

**ENTREPRENEURSHIP AND SUSTAINABLE DEVELOPMENT
LIVELIHOOD – GUIDANCE & COUNSELLING PERSPECTIVE IN DELTA
STATE, NIGERIA.**

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Abstract

Entrepreneurship is seen as an initiative, imagination, flexibility, creativity, a willingness to think conceptually and the capacity to see change as an opportunity. Entrepreneurship involves the identification and exploitation of opportunities to innovate (Madueke, 2007 and Frankie-Dolor, 2010). Entrepreneurial development is meant to facilitate enterprise development and skill acquisition in order to reduce dependence on the existing employment market. No little wonder the governments, companies, humanitarians, individuals and churches are now interested in empowering the people to create small and medium scale enterprises. Be that as it may, this paper shall focus on the concepts of entrepreneurship, the functions and characteristics, the types and problems facing entrepreneurship; entrepreneurial development and education. The paper also highlights some financial aspects of entrepreneur; causes and symptoms of Business failures; how to manage the new business and finally the paper also highlights the counsellor's role in entrepreneurship and development in our society.

Keywords: Entrepreneurship, Development, Counselling, Sustainable, Livelihood, Management.

Introduction

The idea of entrepreneurship is not new in Nigeria. It had existed even before the coming of the colonial masters. The prominence being gained by entrepreneurship at the present time is borne out of the need to address the octopus called unemployment which I is facing our society today. An individual should choose a profession that suits his ability in order that both him and the nation may profit.

Entrepreneurship is associated with different kinds of activities that have to do with the establishment and operation of business enterprises. Such activities may include identification of investment opportunities, deciding what opportunities to exploit for profit, promotion and establishment of the business enterprise, pooling of the various scarce resources needed for production and distribution of goods and services, organization and management of the human and material resources for the attainment of the objectives of the enterprises, risk bearing and innovation. Thus the effective performance of the above activities is very vital to the start, growth and survival of any business enterprise. Entrepreneurship is a very important factor in the process of the economic development of any nation like Nigeria.

Vocational guidance does not involve categorical declaration that one shall be an engineer while such another shall be a clerk, messenger, cleaner or whatever. It is only hypothesis and a suggestion that has its own limitation. What the guide says is that such person possesses certain qualities in abundance that fit him for such profession, and that there is much greater possibility of success in that profession than in any other one. Personal ability is a fact generally known differ from

individuals. Different professions such as teaching, artistic, creation, nursing, selling and buying, contracting, labour, work and so on are practiced by individuals who have the capabilities to fit into each of them and perform the work perfectly. Hence, choice of profession should also be made with a due regard for the qualities of the person's personality. Little work has been reported in career theory related to entrepreneur. What is needed is the adaptation of career theory to better consider the people and progresses of entrepreneurship.

However, this paper shall look at the following sub-headings briefly as the authors progress:

- i) The concept of entrepreneurship.
- ii) Functions and characteristics of entrepreneurship.
- iii) Types of entrepreneurship and problems facing entrepreneurship.
- iv) Entrepreneurial development and education.
- v) Financial aspects of entrepreneurship, -sources of funds.
- vi) Role of the counsellor for entrepreneurship.

Concept of Entrepreneurship

The understanding of entrepreneurship owes much to the work of economists such as Joseph Schumpeter, Ludwig and Von Mises and Von Hayek. The concept of entrepreneurship has a lot do with how several activities are carried out in an organization for effective operations (Frankie-Dolor, 2010).

Entrepreneurship according to Igwe (2002) cited in Frankie-Dolor (2010), is the process of bringing together creative and innovative ideas and coupling these with management and organization skills in order to combine man, money, machineries and other resources to meet an identified need and thereby create wealth.

Madueke, (2007) and Frankie-Dolor (2010) defines entrepreneurship as an initiative, imagination, flexibility, creativity, a willingness to think conceptually and the capacity to see change as an opportunity. Entrepreneurship involves the identification and exploitation of opportunities to innovate.

Olokoyo, (2000) in Frankie-Dolor (2010) postulated entrepreneurship as the willingness and ability of an individual or group of persons to search for investment opportunities, establish and run a business successfully. In other words, entrepreneurship is the practice of starting new business in response to identified opportunities.

However, entrepreneurship is a human factor of production, just like labour; the entrepreneur bears all the risk pertaining to the business. An entrepreneur takes the final decision on the quality of the goods to be produced, the quality of the goods, the capital and labour necessary for the production of such goods. Entrepreneur organizes all the other factors of production in order to produce goods, which can satisfy an aspect of human wants. Entrepreneur can be a sole proprietorship, a partnership, a private limited liability company, or a public limited liability company. The motive of the type of all entrepreneurs is to make profit. Entrepreneurs have the duty of providing the initial

finance for the commencement of the business, bear the risks inherent in a business, organizes the other factors of production to produce needed goods, decides the commodities to be produced and provides innovation by introducing new method of producing existing commodities.

In addition to the above, Hisrich and Peters (2002), see entrepreneurship as the “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 and personal satisfaction and independence”.

From these definitions or concepts, one can view the entrepreneur as an individual or group who:

- 1) Creates something new and of value to the entrepreneur as well as the buyer and user.
- 2) Devotes time and effort necessary to create the thing and to make it operational.
- 3) Assumes the necessary risks in the form of financial, social and other aspects.
- 4) Enjoys the rewards accruing to the entrepreneur in the form of independence, personal satisfaction and profit.

In a nut shell, an entrepreneur is therefore someone who sees a gap or a need in his or her immediate environment and brings resources together to meet such need for rewards and functions which could be itemized below.

Functions of Entrepreneurs

Many writers on entrepreneurs have used the functions performed by the entrepreneur, to explain who the entrepreneur is. The functions of an entrepreneur have undergone many changes in the hands of economists. Some economists contend that the function of the entrepreneur is to undertake risks and uncertainty, to others the coordination of productive resources. Be that as it may, here are some of the functions of an entrepreneur:

- i) Searching for and discovering new information
- ii) Translating new information into new market, techniques and goods.
- iii) Seeking and discovering economic opportunities.
- iv) Evaluating economic opportunities.
- v) Marshalling financial resources necessary for the enterprises
- vi) Making time binding arrangement, time management.
- vii) Taking ultimate responsibility for management.
- viii) Providing for being responsible for motivational system within the firm.
- ix) Providing leadership for the work group.
- x) Taking the ultimate risk of uncertainty.

Characteristics of an Entrepreneur

Sometimes, one reflects generally on the career paths of people and world incline to probing further in order to know why certain people are more attracted to one activity than the other. A cursory look at our society today shows this inclination. A person who seizes an opportunity for business

certainly sees entrepreneurship as a life style and not just a job or career. Some characteristics that make the entrepreneur are stated below:

- i) An entrepreneur must be action oriented by putting life into desire, full of drive and energy.
- ii) He must be highly motivated, confident, personated, optimistic and have a strong feeling of independence.
- iii) He is a risk taker and likes challenges.
- iv) He must be goal oriented.
- v) He must be a good leader, responsive and have good human relations.
- vi) He must be original, creative, resourceful and knowledgeable.
- vii) He must be future oriented, have foresight and perception.
- viii) He must be able to identify problems and find possible solution to solve the problems.
- ix) Risk taking venture in the face of threatening fear of failure.
- x) He must be courageous and bold to act.
- xi) He must be able to carry out operations without lukewarmness.
- xii) He must have the ability to challenge competition.
- xiii) He must be customer caring and have integrity.
- xiv) Must have the ability to market and convince customers.
- xv) Discipline in all areas.
- xvi) Readiness, and willingness to learn and to advance knowledge.
- xvii) Must be able to have good communication ability
- xviii) Interest in reviewing business positions for control purposes and application of control measures.
- xix) He must possess high intelligent quotient and logical abilities.
- xx) Perseverance persistence in doing things which one believes in, even when one fails.

Types of Entrepreneurs

There are numerous types of entrepreneurs which include: technopreneurs, social entrepreneurs, rural entrepreneurs, ecological entrepreneurs, artisanal entrepreneurs, youthspreneurs, ethnicpreneurs, opportunistic entrepreneurs, politipreneur, co-entrepreneurs, religiouspreneurs, managerpreneurs, familipreneurs, womanpreneurs intrapreneurs and a host of others. Some of these entrepreneurs shall be discussed briefly by the author or presenter.

- 1) **Technopreneurs:** This is an individual whose business is in the realm of high technology, who at the same time has the spirit of an entrepreneur. The technopreneur represents new breed that is both innovative and equally enterprising.
- 2) **Social Entrepreneurs:** This set of people develops skills and competencies for creating, developing, presenting, implementing and measuring the success of social innovations. Their concerns is about those who want to start an organization whose primary focus has social impact in areas like education, healthcare, economic development, environment, etc.
- 3) **Rural Entrepreneurs:** These develop skills and competencies suitable for the emergence, behaviour, and the successful performance of the business practice in the most remote, isolated or rural economy or circumstances (Frankie-Dolor, 2010).

- 4) **Intrapreneurs:** This is a person who focuses on innovation and creativity and transforms a dream, vision or an ideal into a profitable venture by operating within an existing organization environment.
- 5) **Opportunistic Entrepreneurs:** These are those who benefited from formal education, which enables them to employ complex strategies to manage complex firms. They are regarded as having had the opportunity of general and managerial education, which empowers them to manage big industries, banks, oil companies.
- 6) **Politipreneurs:** These are entrepreneurs who invest their money in sponsoring. political candidates with a view to benefiting from their success. Political entrepreneurs may not be politicians but they empower politicians and if the politicians succeed they share political offices and fortunes.
- 7) **Co-Entrepreneurs:** These are husbands and wives who run joint businesses. Coentrepreneurship is a family type of business or venture. Both spouses are managerially and or jointly run the business; hence they both have some skills, which they bring into business.
- 8) **Womanpreneurs:** These are women that are involved in entrepreneurship. Women are now involved in economic growth and development and there has been significant growth in self-employment, because women are now starting new ventures at a higher rate than men (Monye, 2006 and Frankie-Dolor, 2010).

Problems Facing Entrepreneurs

In developing economies, the industries sectors contribution to the GNP of the economy is about 20%, and 60% of this comes from entrepreneurship in form of small and medium scale enterprises. To ensure suitable growth in this sub-sector of the economy, government agencies and financial institution play a substantial role in financing and promoting such businesses. In spite of this, the development of entrepreneurship has been retarded by a number of factors, which include:

- Finance
- Management incompetence
- Infrastructural constraints
- Inadequate and incompetent manpower
- Political instability of the location where the business is located.
- Sociological and latitudinal influences
- Stringent Government policies
- Poor manpower training and development
- Entrepreneur's personal problems-parents occupation, marrying many wives and having many children, catering for members of extended families, etc. (Ogundele, 2007).

Entrepreneurial Development and Education

Entrepreneurial development is meant to facilitate enterprise development and skill acquisition in order to reduce dependence on the existing employment market. It also entails the objective of motivating the individual to explore the possibility of exploiting the abundant resources in this country as entrepreneur. No little wonder the governments companies, humanitarians, individuals

and churches are now interested in empowering the people to create small and medium scale enterprises. This increased interest has been fostered by such factors as the recognition that small firms play a major role in job creation and innovation, and as a vehicle for social and economic development as less dependence on government (Ihekwoaba, 2007).

However, despite the increased interest by government, many people, especially graduates do not contemplate choosing entrepreneurship as a career. The issue becomes more significant and needs more serious consideration in the Nigerian setting considering the teeming number of unemployed graduates, whereas small scale enterprises serve as a vehicle of emancipation of the people. Today starting and owning one's business is no longer perceived as activities for those who are culturally, socially and educationally disadvantaged but as an alternative route to success, wealth, independence and fame.

Few future entrepreneurs realize that they will pursue entrepreneurial career while at College or University. Of this minority, relatively few individuals will embark on business ventures immediately after graduation, and even fewer will follow a course of working in a position or industry to prepare for the creation of a venture.

Thus, it becomes imperative for entrepreneurs to continually supplement their education by reading relevant books, journals, attending seminars or taking courses in areas where they are weak. The relevant skills they will need to acquire through seminars or courses include creativity, financing, control, opportunity identification, venture evaluation, and deal making.

Hisrich and Peters (2005) have stated the skills required by the entrepreneur can be grouped into three categories: namely,

- 1) **Technical Skills:** This encompasses skills in writing, listening, oral presentation, organizing, coaching, being a team player as well as possessing technical know-how.
- 2) **Business Management Skills:** Such areas as in starting developing and managing an enterprise. Also skills in decision making, marketing, management, financing, accounting, production, control and negotiation are essential in creating and growing a new business venture.
- 3) **Personal Entrepreneurial Skills:** These involve inner control (discipline), risk taking, persistence, and being a visionary leader, innovative and change-oriented. These skills and objectives constitute courses in entrepreneurial development which help to ensure that the most important aspects of the subject are covered.

Financial Aspects of Entrepreneurship (Sources of Funds)

One can classify the sources of funds for the purpose of this paper into internal and external sources. The internal source refers to the entrepreneur's private sources such as personal savings, "Osusu", family contributions, friends contributions. On the other hand the external source refers to borrowed funds from the formal sector such as the banks, leasing and hire purchase companies,

capital market, government investment corporations and venture capitalists. The following are some listed sources of funds.

Personal savings

- Loans from friends, relatives
- Loans from cooperative society
- Trade creditors
- Leasing/Hire purchase
- Partnership
- Banks/other financial institutions
- Capital market
- Government investment corporation.

Causes of Business Failure

There is a common saying that no business organization plans to fail but those who fail to plan are only a few steps to eventual failure. Thus good management is a key factor for the success of any organization. On the other hand, bad management holds the keys to business failure. Business failure has been viewed differently. Some say a business has failed when the firm files for some form of bankruptcy, others are of the view when the firm fails to discharge its responsibilities to its stakeholders, yet others say when the firm has closed shop. Now let us look at some danger signals (Nwachukwu, 2005 and Adeyeye, 2008).

Symptoms of Business Failure

Business failure implies the inability of a business firm to continue its operations in its original form. Be that as it may, before this happens, some danger signals must have been emitted. Some of the indicators of possible failures are:

- i) Persistent negative cash flow
- ii) Declining sales or market shares
- iii) Declining profits
- iv) Declining working capital
- v) High debt ratio
- vi) Loss of key management personnel
- vii) High labour turnover
- viii) Uncompetitive products or services
- ix) Shortage of inventories
- x) Deteriorating physical facilities, etc.
- xi) Unnecessary delay in staff promotion
- xii) Stringent promotion policies

Causes of Business Failures

The following are some of the causes responsible for business failures:

- i) The particular environment is not conducive for business operation.
- ii) Inadequate of capital outlay

- iii) There is economic downturn (recession, depression)
- iv) The business owner or entrepreneur lacks the ability to compete efficiently and effectively.
- v) Lack of managerial skills, expertise and know-how by the owner.
- vi) Lack of competitive strategies
- vii) Lack of competent professional and experienced managers.
- viii) Afraid or reluctant to make decisions.
- ix) Lack of insurance
- x) Poor location.
- xi) Lack of feasibility study or report before undertaking a business venture.
- xii) Lack of security
- xiii) Inability to change managerial style.
- xiv) Lack of consideration of the people culture and mode of life, (Frankie-Dolor, 2010).

Managing the New Business

Employees need incentives to remain committed and loyal to the long-run success of the new venture. For instance, being on time, giving praise to employees and good communication within the venture will go a long way toward achieving financial and emotional success. If employees sense that the entrepreneur is not committed to the venture or has given up hope for success, they will follow suit and probably seek other employment. The following are some tips on leadership necessary for the success of the new venture.

- i) Be an example on ethical set of values for all others.
- ii) Show respect and concern for the personal well-being of employees.
- iii) Do not try to do everything yourself. Give others the autonomy and flexibility to make decisions on their own.
- iv) Recognize the diversity of employees and how they should be treated.
- v) Encourage and praise others in the organization when deserved.
- vi) Provide incentives and rewards for quality work effort and new ideas.
- vii) Recognize the importance of employees having fun at their jobs.
- viii) Be aware of the need for future strategic planning by encouraging everyone to participate.

Counsellor's Role in Entrepreneurship and Development in Our Society

The role of the counsellor in entrepreneurship and development are so vast and numerous however here are some of the roles of the counsellor in entrepreneurship and development.

- i) Every normal person in the society must be engaged in one work activity or the other and the decision to go into any particular entrepreneurship is considered very crucial.
- ii) The counsellor should bear in mind that entrepreneurship is a part of process, and so should not hurry the entrepreneur to make his choice.
- iii) The counsellor should be able to provide enough information to his client.
- iv) The counsellor should on regular basis administer tests-aptitude, personality, inventory, etc. to the entrepreneur clients and interpret the results.
- v) Counsellor should motivate individuals to overcome obstacles and be willing to take risks.
- vi) People who wish to be self employed should be an expert in that area-business.

- vii) Autonomy-oriented individuals who wish to own several firms or businesses should own one at a time to be able to control the firms.
- viii) Counsellors/teachers should educate students properly on entrepreneurial career, exposing them on the risks and the processes of starting a business either small or medium scale business.
- ix) The counsellors should make sure that prospective entrepreneurs are guided before entering into entrepreneurial career and development.
- x) The counselors should not by any way force people into entrepreneurship but should be exposed and well guided into it (Unachuikwu and Igborgbor, 1991).

In conclusion therefore, this paper looked at some of the concepts of entrepreneurship as the willingness and ability of an individual or group of persons to search for investment opportunities, establish and run a business successfully. It also highlighted some functions and characteristics of entrepreneurship, the types and problems; entrepreneurial development and education. The paper also highlighted some of the financial aspects of entrepreneurship that is the various sources of raising funds for the business and finally it also discussed some of the roles of the counsellor for entrepreneurship.

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