

NURTURING ENTREPRENEURIAL CHARACTERISTICS FOR FUTURE ENTREPRENEURS

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Abstract

In hard times when educated persons cannot get jobs and government do not have sufficient resources to support the unemployed workforce, self employment and entrepreneurship becomes the best solution. Discovering and exploiting entrepreneurial opportunities is not easy and within reach of everybody. Only a small part of a population succeeds in becoming entrepreneur. Many factors contribute to explain this fact. Among them is the existence of personal entrepreneurial characteristics that contribute to making a successful entrepreneur. Entrepreneurship requires a regular and permanent attitude as part of personality. Attitude can be based on personality traits and demographic characteristics; it can also be nurtured through education. The paper examines the concept of entrepreneur and entrepreneurship, entrepreneurial characteristics and how they can be nurtured through education. The paper also adopted the lifelong learning model created by Consortium of Entrepreneurial Education which recognizes the importance of nurturing the entrepreneurial spirit from early ages, and continuing it right through educational levels. The model has five distinct stages of development. They are Basics, Competency awareness, Creative applications Start-up and Growth. Recommendations that can help nurture entrepreneurial characteristics which include introducing entrepreneurship education at all levels of the educational system, developing a class model business and study of biography of successful entrepreneurs among others were proffered.

Keywords: Entrepreneur, Entrepreneurship, Entrepreneurial characteristics.

Introduction

For sometimes now, unemployment rate in Nigeria has increased. The grossly inadequate power supply and current security challenges have shattered all economic activities and created unemployment at a very large scale in Nigeria. According to the National Bureau of Statistics (2012) unemployment rate in Nigeria in 2011 stood at 23.9, 25.6, and 17.1 per cent at national, rural and urban levels respectively. The males recorded 23.5 per cent and females 24.3 per cent. To employ these unemployed persons is a big challenge for authorities and social security is non-existent. The extended family system is fast eroding and can no longer provide support for members. Many look up to their children for social security at retirement. Unfortunately, most of the children are either under- employed or unemployed. This increased unemployment is creating lots of challenges for both government and society, challenges such as insecurity, armed robbery, increased crime rate and many social vices.

The National Directorate of Employment (NDE) was established by the Federal Government and charged with the responsibility of creating more job opportunities for Nigerians. The Federal Government also launched National Economic Empowerment and Development Strategy (NEEDS) with its goal of poverty reduction, employment generation and wealth creation. The states are not left out in the fight against unemployment. Various organizations are also playing important roles in the national effort to create employment opportunities. The strategies employed are more of a palliative measure than a panacea to the disease of unemployment. Ahmad, Nawaz, Ahman, Shaukat, Usman, Rehman and Ahmad (2010) noted that the failure to solve the challenge of unemployment has encouraged many countries to think of new strategies. Entrepreneurship strategies as a new paradigm have been proposed by economists as one of the most effective alternatives.

Entrepreneurship works like an engine for economic growth/progress, job creation and social adjustment. The development of entrepreneurship has great potential for benefiting the broader society, as well as the individual entrepreneur. Realizing the importance of entrepreneurship for social and economic development of Nigeria, this paper examines the concept of entrepreneurship and an entrepreneur, characteristics of successful entrepreneurs and how to nurture the entrepreneurial spirit among future entrepreneurs.

Concept of entrepreneurship

The concept of entrepreneurship was first established in the early 1700. Ever since then, its definition has continued to evolve. The term comes from the French verb "entreprendre" and the German word "unternehmen" both of which mean "to undertake" (Anderson, 2005). In literature there is little consensus as to what constitutes entrepreneurship (Swedberg, 2000). Some writers identified entrepreneurship with the function of uncertainty, others with the co-ordination of productive resources, others with the introduction of innovations and still others with the provision of capital.

Gana (2001) defined entrepreneurship as the willingness and ability of an individual to seek out investment opportunities in an environment and be able to establish an enterprise successfully based on the identified opportunity. Kuratko (2003) defined entrepreneurship as a dynamic process of vision, change and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. For Kuratko, entrepreneurship is more than the creation of business. It is an integrated concept that permeates an individual business in an innovative manner. To Kimani (2004), entrepreneurship is the process of creating business enterprise capable of entering new or established markets by deploying resources and people in a unique way. Aruwa (2005) observed that the numerous definitions can be expressed in terms of:

- (i) The discovery of profitable investment opportunities;
- (ii) Decision-making as to the exploitation of profitable opportunities;
- (iii) Promotion and establishment of the business enterprise;
- (iv) Aggregation of scarce resources required for production and distribution;
- (v) Organization and management of human and material resources for attainment of enterprises' objectives;
- (vi) Risk bearing;
- (vii) Creation of an innovative economic activity; and
- (viii) Improvement on the methods of doing things.

Concept of Entrepreneur

Modern use of the term "entrepreneur" is usually credited to Joseph A. Schumpeter who emphasized the role of innovation in transformation of economic systems and viewed the entrepreneur as an innovator. In his writings, the Austrian-American economist stressed the role of the entrepreneur as an innovator, the person who develops a new product, a new market, or a new means of production (Aruwa, 2005). An entrepreneur means different things to different people. To an economist, an entrepreneur is one who brings resources, labour, materials and other assets into combinations that make their value greater than before and also introduces changes, innovations and a new order. To a psychologist, an entrepreneur is a person typically driven by certain forces to obtain or attain something to experiment, to accomplish or perhaps escape the authority of others. To a businessman, an entrepreneur appears as a threat, an aggressive competitor to another entrepreneur. He may be an ally, a source of supply, a customer or someone who creates wealth for others, as well as finds better way to utilize resources, reduce waste or produce jobs others are glad to get (Ene-Obong, 2006).

Global Entrepreneurship Monitor (2010) defined an entrepreneur as someone who started a new business during the year or who ran a business that was less than three and half ($3\frac{1}{2}$) years old and was still economically viable. Aruwa (2005) defined an entrepreneur as someone who

imagines opportunities instead of perceiving them. Entrepreneurs are believed to have specific abilities that make them think and act in an entrepreneurial way.

Personal Entrepreneurial Characteristics

Personal characteristics, defined as entrepreneurial traits, are attributes of business owners (Trevian, 2009). Martins (2012) identified the following as the characteristics most successful entrepreneurs possess:

- (i) Passion and Energy - Capacity to work long hours without sleep shuffling between the family business duties and meetings;
- (ii) Ability to take Responsibilities - Take responsibilities for your actions and decisions even in the face of failure. Do not blame the employees, instead take charge, correct the business mistake and move on;
- (iii) Long Standing Commitment - A commitment to achieve stated goals not just for the moment but for years;
- (vi) Self Belief - A high level of confidence. A strong believe in oneself and his ability to achieve set goals;
- (v) Persistence - The ability to press on in the face of hardship;
- (vi) Goal Setting - Being goal oriented. Set clear high and challenging but realistic and attainable goals for oneself;
- (vii) Ability to take Risk - Business is a risk and to undertake it, you have to be daring;
- (viii) Intelligent Use of Feedback - Have a smart team so as to get feedback about decisions taken and act on them. The feedback can be in form of criticisms, a bad news, opinion or advise;
- (ix) Strong Self Imposed Standards - Laid down principles and do not compromise for any reasons. Is firm, strict and a man or woman of principles;
- (x) Ability to Work Under Pressure and Uncertainty - Live with tension, seek it out and learn to thrive on stress;
- (xi) Strong Internal Control - Firm control of cash flow and other business systems;
- (xii) Intelligent Use of Resources - efficient utilization of limited resources;
- (xiii) Ability to Quickly Learn from Failure - acknowledging business mistake learned from them, correct them and move on. Use failure as a stepping stone to success;
- (xiv) Money as a Means of Keeping Score - use money as a land mark. A target and a sign to move on to other business challenges;
- (xv) Delayed Gratification - hoping for greater reward in years to come;
- (xvi) Desire to Create- Strong desire to originate an idea, product or to be innovative; etc.

These characteristics can however, be divided into three groups; the first relates to the entrepreneur's personality, the second to the entrepreneur's skills and the third to the entrepreneur's background experience. Furthermore, many of the various factors mentioned in the list were basically different facets of the same few main characteristics and can therefore, be consolidated into a much smaller set of profile dimensions (Kuratko & Hodgetts, 2004). Timmons (1990) opined that it is possible to whittle down the number of traits which should characterise an individual, for him/her to be deemed entrepreneur grade, limiting ourselves to traits related to the personality. He identified them as follows:- attitude towards risks; commitment and determination; creativity; independence and leadership; motivation to progress; and obsession with opportunity.

Most authors agree in naming these six traits among the distinctive characteristics of the entrepreneur. They should belong to any entrepreneur, wherever he lives and whatever his origin. The lack of one of them would cause a fatal weakness in an individual ability to act entrepreneurially. Indeed it was remarked that there is a close connection between personal characteristics of an entrepreneur and the economic success of the firm, as measured by growth and profitability (Cassion, 1982).

Nurturing Entrepreneurial Characteristics

Discovering and exploiting entrepreneurial opportunities is not easy nor within reach of everybody: only a small part of a population succeeds in becoming entrepreneur (Hindle, 2004). Many factors contribute to explain this fact. Among them is the existence of personal entrepreneurial characteristics that contribute to making a successful entrepreneur. Entrepreneurship is a set of behaviours and practices that can be observed and acquired. The behavioural approach to entrepreneurship suggests that the proclivity and facility with which an individual manifests these behaviours can be significantly strengthened in individuals by appropriate exposure and training. Basu and Virick (2012) found that education can affect students' attitudes toward entrepreneurial self-efficacy. Lack of entrepreneurial education leads to low level of entrepreneurial intentions of students (Franke & Luthje, 2004). An entrepreneur with entrepreneurial education can create higher profits from entrepreneurial businesses (Jo & Lee, 1996).

The Consortium for Entrepreneurship Education (2012) created the lifelong learning model (Fig.1) to demonstrate that entrepreneurship is a developmental process. They recognized the importance of nurturing the entrepreneurial spirit from early ages, and continuing it right through all educational levels. In most cases entrepreneurship is infused in classes where it provides the context for learning other basic skills and motivating students to want to learn. In more advance grades it also has become a separate course supporting the outcomes of the higher levels of the lifelong learning model.

The Consortium supports the concept that entrepreneurship is a lifelong learning process that has at least five distinct stages of development. This lifelong learning model assumes that everyone in the education system should have opportunities to learn at the beginning stages, while the later stages are targeted at those who may specifically choose to become entrepreneurs. Each of the following five stages may be taught with activities that are infused in other classes or as separate courses.

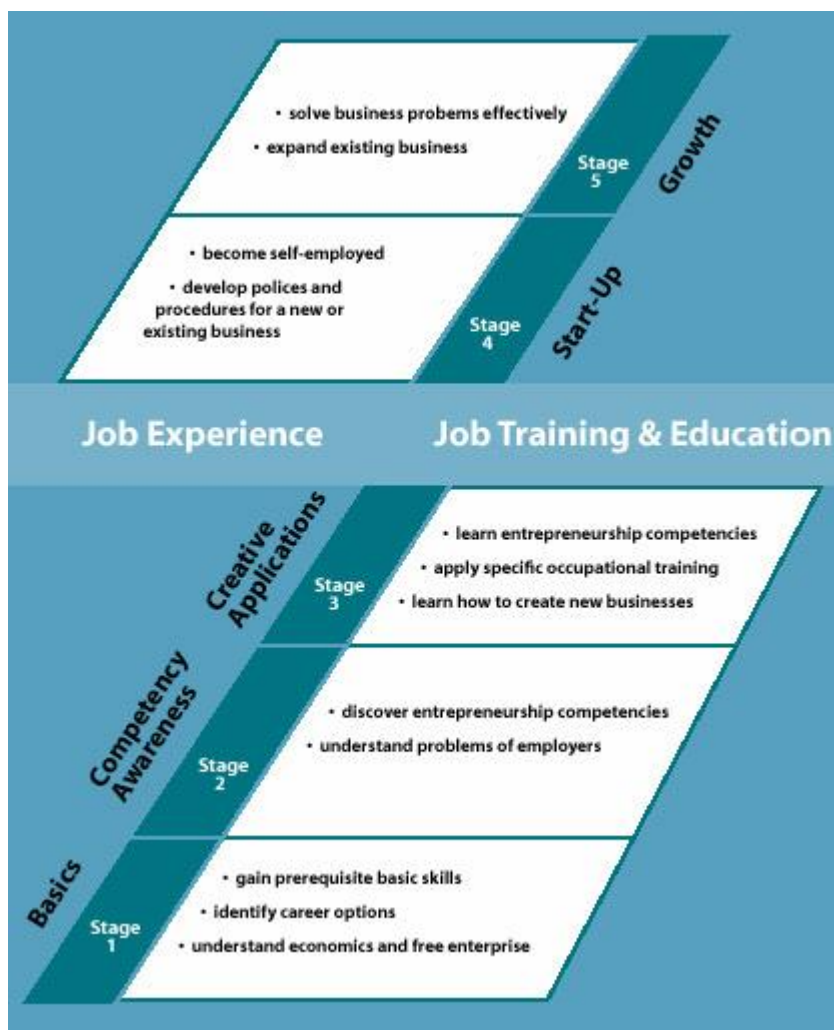


Fig.1: Lifelong Learning Process

Source: Consortium for Entrepreneurial Education

Stage 1 - Basics

In primary grades, junior secondary and senior secondary, students should experience various facets of business ownership. At this first stage the focus is on understanding the basics of our economy, the career opportunities that result, and the need to master basic skills to be successful in a free market economy. Motivation to learn and a sense of individual opportunity are the special outcomes at this stage of the lifelong learning model.

Stage 2- Competency Awareness

The students will learn to speak the language of business, and see the problems from the small business owner's point of view. This is particularly needed in career and technical education. The emphasis is on beginning competencies that may be taught as an entire entrepreneurship class or included as part of other courses related to entrepreneurship. For example, cash flow problems could be used in a math class, and sales demonstrations could be part of communications class.

Stage 3- Creative Applications

There is so much to learn about starting and running a business it is not surprising that so many businesses have trouble. We expect future doctors to learn their profession through years of formal study, yet we have expected small business owners to learn everything by attending weekend seminars. At this stage, students can take time to explore business ideas and a variety of ways to plan the business. Although, it is still only an educational experience, students must

gain a greater depth and breadth of knowledge than they may have from previous stages. This stage encourages students to create a unique business idea and carry the decision-making process through a complete business plan. The best programmes enable students to actually experience the operation of a business as well. This stage may take place in advanced high school career and technical programs, polytechnics where there are special courses and/or associate degree programs, and some colleges of education and universities. The outcome is for students to learn how it might be possible to become an entrepreneur and to practice the processes of business.

Stage 4- Start up

After adults have had time to gain job experience and/or further their education, many are in need of special assistance to assemble a business idea. Education programs focusing on business start up assistance should be made available in various institutions and forums.

Stage 5- Growth

Often, business owners do not seek help until it is almost too late. A series of continuing seminars or support groups can assist the entrepreneur in recognizing potential problems and how to deal with them in a thorough and timely manner. Many colleges and continuing education programs at universities/polytechnics offer such seminars and workshops for their business community. They recognize that the best economic development plan is to help the community's existing businesses grow and prosper (Consortium for Entrepreneurship Education, 2012).

Educators at each of these stages of entrepreneurship should focus on their own special outcomes, and reach out for partnerships with educators at other levels of this lifelong learning process. There is room for entrepreneurship in some way everywhere in our educational system.

Recommendations

To nurture entrepreneurial characteristics for future entrepreneurs the following are suggested:

- (i) Develop an entrepreneurial education curriculum framework and create syllabi for all levels.
- (ii) Introduce entrepreneurship education at all levels of our educational system.
- (iii) Introduce a course in methods of teaching entrepreneurship education in all teacher training institutions.
- (iv) Initiate a five-year project to implement a new policy requiring all serving teachers to complete a course in entrepreneurship education and mount the courses.
- (v) Encourage schools to establish a small business centre to promote entrepreneurship culture.
- (vi) Building of self confidence in students through pep talk.
- (vii) Encouraging students to interact with big time businessmen through excursions to big firms.
- (viii) Study of biographies of successful entrepreneurs.
- (ix) Formation of business clubs in schools.
- (x) Developing a class model business.
- (xi) Inviting successful entrepreneurs as guest lectures.

Conclusion

The challenge to tackle poverty and unemployment is enormous. The people must be empowered to achieve their full potentials. The educational system in Nigeria, at all level has a part to play. Entrepreneurship offers great opportunity for self-reliance and economic development. Entrepreneurs are not born, they become through the experience of their lives. Therefore, it is important to nurture the entrepreneurial character from early ages and continuing it right through all educational levels. Young people can build confidence in their abilities to become entrepreneurs in their future as a result of a variety of entrepreneurial activities provided throughout education.

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