

Entrepreneurship Development as Panacea for Economic Sustainability in the Workplace in Nigeria

Dr. Saasongu Ezekiel Nongo
Department of Business Management, Benue State University, Makurdi

Abstract

Entrepreneurship has contributed to sustainable economic development, job creation, innovation and resource allocation. This paper seeks to create and sensitise civil servants in Benue State of Nigeria to the fact that the salary paid by Benue State Government is not adequate as their only source of income. The aim is to encourage Entrepreneurship Development as a panacea for Economic Sustainability in the Workplace. This paper discussed Entrepreneurship, Business ideas and opportunities, Economic Sustainability in the workplace, Problems militating against entrepreneurial activities, Conclusion and also Recommendations.

Keywords: Entrepreneurship, Economic sustainability, workplace

1. Introduction

Entrepreneurship Development is expected to contribute to the growth of economic sustainability in the workplace, generate employment opportunities, production of high quality goods and services and the provision of the much needed skills for the management of business enterprises in Nigeria. Entrepreneurs serve as agents/link to government and large business enterprises. Nigeria is confronted with poverty, unemployment, lack of capacity building and critical skills that are impediments to its economic development. These problems are not limited to the unemployed alone, but the employed as well. The salary the employed collect especially civil servants is grossly unable to meet their living expenses let alone provide a life of comfort without psychological, financial, ethical and moral burdens This review focuses on entrepreneurship development as a solution for economic sustainability in the work place. The broad aim of the work is to encourage the Civil Servants in Benue State of Nigeria to practice entrepreneurship.

2. Entrepreneurship

Entrepreneurship is the process of performing the roles of the entrepreneur and also the willingness and ability of an individual or (a group of individuals) to seek investment opportunities through innovation, establishment and successful management of enterprises. It is used to describe the creative, innovative, risk taking and organizational process and functions of individuals who initiate, run and nurture a business venture. The ultimate aim is to receive the reward of resultant profit, independence, personal achievement and fame.

Let's consider definitions from other scholars to give us a better understanding to what entrepreneurship is all about;

Over time, some writers have identified entrepreneurship with the function of uncertainty bearing while others have identified it with the provision of capital. According to Ronstadt, (1984 p28) entrepreneurship is "a process of creating incremental wealth" the wealth is created by individuals who assume the major risks in terms of equity, time and career commitment or provide value for some products or services. Hisrich, Peters and Shepherd (2007 p10) define entrepreneurship as "a process of creating something new with value by devoting the necessary time and effort assuming the accompanying financial, psychic and social risks and receiving the resulting rewards of monetary, personal satisfaction and independence". Dabaten, Oni and Adekola (2002) view entrepreneurship as the willingness and ability of an individual to seek out investment opportunities, establish and run an enterprise successfully.

In its contribution to emerging definitions, the National Universities Commission (NUC) (2004 p3) defines entrepreneurship as "the art which involves recognizing a business opportunity, mobilizing resources and persisting to exploit that opportunity". In a similar and related vein Enu and Esu (2011) construe entrepreneurship as the ability to seek investment opportunities and establish an enterprise based on identified opportunities.

Entrepreneurship is regarded as the process of starting, owning and managing a new venture or improving on an existing product(s) or service(s) that creates value. To create value involves recognition of viable venture opportunities, coordinating human, financial and material resources necessary to bring a business venture to fruition. Therefore, entrepreneurship is the means by which new organizations are formed with their resultant jobs and wealth creation. In other words, the willingness and ability of an individual to seek out investment opportunities in an environment, and be able to establish and run an enterprise successfully based on the identified business ideas and opportunities is basically what is referred to as entrepreneurship.

2.1 Benefits of Entrepreneurship-

“Things are impossible until somebody does what another believes can’t be done” Anthony Robbins.

1. It increases societal wealth and empowerment of the poor and the vulnerable (women, physically challenged and youth)
2. Creation of new values, fashion, taste and preferences
3. Being someone
4. Being your own boss
5. You develop and sell the products you love
6. Flexibility: You have control over your work schedule that best suits you
7. Freedom from dependence on the work offered by other people
8. You work with people you like: You get to team up with the right person(s) that will add value to your business and life

2.2 Entrepreneur

The word “entrepreneur” originates from the French verb “entreprendre” and the German word “unternehmen” both of which mean to undertake (Afonja, 1999). The word also means to undertake to pursue opportunities, or to fulfil needs and wants through innovation or the establishment of a business (Abiola, 2012).

An entrepreneur as an agent who unites all means of production by employing capital, labor, and land to produce goods and services that appeal to consumers and from which he gets his profits. This means that entrepreneurs initiate business ideas by taking the risk that is involved, bearing uncertainty in the course of transforming their ideas into finished products that appeal to end users and expect to make profits. From the perspective of Anyakoha (2006 p7), the entrepreneur is “one who chooses or assumes risk, identifies business opportunities, gathers resources, initiates actions and establishes an organization or enterprise to meet such demand or market opportunity”. He is endowed with the can do mentality and belongs to the class of the “Why Not”

Certain personality characteristics have been identified and examined that distinguish entrepreneurs from non-entrepreneurs. Factors found to have been associated with entrepreneurial behaviour are the need for achievement, propensity for risk taking, desire for personal control of business, opportunity seeking, innovation, demand for efficiency and product quality, persistence in searching for suitable technology, commitment, information seeking to enhance production efficiency, goal setting, systematic planning and monitoring, persuasion and networking. Thus, an entrepreneur is characterized by vision, creativity, vitality, confidence to act on new opportunities, adapting to altered conditions and most of all, the ability to initiate and implement change through innovation and implementation. Simply put the entrepreneur is a person who own or control a business through which income is gained.

2.3 Tenderpreneur

The word tenderpreneur is a portmanteau of "tendering" and "entrepreneur". An entrepreneur we've established is an individual who starts a business and nurture it till it grows. Tender has to do with the process that leads to the award of contract by government to individuals

Tenderpreneur is a South African term for a person in government who abuses his political power and influence to secure government tenders and contracts. Tenderpreneur is someone politically well-connected who got rich through the government tendering system. This practice is not different from what obtains in Nigeria where civil servants prefer to be tenderpreneurs rather than entrepreneurs.

Tenderpreneurship is a good new business concept, when it's not abused by individuals in the business sector. It as a system that gives any small business man a giant leap ahead into realizing his dreams without going through the red-tape of loan financing from the banks.

2.4 Intrapreneurship

Intrapreneurship is the act of behaving like an entrepreneur while working within a large organization. Intrapreneurship is known as the practice of a corporate management style that integrates risk-taking and innovation approaches, as well as the reward and motivational techniques, which are more traditionally thought of as being the province of entrepreneurship. Intrapreneur mean a person within a large corporation who takes direct responsibility for turning an idea into a profitable finished product through assertive risk-taking and innovation.

Intrapreneurship refers to employee initiatives within organizations to undertake something new, without being asked to do so. Hence, the intrapreneur focuses on innovation and creativity, and transforms an idea into a profitable venture, while operating within the organizational environment. Thus, intrapreneurs are organisational entrepreneurs who follow the goal of the organization. Intrapreneurs are both employees and leaders of a large organizations that act similar to entrepreneurs in terms of self-motivation, creativity and pro-activity.

The intrapreneur is not to be confused with the "innerpreneur", a person who aims at personal fulfilment more than at economic gains when creating a business.

2.5 Entrepreneurship and Environment

“Man creates his environment, mental, emotional and physical by the attitude he develops”- John C. Maxwell

Environment means different things to different entrepreneurs, depending on the nature of their operation, background, inclination, task preference and knowledge base. While some entrepreneurs view environment from an external factors perspective, others argue that no meaningful discussion in business environment can be done without recognizing the internal factors. The environment be it internal or external, brings about ideas and innovations on how to build up the enterprise and opens up the mind of the entrepreneur to the “SWOT analysis” Strength, Weaknesses, Opportunities and Threats/pitfalls that he is to face.

A business environment is represented as the sum total of the inter-relationship between a business enterprise and all the component parts of the community in which the business is located and operated. Kotler (1994) posits that the business decision (development and operation) of any business enterprise is influenced and determined to a large extent by the environment in which the enterprise is located and operating. This environment is characterized by two sets of factors;

1. **Internal Factors/Environment:** The internal factors are generally regarded as controllable factors because the enterprise has control over them. They include; men, machines, materials, money, process and structures of which without them, it is impossible to exploit any meaningful opportunities in the external environment. To succeed in this environment the entrepreneur needs to concentrate more on the strength the enterprise have and make sure that the weaknesses are controlled.
2. **External Factors/Environment:** The external factors are by and large beyond the control of the enterprise and thus generally regarded as uncontrollable factors. They include; economic, legal/political, socio-cultural, technological, international, physical, ecological, industry, public opinion (consumer environment), competition and social environment. This environment opens the entrepreneur to opportunities and threats/pitfalls and to succeed the entrepreneur should also concentrate more on the opportunities available to explore and also find a way to deal with the threats. He should be able to take calculated risks and find the right tactics to deal with the threats.

The business environment presents two challenges to the enterprise: the challenge to combat the environmental threats and to exploit business opportunities. Thus, for the entrepreneur to maneuver his/her way through this forest of opportunities and threats, requires an in-depth understanding and application of Environmental Analysis skill. This is the process by which the entrepreneur monitors the environmental variables to determine opportunities and threats to the enterprise.

3. Business Ideas and Opportunities

“Don’t find fault, find a remedy”- Henry Ford.

Business ideas and opportunities are very important and paramount because if the entrepreneur fails in generating a good business idea, he is heading for failure and no correction can be made because he has goofed already. Therefore the best idea among other alternatives that will be generated should be vetted before implementation is made. Identifying opportunities consists of understanding the needs and wants of potential customers that are not being fulfilled and which the entrepreneur can satisfy with certain goods and services. It is the duty of the entrepreneur to seek among the opportunities in the environment the one he feels he can supply a solution that can satisfy the needs of the customer and proffer the solution by producing goods and services that will satisfy customer needs and also generate profit for him.

Nobody has monopoly of knowledge, entrepreneurs can either introduce a new business idea or build an existing one. Most business opportunities today, are saturated so developing an entirely new idea can be hectic though it’s not impossible. Creativity and innovation is key in a saturated market.

3.1 Indicators of business opportunities can arise as a result of the following conditions and factors:

1. Poor delivery of a service or product e.g waste disposal
2. Overpriced products or services
3. Advances in technology
4. Failures of a product/ service or company
5. Existence of a monopoly (if not protected by law)
6. Adaptation or imitation
7. Rapidly expanding market.

3.2 Translating Ideas into Business Plan

An entrepreneur must also learn to translate business ideas into a business plan to exploit already defined

opportunities. A business plan is a document prepared by an entrepreneur describing all relevant internal and external elements and strategies for starting a new venture. Business plan deals with short and long term objectives. It is a 'blueprint' or 'road map' that indicates how business ideas and objectives will be actualised. A business plan guides and directs an entrepreneur. It gives a clearer picture of the opportunities and strategies on how to exploit them, how to face anticipated challenges and risk factors, determine resources requirement and how to manage and even expand the new venture. With a good and realistic business plan, an entrepreneur can approach a financier or investor for funds.

3.3 Sourcing for Relevant Resources

The paucity of finance, skills, lack of up to date equipment, etc, are one of the greatest obstacles to entrepreneurship. There are many fantastic business ideas and plans that are never implemented because of the entrepreneur's inability to access credit from external sources. It is however advisable to start first with whatever resources that is available. There should be clear distinction between resources that are critically needed, necessary and relevant at starting point and resources that are not too necessary at the moment.

However, when there is insufficient fund, an entrepreneur can go for these forms of capital when the need arises.

Borrowing from relatives and friends. Relatives and friends can lend a hand so as to kick start entrepreneurial ideas. The borrowing of capital can come in form of moral support, linking potential entrepreneurs to venture capitalists, lending of assets (buildings, furniture and fixtures) on temporary basis for use by the business pending the business stability, patronizing the business venture by friends and relatives in order to encourage and support the business idea.

Retained earnings: The little profit that must have been initially made from the business can be ploughed back into business instead of spending it on non- business issues that may deplete further the fluid capital base of the business venture.

In terms of debt financing, we have:

Banks- Banks offer different types of credit to entrepreneurs. These range from short-term to long-term forms of finance like overdraft, commercial loans, term loans or bank guarantee.

Trade credit- Trade credit is the grace a supplier gives to his customer to postpone payment for a specified period. This is often negotiated during transaction. This is interest free.

Equipment Leasing- This involves the use of long-term assets owned by someone else (lessor) over a long period of time and for which periodic rents in form of lease payments are made by the user (the lessee). At the end of the lease, the possession of the equipment normally passes to the lessor (the owner).

Hire Purchase- Here, an entrepreneur can acquire an asset without having to pay the full cost of the asset before being able to use it. Also, after the full payment, ownership of the asset passes over to the entrepreneur (the hirer).

4. Establishing and Managing the New Venture

When the critical resources are acquired, an entrepreneur needs to put the resources in the right places, recruit and develop the right staff, establish roles and tasks, and operation procedures to actualize the business plan. The entrepreneur must not manage the business, but should be around from time to time to supervise the business and make sure that the activities conform to the initial plan.

4.1 Managing Failure

"The ultimate measure of a man is not where he stands in moment of comfort and convenience, but where he stands at times of challenge and controversy"- Martin Luther.

It is a sad reality that many new ventures fail in their early years of formation. Fast growing ones can equally hit the rock and crash as a result of weak strategies in the use/control of resources, poor handling of threatening situations in the business environment, offensive competitors in the industry, product obsolescence, etc. An entrepreneur should however have the courage to accept failure, learn from mistakes and critically analyse weaknesses and challenges. Failure can be managed effectively with appropriate strategies such as turnaround strategy and divestment. Positioning strategy too can be used to correct product misfit in the market. An entrepreneur instead of being totally discouraged can sell the business to any other entrepreneur or larger enterprises that can provide management instead of losing everything.

5. Economic Sustainability in the Work place

Economic sustainability has to do with the factors affecting the business resulting from the nature of the economic system. This refers to the way and manner goods and services of the business are produced and distributed. The prime factor that shapes the operation of business enterprise is the general pattern of economic development in which business functions. It helps the entrepreneur answer the "WH questions", which includes what, who, when, where and how?

1. What: the type of product/services to produce at what quantity and quality.
2. Who: the target market you want to supply the goods and services to and the workforce and skills to employ that will help carry-out the production and distribution.
3. When: the right time for the production of the product/services (festive period) and when demand is high so you can produce more or less so as not to run short of production or have excess products in the store. Take into consideration the right thing, at the right time in the right place...
4. Where: the position/location of the business is also of paramount concern to the entrepreneur. It should be positioned in a place that it will draw the attention of the customers and target market. Also it should not be positioned far from access to raw materials/resources needed for production (nearness to market and customers at the same time).
5. How: this deals with the process of production. This has to do with production system (batch or custom production), the packaging concept (packages attract attention), product concept (target market), pricing concept (skim or penetrate the market) distribution concept (extent of accessibility of the product to customers) are all issues to be considered by the entrepreneur in order to provide goods and services that would meet customers and potential customers' needs.

5.1 Work Place

The workplace is where the civil servants (potential entrepreneurs) earn their salaries to make a living. Civil servants are expected to be conservative and prudent in spending so as to save and invest. Potential entrepreneurs should be able to raise half of the capital requirement for the enterprise before calling on equity and loans from other sources.

The time for entrepreneurial development is now, procrastination should be shunned. There is no problem with starting small and nursing the business to growth and maturity. As you keep postponing nurturing and realizing a business idea, you will end up not bringing your ideas and dreams to accomplishment. Most successful businesses we see today, started small and today they are market leaders. Every entrepreneur have a story to tell... "Start little, dream big and the sky will be your limit".

5.2 Opportunities for Investment by Civil Servants:

Entrepreneurship has gone beyond training and equipping the unemployed. With the present economic situation in Nigeria, the employed should also be trained or those already with the skills should be encouraged to practice because entrepreneurship as it stands, is the main panacea for Economic Sustainability in the Workplace in Nigeria. It is also an obvious fact that entrepreneurship holds the key to economic growth and development of any economy irrespective of economies levels of development.

Knowledge from factors of production makes us to understand that there is reward to every factor that contributes to the attainment of a need. The reward for labour is salaries and wages. Hence, as civil servants, the salaries received could actually be used to fund many investment opportunities opened to the civil servants. For instance, the income received by civil servants in Benue State could be used for investment in securities on the stock exchange, government bonds, shares, treasury bills, commercial papers, certificates of deposits, etc. Also, it is important to know that there are many investment opportunities opened to civil servants. The income could be used to start up different businesses that came up as a result of environmental analysis. Below are lists of various business sectors and the sub sectors suggested for consideration:

Agro Allied- Fishery, cattle fattening, livestock feed, poultry, piggery, snails, bees and honey. (Especially given the fact that Benue State is said to be the food basket of the nation)

Food Processing/Preservation-Catering, cakes, snacks, wheat and flour, beverages and drinks

Culture and Tourism-Leather works, exterior decoration, beads, arts and design

Cosmetology- Production of cosmetics, soaps, detergents and household products, hair styling, laundry services
ICT-Hardware, software, programming, repairs, online business, business centre, websites, GSM allied products sale and repairs.

Construction-Aluminium and steel works, electrical installation

Education-Training, Day Care Centres, Driving schools, Nursery, Primary and Secondary Schools

Film and Photography-photography, press, camera and sound operation, etc.

Other business ideas/ opportunities may include Business/Call Centre, Cold Room, Ice Block business, Grinding Machine, Barbing Saloon, Hair Saloon, Thrift Collection/Community banking, Eatery, e.tc.

5. Problems Militating against Entrepreneurial Activities

The following listed below constitute problems that can affect entrepreneurial activities of civil servants in Benue state of Nigeria:

Poor financial status of employees because their main source of income is the salary and it is barely enough to solve basic needs and is not regularly paid (at the moment in arrears up to eight months).

Lack of business ideas serve as a stumbling block to entrepreneurship development.

Political and economic instability reduce access to business capital to finance entrepreneurial endeavors. No venture capitalist or other sources of borrowing would lend to start ups in a turbulently instable political environment.

Poor feasibility study and business plan. Due to inexperience and low financial capacity, entrepreneurs are unable to engage the services of Management Consultants to assist in preparing bankable business plans and feasibility studies that could assist in convincing the lenders to partner with the entrepreneurs.

Lack of dedicated workers and divided attention. As start-up businesses with low financial capacities, they cannot afford to engage services of professional staff. So they tend to engage and pay low skill workers low salaries. The commitment and motivation of the said low skill workers is also low and this result to low level of productivity of the enterprises.

6. Conclusion and Recommendations

6.1 Conclusion

In addition to a good business idea, there must also be a good entrepreneur. Although the 'ideal' entrepreneur cannot be profiled, there are certain trends and norms for a potential entrepreneur. In some respects, entrepreneurial traits such as responsibility, tenacity and the ability to handle ambiguity are more important to business success than the good or service being offered. This review posits that entrepreneurship development in the workplace, will contribute to the development and growth of the economy, generation of employment opportunities, production of high quality goods and services, and the provision of the much needed skills for the management of business enterprises.

6.2 Recommendations

1. Governments at all levels in Nigeria should create a friendly and enabling environment for entrepreneurship development to thrive.
2. Entrepreneurs should have conceptual skills so as to translate abstract ideas into reality and be able to manage time, money and other resources. It is not enough to have business ideas but also there is need for entrepreneurs to have conceptual skills as well.
3. Entrepreneurs should not be selfish but should share their ideas for the general societal improvement and development. Entrepreneurs who cannot bring their ideas to fruition can share their ideas with other people so that the ideas can be transformed to reality by others. That would result to economic development of the society.
4. A strong legal institutional framework is the key to economic transformation. There must be respect for the rule of law and not rule of men. Law helps to unlock human potentials by fashioning a society based on individual freedom, competition, equity, justice and private enterprise. It is recommended that the Federal Government of Nigeria should create an enabling environment for high judicial performance so that there would be respect for rule of law.
5. Government agencies, Research and Development (R & D) organizations, Non-Governmental agencies, Non-Governmental Organizations as well as development partners should develop and organize business awareness programmes for civil servants in Benue State. They should also disseminate information on investment opportunities, expose entrepreneurs and potential entrepreneurs to sources of raw materials, new and improved technologies, domestic and foreign consultants and even relevant research findings necessary for business survival and growth.

References

- Abiola, R. O. (2012). Re-engineering Business Studies for Productivity and Self-Reliance in Developing Economies, A paper presented at the 2nd international conference organized by the faculty of Business Studies, Rufus Giwa Polytechnic, Owo, from 15th – 17th August, 2012.
- Afonja, A. A. (1999). Entrepreneurship Education and Enterprise Culture Lessons from other Countries. Paper presented at the National Conference in Entrepreneurship Education in Nigeria. Territory Institutions, Abuja, Nigeria, March 30 – April 1, 1999.
- Anyakoha, E. U. (2006). Practical Tips for Economic Empowerment and Survival. Nsukka: AP Express.
- Dabalén A., Oni B. and Adekola A. (2002). Labour Market Prospects for University Graduates in Nigeria. Washington D.C.: World Bank.
- Enu, D. B. and Esu, A. E. O. (2011). Re-Engineering Values Education in Nigerian Schools as Catalyst for National Development. *International Education Studies*, 4, 1.
- Hisrich, R. D. (1992). Towards an Organization Model for Entrepreneurial Education Proceedings.
- Hisrich R. D., Peters M. P. and Shepherd D. A. (2007). *Entrepreneurship*. New Delhi: Tata McGraw – Hill Publishing Company Limited.

National Universities Commission (2004). Labour Market Expectations of Nigerian Graduates. Abuja: Education Trust Fund (ETF).

Biography

Dr. Saasongu Ezekiel Nongo, became a Member of Nigerian Institute of Management (NIM) in 2005 and an Associate Professor of Management in 2015. He is a Nigerian, born in Agasha (Benue State) on the 21st January, 1969. His educational background, include;

Secondary School Education: Government College, Makurdi - 1986

Post-secondary education and degrees:

BSU Makurdi, Benue State, Makurdi, Nigeria – Ph.D. Management - 2011

ABU Zaria, Kaduna State, Zaria, Nigeria – Master of Business Administration – 1999

ABU Zaria, Kaduna State, Zaria, Nigeria – B.Sc. Business Administration – 1991

ABU Zaria, Kaduna State, Zaria, Nigeria – Diploma in Accounting - 1988

ENTREPRENEUR SELF- ASSESSMENT QUESTIONS

Finally, it is pertinent to note that entrepreneurial characteristics are not inborn, but rather, they are developed overtime. Entrepreneurs are not born but made. Hence, you need to ask yourself some entrepreneurial questions if you are ready for an adventure. These questions cut across all business ideas. They are:

1. Can you translate your passion into business?
2. Can you initiate an idea, start a project and see it to the end despite problem?
3. Do you like doing things alone to group activities?
4. Are you always optimistic about life situation?
5. Are you willing to spend your saving or borrow from others to start a new business?
6. Do you like to take responsibility for your action?
7. Do you believe in what you are doing and want to achieve?
8. Can you tolerate failure when it occurs and never get discouraged?
9. Can you influence people to accept your ideas and follow you to actualise your vision?
10. Do you believe taking risk is good for business?
11. Are you willing to sacrifice your leisure time?
12. Have you ever started a childhood business or have a childhood business experience?
13. Are you easily bored or discouraged?
14. Do you have knowledge or skill in the business you are trying to run?
15. Do you have special skill in marketing and purchasing?
16. Can you lead and work with other creative persons and experts?
17. Do you have a good experience in the venture you want to start?
18. Are you willing to learn when the need arises?
19. Are you disciplined and confidence in handling finance and other resources?
20. Can you start a business no matter how small?

Emphasis: Positive responses to the questions outlined above indicate that you have entrepreneurial ability; therefore, GO FOR IT!

“All dreams come true, if we have the courage to pursue them” – Walt Disney.