreneurship in Ghana

Existing studies identify personality factors including individual motivation, social capital and competency as well as availability of necessary resources as key driving forces for initiating entrepreneurial activities in the African context (Manev *et al.*, 2005; Sriram and Mersha, 2010). In Ghana, entrepreneurial activities cannot be overlooked when discussing economic development of the country; entrepreneurship tends to serve a number socioeconomic relevance including serving as a remedy for unemployment, crime and improving low income. Entrepreneurs in Ghana are mostly dominated in the informal sector across several business venture (e.g. dressmaking, wood, furniture, textile and garment) (Robson *et al.*, 2009). After attaining independence, Ghana failed to initiate a comprehensive policy for enhancing entrepreneurship activities and towards providing a framework for small- and medium-scale enterprises (Robson *et al.*, 2009). Currently, there exists an industrial policy which is incorporated in the nation's strategic goal for 2020 which is intended to set the country on the stage of middle income. The existing industrial policy and the nation's trade policy form the basis for the ruling government to create a conducive business atmosphere especially, for private businesses to thrive and contribute to the economic development of the country (Sriram and Mersha, 2010). To further promote entrepreneurial development in Ghana the present administration (i.e. under the New Patriotic Party's) has created the National Entrepreneurship and Innovation Programme (NEIP), an agency of the Ministry of Business Development to promote entrepreneurship in Ghana. NEIP in particular is targeted at promoting youth entrepreneurial activities in Ghana, but it lacks the supporting research to deliver its mandate.

Clarification of key concepts

Who is a youth? Youth is defined severally by different people and entities, yet in accordance with the United Nation's Organisation and the Common Wealth's definition, in Ghana, a youth refers to one aged between 15 and 35 years. Consequently, in Ghana, youth entrepreneurship refers to entrepreneurship practiced by people aged between 15 and 35 years.

What is entrepreneurship? Entrepreneurship is also explained as a conscious, organised effort by an individual to start, nurture and grow a new business or venture or an existing business (Fatoki, 2014).

Opportunity vs necessity entrepreneurship

In line with above, the Global Entrepreneurship Monitor (GEM) also classified entrepreneurship as opportunity entrepreneurship and necessity entrepreneurship (Reynolds *et al.*, 2001) which are evident in both economically developed countries (Chrysostome, 2010) and developing countries (Mersha *et al.*, 2010). Opportunity-oriented entrepreneurs are driven in entrepreneurial activities with a high expectation and tend to be driven by the need for growth and ambition. On the other hand, necessity-oriented entrepreneurs are heavily driven into entrepreneurial activities due to economic hardship reasons. Some scholars suggest that male businesses are more growth-oriented than their female counterparts (Boden and Nucci, 2000; Singh *et al.*, 2010). Extant literatures on this subject matter suggest that opportunity entrepreneurs are better educated and have higher skills, have greater access to finances and capital injection as well as mostly engage in businesses which have a higher tendency for growth, when compared to necessity entrepreneurs. In the same vein, opportunity entrepreneurships are noted to be a greater catalyst for job creation and innovation as compared to the necessity entrepreneurs.

Theoretical framework

The study is anchored on the theory of human capital which is born from the discourse of economics. Discourse economics arguments indicate that capital is a vital factor of

production. However, the existing literature on human capital is left fragmented (Unger *et al.*, 2011). Recent conceptualization of human capital suggests that it is related to knowledge and skills an individual acquires through the process of learning and socialization as compared to reward given to employees, an earlier conceptualization. To other researchers, human capital is an interplay between innate ability and skills acquired through learning and socialization (Blundel *et al.*, 1999; Fairle and Robb, 2008), while others also conceptualizes the phenomenon to be related with the number of years of an individual education (Becker, 2009) including experiences gained as a result of a practical and on-the-job training as well as other forms of non-traditional technical training intended to enhance the skills of the individual (Davidsson and Honig, 2003). Abundance of literature indicates that human capital strongly correlates with entrepreneurship successes (Adom and Asare-Yeboa, 2016; Cassar, 2006; Unger *et al.*, 2011) and therefore has been one of the central themes in the field of entrepreneurship.

It can therefore be argued that human capital is born out of innate ability as well as the experiences and exposures an individual gathers over a period of time which in turn enhance the individual's effectiveness and successes. Hence, it can be deduced that human capital emerges from a number of factors related to an innate ability and/or skill acquired through the process of education, learning training and socialization. From the perspective of Pena (2002), human capital theory points to the fact that engagement in business and the performance of the business is highly influenced by the intellectual capital of the individual. This intellectual capital is also influenced by the one's educational level, previous experience in related areas, the area of education, experiences and skills gathered from engaging in businesses. These in turn have a direct influence on an individual's engagement in entrepreneurship as well as the success of this entrepreneurial venture. So, from the micro viewpoint, this study argues that youth entrepreneurial activity will be influenced in part by his or her human capital attributes.

Empirical literature and development hypotheses

The antecedents and predictors of entrepreneurship in general and youth entrepreneurship in specific have been studied from different context. Among the selected empirical literature related to the topic are summarized as follows.

Roman and Paraschiv (2019) examined the impact of international mobility on youth entrepreneurship after the return of the person to their country of origin. Using data from the European survey based on six countries (Germany, Norway, Spain, Romania, Hungary and Luxembourg) in Europe and used 5,499 respondents. The findings revealed that youth who have stayed in an international country (mobile) are more likely to become entrepreneurs after returning home. The findings therefore showed that mobility has a positive impact on youth entrepreneurship in Europe and also explains why most youth are more mobile across the world in recent times. Guerrero *et al.* (2018) explores individual and university determinants of graduates' start-ups creation from a multi-campus entrepreneurial university in Mexico. In this study the results show that specific individual determinants (prior experiences, skill/knowledge and aspiration) are the most relevant determinants of graduate entrepreneurship. The study further showed that some university mechanisms such incubators and research parks have minimal impact on graduate entrepreneurship.

Using a sample size of 330 in Slovenia based on masters and bachelor students, Pejic Bach *et al.* (2018) found that personal attitudes towards entrepreneurship, subjective norms and perceived behavioural control are positively related to entrepreneurial intentions of youth. Implicitly, the innovative cognitive style has also been found to be significant in creating one's intention to become an entrepreneur. Mothibi and Malebana (2019) examined the determinants of entrepreneurial intention among secondary school students in South Africa and found that entrepreneurial intentions of secondary school students were predicted by perceived behavioural control, attitude towards entrepreneurship and subjective norms. In this study,

the media and status of entrepreneurship had a significant positive relationship with entrepreneurial intention and attitude towards entrepreneurship. However, knowledge of entrepreneurial support did not have a significant effect on entrepreneurial intention. Again, by examining the impact of cultural values on entrepreneurial intentions of University students in four South African universities, Kalitanyi and Bbenkele (2018) found that language as a cultural variable influences entrepreneurial intentions whereas religion was not found to do so.

In a narrative study conducted using interviews with 69 youth entrepreneurs in Madina, a suburb of Accra-Ghana, Adams and Quagrainie (2018) found that most youth entrepreneurs are motivated by push factors like the need to earn income, association with a family business and motivational speeches on entrepreneurship. Ezeh *et al.* (2019) examined the factors that influence the entrepreneurial intention among undergraduate students in northern Nigeria, particularly a Muslim state. Using partial least square structural equation modelling technique, the authors found that perceived educational support, behavioural control and compatibility were found to be significant determinants of entrepreneurial intention. Maneaa *et al.* (2019) also found that entrepreneurship career intention decisions are positively influenced by family, friends and education.

Nguyen *et al.* (2019) examined the factors influencing entrepreneurial intentions among youths in Vietnam. In this study, authors found that desire for success and challenge, attitude toward entrepreneurship, perceived behavioural control, experiences with entrepreneurship and creativity were positively correlated with the entrepreneurial intentions among Vietnamese youths. Wang *et al.* (2018) investigated how family and individual affect the success of entrepreneurship. The results show that individual competence is the most important factor affecting the youth's willingness to start a business. Other important factors identified for the success of youth entrepreneurship are collaboration ability, interpersonal social skills and upbringing. Boateng *et al.* (2014) examined the barriers to youthful entrepreneurship in rural areas of Ghana, using a cross section data and employed 240 respondents. In this study, the authors found that lack of capital and skills, lack of support, market opportunities and risk, corruption by local authorities, low demand for products and services, poor location, unpredictable economic environment and insufficient and unreliable government support as the main factors that impede entrepreneurship intentions among the youth in Ghana. In a related study, Denanyoh *et al.* (2015) also researched on factors that impact entrepreneurship intention among tertiary students in Ghana, with a focus on polytechnic students. Using descriptive statistics and Pearson Correlation as analytical techniques the authors found factors such as family support, educational and structural support inform the likelihood of entrepreneurship among the youth in Ghana.

Amanamah *et al.* (2018) also conducted an exploratory study on entrepreneurship intention among public University students in Ghana, using a sample of 731 undergraduate students offering both regular and part time studies. The results show that desire to earn more money, lack of job vacancies, more exposure to entrepreneurs and experienced network, previous experience or association with same or similar line of business activity, skills and knowledge gained from entrepreneurship education were significantly associated with youth entrepreneurship. Usman and Kamau (2017) conducted a study on the factors influencing entrepreneurship intention among Muslim undergraduate students in Kenya based on a sample of 200 undergraduate students. Using multiple regression, the study concluded that family and perceived behavioural control and personal attitudes significantly influence entrepreneurship among students. Similarly, Sambo (2016) investigated that factors that affect youth entrepreneurship development in Kibera, Kenya. In this study, the authors found that provision of entrepreneurship education and the present level of education positively influence youth entrepreneurship development. Dioneo-Adetayo (2006) in investigating the influencing factors of youth attitude towards entrepreneurship found education system, infrastructure, finance, the state of information technology, innovativeness, social factors and industriousness as the main

factors that influence youths' attitude towards entrepreneurship. Chiloane-Tsoka and Botha (2015) also examined the factors that influence urban youth entrepreneurship development in Sub-Saharan Africa by adopting a quantitative research method. With a sample of 431 respondents, the study found intent to create jobs, education, family and friends and the desire to be their own bosses as the factors that influence youth entrepreneurship in Sub-Saharan Africa.

Kuada (2009) in an exploratory research examined gender-based differences in the relation to the motives underpinning entrepreneurial activities in Ghana. The study provided evidence which indicated that most female entrepreneurs in Ghana are heavily challenged by easy access to bank finance. However, these women entrepreneurs tend to fall on building social relationships and then make use of this social capital as a leverage for promoting their businesses and entrepreneurial activities. It was further identified that entrepreneurial women in Ghana rely on their social relationships and social capital for emotional and moral support particularly during the early stages of the entrepreneurial development. Adom and Asare-Yeboa (2016) examined how the elements of human capital theory including education, training, area of education as well as prior job experience tend to influence female entrepreneurs in the Sub-Saharan Africa particularly Ghana. The authors found that the level of education, knowledge gained in the course of work and business training received were identified as critical factors for successful entrepreneurship activities in Ghana.

Following the conclusions of the empirical literature above, the following hypotheses were posed for examinations.

H1. Type of support a youth receives influences the likelihood of becoming a necessity entrepreneur

H2. Length of employment a youth has had will influence the likelihood of becoming a necessity entrepreneur

H3. Number of business owners in a youth's family will predict the likelihood of becoming a necessity entrepreneur

H4. Youth with lower education level will be more likely to become necessity entrepreneur compared higher level of education

H5. Youth who are males will be more likely to become necessity entrepreneurs compared to females

H6. Married youth will be more likely to become necessity entrepreneurs compared to the non-married

Methodology

In terms of the context of the study, the study took place in Ghana. Ghana can be found on the Atlantic Ocean and borders with countries such Cote d'lvoire, Togo and Nurkina Faso. Ghana is located on the Gulf of Guinea and Atlantic Ocean in the sub-region of West Africa. The country's population is about 29.6 million based on World Bank report of 2018. Ghana is based on a multi-party system, coupled with an independent judiciary. Currently Ghana is among the top three (3) economies in Africa credited with freedom of speech and press independence. This study employs quantitative techniques based on primary data obtained by administering a structured questionnaire to 150 purposively sampled youth entrepreneurs, out of which 81 usable questionnaires were received. The study was conducted within a three-month period (March–May, 2017). Stata 14 is used to run a logistic regression to determine the probability factors that predict whether or not youth will consider entrepreneurship. The variables used in the econometric model are based on the empirical literature reviewed under the literature review sub-section.

Econometric model

The logistic model is stated as:

$$\Pr(Y = 1/X) = \beta_0 + \beta_1 \text{Gender} + \beta_2 \text{Age} + \beta_3 \text{Marital Status} + \beta_4 \text{Educational Background} + \beta_5 \text{Type of support} + \beta_6 \text{Length of employment} + \beta_7 \text{Number of business owners in } \textit{one's} \text{ family} + \varepsilon_i$$

Where:

β_0 is the likelihood of one being a necessity entrepreneur regardless of the absence of the influence of any other factor;

β_1 is the likelihood of one being a necessity entrepreneur given his or her gender;

β_2 is the likelihood of one being a necessity entrepreneur given his or her age;

β_3 is the likelihood of one being a necessity entrepreneur given his or her marital status;

β_4 is the likelihood of one being a necessity entrepreneur given his or her educational background;

β_5 is the likelihood of one being a necessity entrepreneur given the type of support received;

β_6 is the likelihood of one being a necessity entrepreneur given the length of previous employment;

β_7 is the likelihood of one being a necessity entrepreneur given the number of business owners in one's family;

and ε_i is the error term in the model

Results and analysis

Descriptive statistics

Table 1 presents the demographics of the respondents of the study. Table 1 shows that 44.4% of the respondents were females, while 55.6% of the respondents were found to be males. On a whole, men were found to be engaged in entrepreneurship than females. Age has a minimum value of 19 and a maximum value of 35 with the majority (74.1%) of the respondents within the age bracket of 21–25 years. This was followed by 14.8%, representing the age group of 26–30 years. The majority (87.7), approximately 88% of the respondents were found to be single with 11.1% and 1.2%, representing the number of respondents who were married and divorced respectively. 74.1% of the respondents were also found to have obtained a degree, followed by high school certificate (SHS/SSS) representing 14.8%. 9.9% of the respondents possess above degree certificates with 1.2% having a diploma.

Table 2 presents descriptive statistics on the nature of business respondents engage in. Table 2 shows that retailing (34.6%) as the nature of business dominates the sample. The other four major businesses in the data include fashion (18.5), catering (11.1%), consultancy (11.1%) and farming (7.4%). The rest of the business that follow included entertainment (6.2%), manufacturing (4.9%), imports and exports (3.7%), health services (1.2%) and transport services (1.2%).

Chi-square test

In response to finding out whether or not there exist any difference between male and female entrepreneurs in terms of the nature of the business they engaged in. A chi-square test was

Variables	Frequency	Per cent	Cumulative per cent
Gender			
Male	45	55.6	55.6
Female	36	44.4	100.0
Total number of observations	81		
Age			
15–20	4	4.9	4.9
21–25	60	74.1	79
26–30	12	14.8	83.8
31–35	5	6.2	100.0
Total number of observations	81		
Marital status			
Single	71	87.7	87.7
Married	9	11.1	98.8
Divorced	1	1.2	100.0
Total number of observations	81		
Level of education			
Above degree	8	9.9	9.9
Degree	60	74.1	84.0
Diploma	1	1.2	85.2
SHS/SSS	12	14.8	100.0
Total number of observations	81		

Table 1.
Descriptive statistics of sample demographic

Variables	Frequency	Per cent	Cumulative per cent
Catering	9	11.1	11.1
Consultancy	9	11.1	22.2
Entertainment	5	6.2	28.4
Farming	6	7.4	35.8
Fashion	15	18.5	54.3
Health services	1	1.2	55.6
Imports and exports	3	3.7	59.3
Manufacturing	4	4.9	64.2
Retailing	28	34.6	98.8
Transportation service	1	1.2	100.0

Table 2.
Nature of businesses of the sample

run and tabulated below in Table 3. The frequencies of the cross tabulations of entrepreneurs' gender and nature of business are also presented in the Table 3.

The tabulated output in Table 3 reveals that at a 10% significance level, there exist differences in the nature of businesses male and female entrepreneurs are engaged in.

From Table 4, three of the hypotheses are confirmed. The result of the logit depicts that the type of support available to a youth significantly determines whether or not the youth will become a necessity entrepreneur. At a 10% level of significance, youth with economically less support from their family background are about 23.4% more likely to be necessity entrepreneurs supporting hypothesis 1. This is explainable by the fact that most great entrepreneurs are people from low-income background or were more likely to come from poor backgrounds and thus desiring to realize something worthwhile for themselves are more likely to become necessity entrepreneurs. Second hypothesis 2 is also confirmed; what this

Respondents' business	Gender		Total
	Females	Males	
Catering	6	5	11
	16.75	11.11	13.58
Consulting	1	7	8
	2.78	15.56	9.88
Entertainment	1	5	6
	2.78	11.11	7.41
Farming	2	4	6
	5.56	8.89	7.41
Import and export	1	6	7
	2.78	13.33	8.64
Manufacturing	12	7	19
	33.33	15.56	23.46
Retailing	8	8	16
	22.22	17.78	19.75
Health product retailing	5	3	8
	13.89	6.67	9.88
Total number of observations	36	45	81
	100.00	100.00	100.00

Note(s): Pearson χ^2 (7) = 12.4654, Pr = 0.086
Source(s): Authors own computation

Table 3.
Chi-square test

Necessity entrepreneur	Coefficient	Std. errors	z	$P > z$	[95% conf. interval]
Gender (male as reference group)	0.0323756	0.7411261	0.04	0.965	−1.420205 1.484956
Age	0.204408	0.2011299	1.02	0.309	−0.1897994 0.598615
Marital status					
(Single)	0.4629849	1.319157	0.35	0.726	−2.122514 3.048484
Educational level (Master's and above)	0.2615634	0.4760823	0.55	0.583	−0.6715408 1.194668
Type of support (less economic support)	*0.233508**	0.1341022	1.74	0.082	−0.0293275 0.496343
Length of employment	*0.4919985***	0.1917024	2.57	0.010	−0.8677283–0.11627
No. of bus. owners in one's family	*0.3667276**	0.2058737	1.78	0.075	−0.0367774 0.770233
_cons	−1.589045	2.039044	0.78	0.436	−5.585498 2.407407

Notes(s): No. of observations = 81 Pseudo R^2 = 0.2480
LR χ^2 (7) = 19.25 log likelihood = −2.188206
Prob > χ^2 = 0.0074
** and * represent 5% and 10% significance level

Table 4.
Results of the logistic regression model

means is that the length of employment was also found to be a significant factor that determines whether or not one becomes an entrepreneur. The longer the duration of one's employment as a youth, the less likely he or she becoming a necessity entrepreneur. In other words, as the length of employment increases by one year, the likelihood of one becoming a necessity entrepreneur decreases by nearly 49.2%. Technically, it is explainable that youths who have never been employed are more likely to be entrepreneurs out of necessity rather than those entering formal employment early in their years.

Third, hypothesis 3 is also confirmed because at 10% significance level, the number of business owners in one's family increases the likelihood of one becoming a necessity entrepreneur compared to youth with little or no business men or women in their family background. This means that for every one increase in the number of entrepreneurs in one's family, the likelihood of one becoming a necessity entrepreneur increases by approximately

36.7%. This implies that, youth in families where entrepreneurs already exist are more likely to become entrepreneurs.

From the results, education, gender and marital status did have any effect on the probability of becoming entrepreneurs.

Discussion

The literature has recognised the importance youth entrepreneurship because of the enormous benefits such as poverty elimination, employment opportunities and declined in social vices that it offers to countries (see Ogamba, 2019; Roman and Paraschiv, 2019; Mothibi and Malebana, 2019; Ezeh *et al.*, 2019; Nguyen *et al.*, 2019; Maneaa *et al.*, 2019). The research question that informs the study argued that in line with existing empirical findings what is the likelihood that youth will go into entrepreneurship? Following from the Stata 14's version of the logistic regression output, first it is found that youth from low-income and/or poor background are likely to go into entrepreneurship, again supporting hypothesis 1. This result shows, going into youth entrepreneurship is not only influenced by the human capital characteristics such education level, gender, previous experience gained and so on (Blundel *et al.*, 1999; Fairle and Robb, 2008). It further confirms a study by Denanyoh *et al.* (2015) who found that factors such as the nature of family support informs the likelihood of entrepreneurship among the youth in Ghana. This result also confirms Amanamah *et al.*'s (2018) study which also found that poor background and/or necessity predicts the likelihood of entrepreneurship. Hypothesis 2 was also supported indicating that how long a person stays in employment predicts less likelihood of the person becoming a necessity entrepreneur. This finding explains well the empirical literature above regarding poor background being able to predict youth entrepreneurship. Implicitly, when people foresee opportunity head of them, they are less likely to go into necessity entrepreneurship and this is very intuitive and empirically grounded. Finally, whether or not family background predicts the likelihood of a youth becoming a necessity entrepreneur was confirm and so hypothesis 3 is supported. This finding has both empirical and intuitive appeal. This is because the probability of a person who is from entrepreneurship dominated family becoming an entrepreneur in the early days of their lives which not borne out necessity *per se* is expected. The result confirms a study by Nguyen *et al.* (2019) in Vietnam. In this study, authors concluded that previous experiences with entrepreneurship in terms of background predict the likelihood of a Vietnamese youth becoming an entrepreneur. It also confirms Wang *et al.*'s (2018) study regarding how family background affects the success of entrepreneurship. In a nut shell, the length of employment or unemployment, support available to a youth and the exposure of one's family to entrepreneurship can be said to be the driving factors of necessity entrepreneurship.

Conclusion

This study set out to contribute the youth entrepreneurship research field. It sought to explore the main research question "given the current empirical front in the filed "what is the likelihood that a youth will consider entrepreneurship?" The context of the study is based on Ghana located on the Atlantic Ocean and borders countries such Cote d'Ivoire, Togo and Burkina Faso. Overall, the results and analysis show that length of stay in employment, support from family background, including being from entrepreneurship dominated family are key probability factors.

Contribution of the study

First the study contributes to extant empirical front of the field (see Blundel *et al.*, 1999; Fairle and Robb, 2008; Denanyoh *et al.*, 2015; Ogamba, 2019; Amanamah *et al.*, 2018; Roman and

Paraschiv, 2019; Mothibi and Malebana, 2019; Ezeh *et al.*, 2019; Nguyen *et al.*, 2019; Maneaa *et al.*, 2019). From the Ghanaian context the results show that the nature of one's family background (i.e. whether rich or poor background), being from an entrepreneurship dominated family background) and whether or not a youth enters and stays long in formal employment significantly predict the likelihood of a youth entering into entrepreneurship venture. Second the study sheds light on the topic from under-explored and a new geographical context, Ghana. With the present credentials of Ghana (see the introduction and the method sub-sections) similar developing country could draw inspiration from the study.

In terms of public policy, youth entrepreneurship drive must be targeted. This is because from the study, youth from low income as well as those from entrepreneurial dominated family background are more likely to go into entrepreneurship naturally. For practical recommendation, youth entrepreneurs must combine internal external influences to promote their businesses as the results confirm both internal and external influences are crucial.

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