

Governance, Entrepreneurship Development and the Challenge of Enabling Environment: A Colloquy

Dr Edino, Ojonimi Ferdinand

Department of Public Administration, University of Calabar, Calabar
Email: edinodoc@gmail.com

Dr Eja, Terrence Richard

Department of Public Administration, University of Calabar, Nigeria

Bassey, Ubong Okokon

Department of Public Administration, University of Calabar, Nigeria
Email: ubong10378@gmail.com

Abstract

Over the years, governance has been concerned with how to reduce poverty, unemployment and joblessness. The quest to achieve these goals have necessitated the formulation and implementation of several poverty alleviation policies and programmes among which is the introduction of entrepreneurship development programme in both vocational institutions as well as institutions of higher learning in Nigeria. Unfortunately, however, experience and available literatures still reveal that the rate of insecurity of lives and property, poverty, unemployment and joblessness is still on the increase due to several factors especially, the challenge of enabling environment. The objective of this paper therefore is to examine some of the challenges of enabling environment that have often hampered the realisation of entrepreneurship development goals which include, insecurity, politicization of financial succour, poor infrastructural facilities amongst others. The paper adopted documentary/content analysis as its methodology. Based on the aforementioned findings, the paper recommends that government should first of all guarantee safety of lives and property by beefing up the security architecture of the country for businesses to thrive. Also, the financial succour provided by government should be depoliticized and the basic infrastructures - good road network, uninterrupted power supply as well as functional and affordable medical facilities should be provided and sustained.

Keywords: Governance, entrepreneurship, development, challenges, enabling environment

introduction

Naturally, the survival and existence of man and the society at large, is largely dependent on the availability and sustainability of the basic needs of life- food, water, clothing, shelter and other human wants which are secondary. Consequently, man's engagement in the production and distribution of goods and services is not only a necessity but instrumental to human comfort, economic growth and development. As Abdul (2008:11) rightly asserts "work is a way and fact of life. Everybody must work to eat. You either work for yourself, for others or both." Essentially therefore, for any form of business or work to thrive in any human society, there must be an enabling environment. An enabling environment in this context include security and safety of life and property, good transportation system, including railroads, airport, and waterways; reliable sources of energy, traffic control, reliable telecommunication system, prison, affordable medical facilities amongst others, which are all dividends of good governance. Against this backdrop, Sapru, (2013, p. 552) asserts "A publicly provided infrastructure has always been a foundation for the private sector growth in both capitalist and mixed economies". Obviously, the provision of basic infrastructures by government is a form of capacity building for business prosperity. It is the strengthening of human

resources and management systems geared toward promoting a supportive environment within which such capabilities can be utilized for full advantage. It involves two broad activities: human resources development and institutional cum infrastructure building (Abdul and Edino, 2014).

Furthermore, the quest to promote entrepreneurship in Nigeria has not only led to government establishment of vocational institutions but has equally led to the compulsory study (teaching and learning) of entrepreneurship programs in both secondary and tertiary institutions regardless of one's course or area of study. However, it is a common knowledge in the Nigerian society that both government and private efforts towards the attainment of entrepreneurship development goals have faced quite a number of challenges - chief among these challenges is the challenge of enabling environment for entrepreneurial prosperity. This formed the thrust of this paper.

Conceptual Discourse: Governance and Entrepreneurship Development

Ndiyo, (2008, p. 148) reveals that "the word governance is derived from Latin origin that suggests the notion of "steering". Ndiyo stresses that "this sense of steering a society can be contrasted with the traditional "top-down" approach of governments driving a society or the distinction between 'power to' in contrast to governments 'power over'. Ndiyo therefore concludes that "the term governance deals with the processes and systems by which an organization or society operates". This suggests that, governance simply means the system or manner of government. Similarly, the World Bank, in Ndiyo, (2008, p. 148) defines governance as "the exercise of political authority and the use of institutional resources to manage society's problems and affairs" High good governance is extended to include the extent to which provisions have been made for people's life sustaining needs especially through manpower training and job creation, self-esteem, freedom and protection of life and property (Edino, Eja and Emmanuel, 2021). Clearly therefore, the concept, governance, connotes the action or manner of governing a state. It refers to the manner in which government institutions and agencies are utilized to solve societal problems including the provision of security, safety as well as basic public facilities/infrastructures for businesses to boom. In defining governance, therefore the word "action" as well as "manner" are not only pertinent but also, form the basis of moral/ethical judgment in terms of whether government's action is right or wrong, bad or good. Similarly, the term manner has to do with the way in which something is done or happens, which could also be described or judged as good or bad, write or wrong, appropriate or inappropriate, correct or incorrect, depending on the standard or criteria for judgment. Based on these premises, using the constitution of the federal republic of Nigeria 1999 for example, and the social contract theory as frame work of analysis, with particular reference to section 14 (2 a-b) which talks about "The Government and the People" provides that.

- (a) Sovereignty belongs to the people of Nigeria from whom government through this constitution derives all its powers and authority.
- (b) The security and welfare of the people shall be the primary purpose of government.

Thus, the questions begging for answers in Nigeria today include;

- i. How safe and well are the people of Nigeria today in terms of security provision by government?
- ii. How save and conducive is the Nigeria's business environment in terms of availability of steady and functional infrastructures that provide the enabling environment for businesses to thrive. In other words, how save and enabling is the Nigerian business environment in terms of government role in providing security and the basic infrastructural facilities with which entrepreneurs can thrive in their various endeavors?

These and other related questions are the concerns of this paper.

Entrepreneur versus Entrepreneurship Development

Basically, the term entrepreneur simply refers to risk-taking businessperson (Encarta 2009). He/she spots, creates and exploits opportunities in a variety of ways. In the light of this, Otache (2010, p.1) defines “entrepreneurship as the willingness and ability of an individual to seek out new investment or business opportunities, gather resources, establish and run an enterprise successfully”. Otache further conceptualized “entrepreneurship as the capacity and willingness of an individual to undertake conception, organization and management of a productive venture with all attendant risks, while seeking profit as a reward.” Clearly, therefore an entrepreneur is a person who undertakes a wealth-creating and value-adding process, through developing ideas, assembling resources and making things happen “for financial or monetary reward (Stevenson, 2004, Otache, 2010 p.4). Unveiling the importance of entrepreneurship, Ojukwu (1999, p. 71) points out that:

“The economic importance of entrepreneurship rests on the formation of small-scale business units within the informal sector. These business units have high potential for creating new jobs, increasing output and improvement in general standard of living”.

As a matter of fact, it has been estimated that over 50 percent of total urban employments can be accounted for by jobs created in the small-scale enterprise sector (ILO, 1985, Dike, 1994 and Uka, 2008). Given the significant role of entrepreneurship in job or business creation as well as economic growth and development therefore, Nigeria's government, over the years has made some concerted efforts aimed at promoting entrepreneurship advancement. But what is entrepreneurship development or advancement?

Entrepreneurship Development

Entrepreneurship development is basically concerned with designing and implementation of human capital development programs which have the capacity of producing men and women of creativity, innovation, wealth creation and risk taking in the world of business not only as a means of livelihood but as a panacea to national economic growth and development. The three cardinal areas of focus in entrepreneurship development are the individual potential entrepreneur, enterprise/business establishment and the aspect of enterprise management.

The development objective for training the potential entrepreneur is to inculcate in the person, some degree of motivation, confidence and reinforcement that will propel the person into creating an enterprise for self-reliance. This is done through behavioral and psychological training carried out by established private and/or public vocational institutions aimed at educating individual on how to start up a business. While that of enterprise management is concerned with impartation of management or managerial skills and functions that could lead to successful and profitable business enterprise. To achieve these entrepreneurial development goals and objectives, the Nigerian government has established a number of programs as well as institutions saddled with the responsibilities of promoting entrepreneurship development in Nigeria. These institutions and their roles are highlighted below:

Centre for Entrepreneurship and Development Research (CEDR):

- i. To develop entrepreneurship spirit and mindset among Nigerians especially school leavers;
- ii. To facilitate and enhance job creation among unemployed and underemployed school leavers;

- iii. To facilitate skill acquisition and development among Nigerians especially school leavers;
- iv. To enhance business for small scale operators and artisans especially through capacity building and linkage to finance and facilitate rural development in Nigeria and engage in development research.

National Directorate of Employment (NDE): Its roles are:

- i. To conduct vocational and apprenticeship training for the youths in the areas of Information and Communication Technology, textiles, catering, hair-dressing etc;
- ii. To provide soft or short-term loans to young entrepreneurs to start small-scale businesses through selected commercial banks;
- iii. To foster and promote self-employment;
- iv. To recommend reputable sources and suppliers of plants, equipment and machinery to small-scale industrialists.

Industrial Development Centre (IDC):

- i. To render both technical and managerial assistance to small-scale enterprises;
- ii. To provide industrial extension services to small-scale enterprises;
- iii. To train and develop small-scale entrepreneurs and managers;
- iv. To assist in product planning, development and control;
- v. To advise on the viable projects to select;
- vi. To assist in technical appraisal of loan application;
- vii. To assist in product design and redesign.

Administrative Staff College of Nigeria (ASCON)

ASCON was established with the following objectives:

i.

Centre for Industrial Research and Development (CIRD):

- i. To provide counseling, technical assistance and training in productivity improvement and organizational development;
- ii. To disseminate information on investment opportunity, finance, input requirements for manufacturing of specific products
- iii. To render extension services in starting and maintaining a business;
- iv. To conduct managerial training, seminars and workshops in different areas of small-scale businesses;
- v. To render consulting services on feasibility studies, financial analysis, project monitoring and evaluation;
- vi. To conduct researches into various aspects of industrial development in Nigeria.

Centre for Management Development (CMD):

- i. To train and develop manpower for small-scale enterprises;
- ii. Providing consultancy services as well as research and technical information to small-scale industrialist;
- iii. To design programmes that will stimulate entrepreneurship.

Polytechnics and Universities

Polytechnics and Universities also play vital roles in manpower training and development in Nigeria. This is achieved by teaching business-related courses such as Business Administration and Management, Marketing, Entrepreneurship Development, Accounting, Economics etc.

They also engage in consultancy services as well as serve as centres for seminars, workshops and conferences where prospective and existing small industrialists are trained and developed on how to effectively and efficiently manage their businesses. At this juncture, it is germane to critically examine the nexus between bureaucracy, manpower training and national development in Nigeria (Edino, 2019; Edino, Ejah and Awubi, 2021).

In spite of government's efforts towards entrepreneurship development in Nigeria, the entrepreneurs who are the major operators of enterprises have constantly been constrained by challenges of enabling environment, year in year out. These challenges of enabling environment have not only driven a number of entrepreneurs out of business but also a significant proportion are in the state of worries and despondency. Some of the fundamental challenges within the Nigerian business environment which hamper the thriving of entrepreneurial activities in are highlighted as follow:

1. High level of insecurity of lives and properties.
2. Technological challenge (inability to afford modern technologies).
3. Poor electric power system.
4. Politicization of Financial Succour
5. **Poor Transportation System**

Basically, transportation system is in different dimensions. The conveyance of goods and services could be by land, water and air. Thus, Governments play significant role not only by providing these transportation infrastructures but also, have the responsibility of maintenance. Unfortunately, due to the terribly poor state of Nigerian roads, business men and women do often encounter diverse challenges in the process of conveying goods and services from one location to another. For instance, there is perpetual traffic jam caused by break down of vehicles, especially heavyweight trucks carrying heavy goods such as cement, iron rod and building/construction materials as well as food items. Similarly, a lot of perishable goods actually perish on Nigerian roads either due to non-arrival at one's destination on time or as a result of vehicular accident caused by bad state of the roads. In the process too, business men and women are being robbed both day and night thereby losing their goods, money and even life, in some instances.

6. High Tax Charges
7. Unreliable Telecommunication Services
8. **Corruption of Law enforcement Agencies:** in the Nigerian business environment, it is common to see on daily basis how the Law Enforcement Agencies such as the Nigeria Police Force, Vehicle Inspection Officers (VIOs), Federal Road Safety Corps including the Army, are fond of extorting money from commercial vehicle drivers partly due to either violation of traffic rules or non-possession of vehicle particulars. These extortions often have a multiplier effect on the selling price of commodities because, the money spent on transit is considered as part of production/supply costs which the final consumers bear.
9. Community thefts

Conclusion

In a compendium, the quest to alleviate poverty and to create jobs/businesses for the unemployed necessitated the introduction of entrepreneurship development programmes by the government in both vocational and institutions of higher learning in Nigeria. Unfortunately, the Nigerian business environment is perpetually faced with diverse challenges ranging from increasing level of insecurity, politicization of government financial succour, community thefts, poor state of infrastructure, high

tax charges as well as corruption of law enforcement agencies. These challenges constitute hindrances to rapid entrepreneurship development and wealth creation in Nigeria.

Recommendations

- i. Government should beef up its security architecture including intelligence report system to be able to combat the alarming rate of crime, insecurity, insurgency and proliferation of firearms that have characterized the Nigerian business environment.
- ii. Government should build more railroads and special road network for heavyweight vehicles for the transportation of heavyweight goods from one location to another.
- iii. Government should formulate and enforce the policy of transportation of heavyweight goods by railway and/or waterways. This will elongate the life span of Nigerian roads meant for smaller vehicles.
- iv. Road maintenance agencies such as FERMA should intensify their efforts by ensuring that any spoiled part of the road is fixed without delay.
- v. The disbursement of financial succour provided by the government to entrepreneurs in order to boost entrepreneurship should be depoliticized. Politicians fond of diverting such monies should be sanctioned.
- vi. Governments at all levels, Federal, State and Local, should always pay their employees their full financial entitlements to enable them patronise business men and woman in the market places, thereby enhancing business activities in the economy.

References

- Abdul, H. (2008). Challenges and Strategies for Coping with Retirement, in *Readings in Entrepreneurship Development: A Guide to Retirement* (ed.) Lagos-Nigeria: Concept Publications.
- Abdul, H. and Edino, O. F. (2014). Individual Versus Organizational Capacity Building. *International Journal of Capacity Building in Education and Management*. 2 (2), 49-61.
- Edino, O. F., Eja, T. R. and Emmanuel, A. (2021). Bureaucracy, Manpower Training and National Development: A Critical Analysis. *FUWUKARI Journal of Politics and Development* 5 (1), 124-137
- Encarta Dictionary, (2009) DVD Version.
- Ndiyo, N.A. (2008). *Poverty to Sustainable Development: A Community-Based Approach*. Calabar-Nigeria: University of Calabar Press
- Ojugwu, K. (1999) Entrepreneurship Education for Self-Employment. *Journal of Management and Technology*. Vol. 1(1). PP 71-76
- Otache, I. O. (2010). *A Hand Book of Entrepreneurship: A Guide to the would-be Nigerian Business men/women*. Idah: Adura Printing & Publishing Press
- Sopru, (2013). *Administrative Theories and Management Thought*. Delhi: PHI Learning Private Limited.
- Ukah, S. E. (2008). Entrepreneurship and Entrepreneurial Characteristics in *Readings in Entrepreneurship Development: A Guide to Retirement* (ed.) Lagos-Nigeria: Concept Publications