



STRATEGIC IMPORTANCE OF ENTREPRENEURSHIP

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INTRODUCTION

Entrepreneurship is one of the most important inputs in the economic development of any country. It is a vital activity that can bring about changes in every economy and society. Entrepreneurship has been defined as the dynamic process of creating incremental wealth and innovating things of value that have a bearing on the welfare of those involved.

According to Harbison, entrepreneurs are prime movers of innovation. They are often thought of as national assets, which need to be refined, motivated and remunerated to the greatest possible extent. Entrepreneurs can change the way we live and work. If successful, their revolutions may improve our standard of living. In addition to creating wealth from their entrepreneurial ventures, they also create jobs and the conditions for a flourishing society. With the advent of technology and increasing youthful population, there seems to be a close relationship with youth, innovation and entrepreneurship.

The fact is people often suffer failure along the path to success, and some businesses have to close due to lack of fund, managerial decisions or a lack of demand in the market. That is why entrepreneurship is mostly viewed as something risky and out of the comfort zone. Entrepreneurs take courage to make one's dreams come to fruition and take vision to see possibilities,

solutions and opportunities for the future, where others see only problems.

Entrepreneurship involves a fusion of capital, technology and human talent. It is equally applicable to big and small businesses as well as to economic and non-economic activities. Entrepreneurship is all about putting to better use the resources, which are considered to be of low value to earn income. Economic growth is measured in terms of a sustained increase in real income.

Perspectives of the Nature of Entrepreneurship

The concept and nature of Entrepreneurship is broad-based. Seven have been identified and the highlights of the seven perspectives of the nature of Entrepreneurship are presented as follows:

1. **Wealth Entrepreneurship:** involves assuming the risks associated with the facilitation of production in exchange for profit.
2. **Enterprise Entrepreneurship:** entails the founding of a new business venture where none existed before.
3. **Innovation Entrepreneurship:** is concerned with unique combinations of resources that make existing methods or products obsolete.
4. **Change Entrepreneurship:** involves creating change by adjusting, adapting, and modifying one's personal repertoire, approaches, and skills to meet different opportunities available in the environment.

5. **Jobs Entrepreneurship:** is concerned with employing, managing and developing the factors of production, including the labor force.
6. **Value Entrepreneurship:** is a process of creating value for customers by exploiting untapped opportunities.
7. **Growth Entrepreneurship:** is defined as a strong and positive orientation towards growth in sales, income, assets, and employment.

Access to a source of capital is an important factor, which may determine the feasibility of any entrepreneurial endeavour. Without access to capital, an entrepreneur's ideas could remain simply that – an idea. However, capital is not the most important pillar of entrepreneurship.

FUNCTIONS THAT MAKE AN ENTREPRENEUR SUCCESSFUL

For the purpose of this discourse, entrepreneurship shall be considered and defined as the pivotal factor for new initiatives that give momentum and prosperity to modern economy. Entrepreneurs are those who perceive what others have not seen and act upon that perception. Consequently, an entrepreneur performs various functions in all societies irrespective of their level of development. Peter Kilby, Albert Shapiro, John Burch, and others have prescribed different functions of entrepreneurship or entrepreneur. Some distinct key functions of entrepreneurship can be derived from these, as presented below.

Key Functions of successful entrepreneurs

1. Taking Initiative: Entrepreneurship is a pro-active activity that takes such action, which others cannot even perceive. This unique function of entrepreneurship provides modern societies with a wide variety of products, ways of actions, production techniques, etc. Therefore, taking initiative with such end and qualification is the prime function of entrepreneurship in every economy.

2. Organizing Resources: Organizing entails identifying those resources that are required to transform a particular idea into reality. The resources include human and non-human resources. Organizing in entrepreneurship will increase productivity, promote new ventures, distribute and supervise work and responsibility, and will remove barriers to work. Entrepreneurship, thus, is the taping tool for assuming indigenous skills and resources for the productive purpose.

3. Identifying Opportunities and Prospects: Entrepreneurship searches those activities of value that have an economic and social contribution. It identifies new opportunities in the socio-economic arena which have got profitable prospects; therefore, entrepreneurs are called searchers of hopes into blind spots and this function enormously indebted our society to entrepreneurship.

4. Risk-Taking: Entrepreneurship takes the risk for the new venture. These may include for example, innovative actions in the field of production technology for new products in a volatile market and new raw materials used in production. Moreover, the whole life is full of risks. That is the need for entrepreneurship. The man who goes to bed in the evening is taking a risk because not everyone will wake up tomorrow. This is why we need to be creative. We pray to God and manage our risks innovatively. This is a major

function of entrepreneurship in developing countries and emerging economies.

5. Decision Making: Entrepreneurship is a new initiative therefore; it has to decide multivariate issues that affect new ventures. Entrepreneurship has to decide upon equipment to be used, quality, price and its variation, deficiency, capital structure, the feasibility of the project, organizational structure, philosophy of management, etc. that will guide, run and prosper the new venture or distinct attempt for entrepreneurship.

6. Technology Transfer and Adaptation: Entrepreneurship throughout the world brings invented technology from different comers of the world and makes it appropriate by making required adjustments for local conditions. This function of entrepreneurship involves identifying appropriate technology with market potentials and adapts it into the local environment. Sometimes, the technology uses indigenous materials that reduce cost and wastage of resources. This entrepreneurial function virtually makes the world united in terms of homogeneous technology.

7. Innovation: Entrepreneurship innovates a new production process or technology, market, sources of new materials, management, strategy or technique, investment opportunity, etc. that Schumpeter (1934) refers to as the fundamental characteristics of entrepreneurship. Under the context of the changing environment, the entrepreneur locates the most feasible opportunity for the venture as well as improved or distinct technology that gives competitive advantages or a new opportunity to prosperity. Innovation is a creative means to add new utilities to existing situations or products. Entrepreneurship through innovation creates innovative products or operations for human society.

8. Fostering Autonomy: Entrepreneurship is an exposure of creative faculty that provides personal satisfaction and independence. The unique freedom to think differently is the impetus for entrepreneurship. Thus, entrepreneurship fosters autonomy to advent something new of value by the application of devoted efforts and time.

9. Social Responsibility: Entrepreneurship with its innovative technology somehow promotes human efforts. It restarts closed industries with innovative managerial strategies and techniques. It also motivates new entrepreneurs and attracts them to engage into an entrepreneurial venture. Entrepreneurship provides new products or ideas that give momentum and diversity into society. Therefore, entrepreneurship performs social responsibility that protects the welfare, benefit and economic gain of the society. It also promotes the community standard by providing jobs and amenities.

10. Public Relations: Entrepreneurship is a new venture that requires social acceptance by the regulatory bodies and the public at large. The government, as well as the persons' who will be subject to entrepreneurship, would be convinced through public relations to accept and to allow the entrepreneur to execute an entrepreneurial venture. History tells that many entrepreneurs were disregarded, coerced and even eliminated for their entrepreneurial activities. Failure is costly and therefore, public relation is a significant function of entrepreneurship.

11. Experience Sharing: Entrepreneurship may spread in society through publishing and sharing its success stories. Thus, entrepreneurship holds workshops; industrial visits through which the entrepreneurial experience in different counties may be shared with a widespread adaptation of success. This function will benefit the

Source: Adapted from the work of Morris (1998); Derived by Kuratko, Morris Covin (2011).

economies of the countries as well as the world bodies,

12. Managerial Roles: Entrepreneurs perform several managerial roles to keep their venture functioning with success. The roles are interpersonal roles that consist of a figurehead role, leadership role, and liaison role; informational roles that include recipient role, disseminator role, and the spokesperson role; decisional roles that consist of an entrepreneurial role, disturbance-handler role, resource allocator role, and the negotiator role. The entrepreneur also does the associated managerial functions such as planning, organizing, leading and controlling.

13. Balanced Economic Development: Sustainable economic development requires a balanced development among various regions and sectors of a country. Every country tries to ensure such a situation that makes industrialization throughout the country possible. Entrepreneurs make it possible by establishing business ventures in various parts of the country in various sectors of the industry.

WHY YOUTHS SHOULD TAKE TO ENTREPRENEURIAL PATH

Following are the importance of entrepreneurship, and these present serious cases for our youths to take to the entrepreneurial path instead of waiting for government employment:

Creation of employment opportunities: Entrepreneurial ventures contribute largely to the provision of new jobs. They provide entry-level jobs, which are essential for training or gaining experience for unskilled workers. The small enterprises account for a high percentage of the total employment annually. Moreover, entrepreneurial ventures prepare and supply experienced labour to large industries.

Innovation: Entrepreneurship is the incubator of innovation. It goes beyond discovery and induces implementation and commercialization of innovations. "Leapfrog" innovation, research, and

development are invoked by entrepreneurship. Entrepreneurship therefore nurses innovation, which evolves into new ventures, products, technology, market, quality of good, etc. to the economy; and these increase Gross Domestic Products and standard of living of the people.

Impact on community development: A community is better off if its employment base is diversified among many small entrepreneurial firms. It promotes abundant retail facilities, a higher level of home ownership, fewer slums, better sanitary standards and higher expenditure on education, recreation and religious activities. Thus, entrepreneurship leads to more stable and higher quality life.

The consequence of business failure: The collapse of the large industry would have irrefutable damage on the development of the state, its economy and the financial condition of involved persons. The incumbents lose their jobs, suppliers and financial institutions face a crisis of recovery. Customers are deprived of goods & services and the government loses taxes. This cannot happen in the case of failure of entrepreneurship. There will be no measurable effect upon the economy and no political repercussions too.

Political and economic integration of outsiders: Entrepreneurship is the most effective way of integrating those who feel disposed of and alienated into the economy. Minorities, migrants, and women are safely integrated into entrepreneurship that will help to develop a well-composed plural society.

Spawns entrepreneurship: Entrepreneurship is the nursing ground for inexperienced adventurers. It is the field where a person can start his/her idea of the venture, which may end up in a giant enterprise. All the large industrial ventures started as a small entrepreneurial enterprise. Therefore, entrepreneurships provide a wide spectrum of ventures and entrepreneurs in every economy. The vast open arena of entrepreneurship,

therefore, acts as an incubator for entrepreneurs.

Enhances the standard of living: The standard of living is a concept built on an increase in the amount of consumption of a variety of goods and services over a particular period by a household. So, it depends on the availability of diversified products in the market. Entrepreneurship provides enormous kinds of a product of various natures by their innovation. Besides, it increases the income of the people who are employed in entrepreneurial enterprises. That also leads to an increase in the consumption of goods and services. In effect, entrepreneurship enhances the standard of living of the people of a country.

Promotes research and development: Entrepreneurship is innovation and hence the innovated ideas of goods and services have to be tested by experimentation. Therefore, entrepreneurship provides research and development funds for universities and research institutions. This promotes the general standard, research and development of the economy.

CONCLUSION

Entrepreneurship plays an influential role in the economic growth and standard of living in all countries. As a start-up founder or small business owner, you may think that you are simply working hard to build your own business and provide for yourself and your family. But you are in fact doing a whole lot more, not only for yourself but for your local community, state, region, and the country as a whole. (Al-Awlaqi, Aamer, & Habtoor, 2018)

REFERENCE

Aamer, A., & Al-Awlaqi, M. (2018). The Effect of Entrepreneurship Training on Entrepreneurial Orientation: Evidence from a regression discontinuity design on micro-sized businesses.