

Being a keynote speech on Entrepreneurship in Nigeria by Dr Paschal Anosike, Senior Lecturer in Human Resource Management and Leadership, University of Wolverhampton, on the Nigeria Alumni Association Launch Event organised by the University of Wolverhampton, January 21st 2014, at the Sheraton Hotel and Towers, Abuja, Nigeria.

Preamble

Former President Olusegun Obasanjo set in motion an ambitious goal for Nigeria through his Vision 2020 agenda. He wanted Nigeria to become one of the world's top twenty economies by 2020. To achieve this laudable goal, Nigeria needed to globalise in two key areas - Information & communication technology (ICT) and Entrepreneurship. Whereas Nigeria has seen progressive gains in its ICT development as seen through the impact of mobile telecommunication on the lives of ordinary Nigerians, entrepreneurship in Nigeria is on a backward slide. Successive and current governments have attempted to stem this slide through various initiatives including making entrepreneurship education compulsory for the Nigerian higher education sub-sector. Yet, entrepreneurship in Nigeria remains backward. To appreciate this backwardness, one needs to look at Nigeria's employment landscape in relation to global population.

Nigeria is amongst the top ten largest countries by population, and more than half of the world's 7.2 billion population is under 35 years old. About twenty-four per cent of nearly 170 million Nigerians are today either under-employed or unemployed. Of this percentage, the youth sector is the worst hit. Youths (ages 15-35) account for nearly sixty per cent of the Nigerian population, which represents thirty per cent of the Nigerian workforce - yet, thirty-eight per cent of them remain unemployed. One obvious implication of this is that most Nigerian youths who are either underemployed or unemployed have little or no chance of competing globally. A more worrying implication is that by 2020 and beyond, most Nigerian youths will become parents themselves with little or no means of sustenance – therefore, it is doubtful how they would contribute to achieving the Vision 2020 goal.

When individuals lack the economic means to sustain their wellbeing or that of their families, two things become inevitable - they either go hungry or they break the law. This situation presents a very serious challenge for Nigeria. Entrepreneurship development could mitigate this challenge.

Entrepreneurship in Nigeria

Although the actual size of entrepreneurship activity in Nigeria may never be accurately estimated, entrepreneurial activity in Nigeria is not only triggered by a desperate need for an individual to obtain means of subsistence for his or her family, evidence suggests that entrepreneurship activity have been recreated and

expanded under diverse economic circumstances. In particular, entrepreneurial activity in Nigeria has evolved from agriculture, manufacturing to embrace entertainment, retailing and more recently the provision of repair and maintenance services in mobile telecommunications sector. Religion also plays a significant role in the expansion of entrepreneurial activity in Nigeria. Through the growing influence of “prosperity gospel”, a significant swathe of the Nigerian unemployed has resorted to evangelism as a means of achieving economic prosperity. To better understand the dominant form of entrepreneurial activity in Nigeria, I divide entrepreneurship into two types - opportunity-based entrepreneurship and necessity-based entrepreneurship.

With opportunity-based entrepreneurship, an individual seeks out opportunities and chooses to pursue them in order to improve his or her wellbeing and the community. Necessity-based entrepreneurship is a situation in which one is left with no other viable option to earn a living, not as a choice, but out of compulsion seeks out any means of survival in order to avoid starvation and criminality. The distinguishing characters of these two entrepreneurship forms are the disposition or orientation of the individual at a particular moment in time as a result of specific trigger to act vs a deep-rooted desire for greater self-satisfaction and autonomy. Sadly, the dominant feature of entrepreneurship in Nigeria today gravitates towards necessity based entrepreneurship. The challenge is therefore to encourage an opportunity-based entrepreneurship to take a firm root in Nigeria. This challenge is manifest at two levels – at the Individual level and at the State level.

Challenges to entrepreneurship success in Nigeria

The individual – as an idea, entrepreneurship is synonymous with personal and behavioural attributes namely, creativity, innovation, experimentation and risk-taking behaviours. These attributes are manifest through the individual because of a desire to achieve self-satisfaction and autonomy. Autonomy as a dimension of entrepreneurship is a state of independence that influences an individual to follow through a conceived idea. Creativity and innovativeness explain the individual's propensity to orchestrate a novel or uniquely demanding achievements. Experimentation and risk-taking connotes the individual's willingness to seek and seize opportunities even in the face of uncertainty. A tolerance for uncertainty is part of entrepreneurship and is manifest through willingness to do something and the commitment to see it through without a guaranteed outcome.

Sadly, the situation that emerges in Nigeria suggests that the individual as an “entrepreneur” has yet to exhibit the above attributes. This is not to say there are no examples in the Nigerian society where these attributes have been manifest. Indeed, there are. The likes of Aliko Dangotes, the Wale Adenugas and the Pascal Dozies are only few examples. These examples are a testament that given the right

conditions, Nigerians possess and can exhibit the much-needed opportunity-based entrepreneurial mind-set. The key question, of course, is whether we are a society of individuals willing to seek out opportunities in order to enhance our wellbeing and that of our communities without relying on the State.

Responding to this call will force us to think about the host of other pertinent but problematic challenges in the relationship between the Nigerian individual and the State. The issue of a perennially lack of the investment climate and the poor infrastructure remain a moral conundrum for the Nigerian State and a dilemma for the Nigerian entrepreneur. In this, perhaps, the enduring words of former American President – John F. Kennedy offer a hint for a reflection: “Man holds in his mortal hands the power to abolish all forms of human poverty”, he went on: “ask not what your country can do for you – ask what you can do for your country”. To these I add - what will make Nigeria great is not so much as what it can give to the individual, rather, as an individual what we are willing to sacrifice and give for the good of Nigeria.

The State – the primary responsibility of any State in its socio-economic development effort is to create a climate in which individuals 1) can behave creatively, 2) act with foresight, and 3) be alert to opportunities. Unfortunately, the lack of a skilled workforce, the inadequate regulatory framework, the poor access to markets and finance, and shifty government commitments are some the factors that hinder the creation of the appropriate investment climate and the ability of the individual to pursue entrepreneurial activity. These failures are self-evident, and in most cases manmade and deliberate.

Think for a moment the issue of steady energy supply – yet, it is here where certain perverse activities remain most apparent. Nigeria, with its population of one-fourth of the population of sub-Saharan Africa, its market are more open to new investments than any other country in the sub-Saharan region including South Africa, yet, Nigeria is meeting only 20 per cent of its current energy needs. The World Bank estimates that Nigeria will achieve 30 per cent global competitiveness if it achieves 80 per cent of its energy needs. In Nigeria today, to succeed as an entrepreneur, the individual would almost have to assume the role of the State.

Tackling the challenges

Perhaps, more than ever before, regardless of whether as an individual you are an employee, an entrepreneur or a recent graduate with an aspiration to become an employee or an entrepreneur. To be competitive in the marketplace, you must think and act like an entrepreneur. The once tacit assumption and ‘unwritten contract’ between employer and employee – namely, that if you work hard for an organisation they will keep you in your job has been broken. It no longer exists.

Recent events across the world have proven what an illusion such assumption had been.

As an individual you cannot risk putting your fate entirely in the hands of an employer. You must take control of your career. You must dare to be in the driver's seat of your own destiny. You must restore your ability to pursue your own economic prosperity. In the face of established norms, traditional ideas, scarce resources, and the powerful sometimes numbing expectations of others, we often under-estimate our ability to control and shape our own destiny and overcome the challenges that we face. In order to stand out from the crowd, whether you work for an organisation, run your own business or you a new entrant to the marketplace – you must show and exhibit an entrepreneurial mind-set.

Whilst I am keen to point out the individual has an important role to play in fostering entrepreneurial activity in Nigeria, the State has an even greater role if not a moral duty to ensure that Nigeria is one in which citizens and foreigners alike can invest. A key part of this duty is creating basic functioning legal and institutional infrastructures that encourage 1) micro-medium enterprise, 2) protection of intellectual property rights, 3) enforce private contracts, and 4) allow individuals to freely take advantage of market opportunities. The economic activities of legitimate micro-enterprises (SMEs) operators are the single most contributory factor to entrepreneurship success in any country.

Sadly, in Nigeria, attempting to establish a legally based micro-enterprise is almost impossible. This is because of regulatory requirements and disproportionate state interventions that are not only excessively time-consuming but also impose unnecessary financial burden on the individual. On average, it takes about thirty-four days and multiple procedures to register a new micro-enterprise in Nigeria. From checking the availability of company's name, preparation of the requisite incorporation documents, tax registrations and to local government inspections, the procedure seems daunting, inefficient and primitive. As such, the State can make a number of contributions towards improving Nigeria's global competitiveness, thereby foster and nurture the spirit of entrepreneurship amongst Nigerians.

First, encouraging public-private dialogue through pursuit and development of public and private partnership (PPI) initiatives. Through investment in training to create capacity in key State sectors and agencies, working with business membership organisations e.g., Manufacturers Association of Nigeria (MAN), Chambers of Commerce and Traders Associations to improve capacity as well as provision of incentives to informal micro-enterprise operators to better organise and formalise their practices will guarantee the appropriate investment climate in Nigeria. Second, nurturing entrepreneurial culture in the Nigerian SME sector through sector-focused national initiatives that enhance competitiveness will promote and sustain entrepreneurship – e.g., enterprise fairs to showcase and recognise innovation and creativity, particularly in Agriculture, Services, ICT and

Entertainment (e.g., Nollywood) where Nigeria is witnessing a higher traffic of commercial/entrepreneurial activities amongst its youth population. Skills provision and acquisition through workforce training, patent rights and intellectual property rights are tested recipes that attract and sustain entrepreneurial activity and competitiveness of any country.

Fostering academic-business linkages through education partnerships, research, student and alumni engagement is by far the most productive means of promoting and sustaining the entrepreneurship and the competitiveness of any country. The deliverables from such linkages are immeasurable and immediate, and cut through the layers of ethnic and religious tensions, which remain a serious threat to Nigeria's entrepreneurship development. Efforts of Students in Free Enterprise (SIFE) Nigeria and Small and Medium Enterprise Development of Nigeria (SMEDAN) in linking up with educational institutions, through organised seminars and workshops should be encouraged through the provision of financial resources to widen participation and impact on local communities. Through educational partnerships, businesses are able to gain access to cutting-edge research in their field, and innovative employees in the form of students on work placements or KTP associates gain the opportunity to influence the design of higher education curriculum. This cycle ensures that graduates leave the university with the skills that (their) businesses need now and in the future. As such, institutions of learning, particularly the higher education sub-sector should be the nexus of sustaining entrepreneurial activity through education of the individual and orientation of the State towards entrepreneurship.

With entrepreneurship education compulsory in Nigerian, the question has to be raised as to what extent the Nigerian higher institutions are adequately prepared to embrace the challenge of globalising in entrepreneurship education. One way Nigerian higher institutions can mitigate this challenge is through academic partnerships and linkages with higher institutions abroad. With its global recognition as putting entrepreneurship at the centre of higher education, the University of Wolverhampton can make a significant difference through a strong alumni presence in Nigeria. As a 'University of Opportunity' and the UK's leading provider of knowledge transfer partnerships (KTP) – one of our main foci is employability. Our faculty structure and alumni networks are the basic architecture that we have leveraged to enhance our employability model through provision of employer informed curriculum content. Employability of students and employment opportunities for our graduates are achieved through our approach to curriculum design and provision, which involves students, employers, governments, and alumnus networks.

The Student Placements for Entrepreneurs in Education (SPEED) project at the University of Wolverhampton is one of a few examples that showcase this approach. Through our involvement with the SPEED project, supported by our

Alumni Unit, we have helped students, graduates, alumni and staff from different educational backgrounds to develop and nurture the entrepreneurial skills required in a fast changing and competitive global business environment. As such, a University of Wolverhampton Nigerian Alumni Association, working in partnership with our University's Alumni Unit, will represent a critical component in our commitment to helping to globalise entrepreneurship in Nigeria. To begin with, I propose the following framework:

- 1) To immediately set up a University of Wolverhampton Nigerian Alumni Association and its registration as a bona fide entity
- 2) To articulate a joined up programme of activity with the University's Alumni Unit based in the UK
- 3) To develop activities including 1) an entrepreneurship network to connect to our students and our global alumni networks and 2) annual entrepreneurship seminars/workshops
- 4) To sustain the alumni commitment through social networks and networking events

In conclusion, if you are an employee – my question is: is there an entrepreneur in you? May be now is a wake up call for you to consider taking the entrepreneurial leap. If you already have your own venture, I applaud you. You are taking advantage of one of the best vehicles for wealth creation. In any of these situations, paralysed by fear or distracted by comfort, you would never be able to decouple yourself from your paralysis and comfort in search of new opportunities simply by inaction. But we should not be a society of big believers in making money simply for the sake of amassing wealth for one's own personal benefit. Amassing wealth can create opportunities for others, help to stabilise our families, build our individuality and put jobs back into our communities.

Entrepreneurship is not an easy path, and it is not for everybody. But, if you have the choice, if you feel that you have within you the ability to create wealth and opportunity for others, if you are a University of Wolverhampton alumni in Nigeria, then I can only leave you with the historic tagline of the athletic shoemaker Nike – Just Do it.