

Achieving National Transformation Agenda in Nigeria through Entrepreneurship (A Review)

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ABSTRACT

This paper examines the transformation agenda of President Good Luck Jonathan administration in Nigeria, with specific emphases on the role of entrepreneurship. The writers adopt a theoretical analysis through literature review, analyses of macroeconomic framework and policy direction which provides an insight to the understanding of key policy areas to be focused on and the specific areas which government hopes to achieve in line with the key policies. The role of entrepreneurship in national transformation was extensively analysed with emphasis on practical approach to business management. The paper concludes that lack of continuity, consistency and commitment in the implementation of policies and programmes constitute a major bottle neck towards the realization of development agenda in Nigeria. Recommendations were given which include the need for immediate integration of Competency Based Economies through Formation of Enterprise (CEFE) Methodology into entrepreneurship academic curriculum of tertiary institutions in Nigeria to facilitate the learning of practical approach to enterprises formation and management instead of the present theoretical content. Government should aggressively revive the agriculture and other real sectors of the economy in order to achieve national transformation. Finally, Transformation agenda should not be seen as political party affair, it should be given comprehensive and collective participation from private institutions, universities and polytechnics if only a good result is to be achieved. This can be possible if transparency and sincerity is instituted into the implementation process.

Keywords: Transformation Agenda, Entrepreneurship, Nigeria Government.

INTRODUCTION

President Goodluck Jonathan rode to power on the back of a promised transformation agenda, which he is virtually set to get off the ground. Throughout his campaign, he refrained from making specific pledges, only speaking, in the main, about his intention to change the ways things were done and give the country a new sense of direction. It was a situation that left the transformation agenda in an abstract form in the minds of many Nigerians. But now, it would appear that the agenda has been properly articulated and can be accessed by interested citizens. The transformation agenda is planned for between 2011 and 2015, which is the duration of the present administration and it is necessitated by the need to correct the flaws in the country's drive for development where there is absence of long-term perspective, and lack of continuity, consistency and commitment (3Cs) to agreed policies. This government believes that the culminating effect of these has been growth and development of the Nigerian economy without a concomitant improvement in the overall welfare of Nigerian citizens.

To the Jonathan administration, the disregard for these 3Cs has resulted in rising unemployment, inequality and poverty and it is therefore necessary to come up with a holistic transformation of the Nigerian state with a strategy that gives cognizance to these 3Cs in the duration of the administration National Planning Commission (2011). Government based the Transformation Agenda and draws its inspiration from the Vision 20:2020 and the first National Implementation Plan (NIP) according to the summary of federal key priority policies, programmes. It aims to deepen the effects and provide a sense of direction. The agenda is based on a set of priority policies and programmes which, when implemented, would transform the Nigerian economy to meet the future needs of the people. However, we must put at the back of our mind that transformation agenda cannot be realized in a corrupt system; therefore sincerity of purpose should be the ladder for the attainment of transformation agenda. This paper examines the economic direction of transformation agenda of Good Luck Jonathan administration and the role of entrepreneurship in shaping the achievement of transformation agenda in Nigeria. The paper focuses on microeconomic policies and direction, entrepreneurship concepts and its role in national development or transformation.

MACROECONOMIC FRAMEWORK AND ECONOMIC DIRECTION

Government is projecting a baseline Gross Domestic Product (GDP) growth rate of 11.7 per cent per annum for the period 2011-2015, as it hopes that it will translate to real and nominal GDP of about ₦428.6billion and ₦73.2trillion respectively at the end of the programme period. It assumes that the projected GDP growth of the period will be driven largely by the oil and gas, solid minerals, agriculture, Information Communication Technology (ICT) equipment and software, telecommunication, wholesale and retail trade, tourism and entertainment, manufacturing and building and construction sectors NPC, (2011). A total investment of ₦40.75trillion in nominal terms is also projected for the period. The public sector will account for ₦24.45trillion or 60 per cent, while the remaining ₦16.30trillion or 40 per cent is expected to be invested by the private sector. Overall, public sector investment plan is made up of ₦11.59 trillion for states and local governments respectively. The key policies to be pursued by government during the programme period are as follows:

- a. Ensuring greater harmony between fiscal and monetary policy. In this regard, the National Economic Management Team will be strengthened to facilitate effective coordination of fiscal and monetary policies.
- b. Pursuit of sound macroeconomic policies, including fiscal prudence supported by appropriate monetary policy to contain inflation at single digit.
- c. The budget process shall be reviewed to provide greater clarity of roles between the executive and legislature and to ensure that the appropriation bill is enacted into law within the first month of any year. The direction of policy shall draw inspiration from the US system and concentrate on setting allocation priorities rather than micro-budgeting or contesting figures with the executive.

- d. The existing revenue allocation formula shall be reviewed to achieve a more balanced fiscal federalism. This is expected to pave the way for more effective implementation of programmes at the national level.
- e. Institutionalising the culture of development planning at all levels of government and ensuring that the annual capital budget allocation takes a cue from medium and long term development plans. Towards this end, government wants the National Assembly to expedite the passage of the Planning and Project Continuity Bill in order to strengthen the Plan Budget link and reduce the high incidence of abandoned projects. The specific areas of intent expected to cover by the transformation agenda include;

JOB CREATION

Government will pursue certain policy measures to reinvigorate various sectors of the economy and enhance their employment generating potentials, including implementing a youth employment safety net support programme that includes conditional cash transfer and vocational training; development of industrial clusters; reviewing of university curricular to align with industry job requirements and promotion of apprenticeship/work experience programmes and joint ventures; enforcement of mandatory sub-contracting and partnering with locals by foreign construction companies and implementation of mandatory skills transfer to Nigerians by foreign construction companies.

PUBLIC EXPENDITURE MANAGEMENT

Government is concerned that the sub-optimality of the expenditure profile of the Federal Government of Nigeria since 1999 has seen recurrent spending consistently crowded out capital expenditure, exacerbating the already abysmal state of infrastructure. Recurrent expenditure has fluctuated between 47.5% in 1999 to 80.29 per cent in 2003, while capital expenditure accounted for only 19.71 per cent of total government expenditure. It notes that it has since increased continually to a high of 38.37 per cent of total expenditure in 2009. It has grown much worse in 2011 with government borrowing to finance recurrent expenditures. To remedy the situation, under the transformation agenda, government will entrench a culture of accountability by beginning to sanction and prosecute officers that breach established financial management rules and regulations. The monetization policy will also be strictly enforced to guard against reckless spending and unnecessary expenditure in the public sector.

GOVERNANCE

The Transformation Agenda's policies on governance are motivated by Nigeria's inability to decisively tackle most development challenges such as poverty, unemployment, security and deplorable state of infrastructure. These include political governance, economic governance, corporate governance and effectiveness of institutions. During the life of this administration, the policies and programmes directed at addressing governance challenges, will focus on the public service; security, law and order; the legislature; anti-corruption measures and institution; the judiciary; economic coordination and support for private investment. The critical policy thrust of governance will be to maximise the benefits the citizenry derive from governance

through more effective and efficient use of public resources, proper financial management and fiscal prudence. This entails adequate emphasis on the attainment of law and order, guarantee of safety of lives and property and the provision of an environment in which people find happiness and fulfilment.

JUSTICE AND JUDICIARY

The policy thrusts of the justice and judiciary sector will be achieving greater independence for the judiciary in terms of funding, improving capacity and efficiency in judicial service delivery, eliminating all forms of corruption in the administration of justice in Nigeria, enhancing the capacity of the justice ministry to superintend prosecution and improving professionalism in legal practice for better service delivery. Well, we should take time to study the recent drama between the judiciary and the presidency on Justice Salamis saga, Nigerians realised after the drama that justice was denied. In order words, where is the so called independent of judiciary?

FOREIGN POLICY AND ECONOMIC DIPLOMACY

Nigeria's foreign missions are to be properly focused and well-funded in order to meet the foreign policy goals of the country. Government may rationalise missions and appoint honorary consuls to deal with consular issues in areas where Nigeria's interest does not loom large as practiced by other countries.

LEGISLATURE

Under the planned period, the thrust of the policy will be to facilitate the creation of a dynamic, constitutionally effective and public responsive legislature that is proactive in its legislative duties and independent but aware of its constitutional partnership with the executive and judicial arms of government. Other policy measures include regular auditing of the activities and publication of annual reports of the national and state legislatures to promote greater transparency and accountability in the use of public funds; promote greater public interest in the scrutiny of legislative actions; and inform public debate to these ends. Attention will be paid to human capital development policies, programmes and projects because of government's belief that investing in human capital development is critical.

EDUCATION

Under Priority Policies for the Development of Education, the Jonathan administration intends to promote primary enrolment of all children of school-going age, irrespective of the income profile of the policies; engage in the provision of infrastructure such as classrooms across all levels, so as to ease over-crowding, increase access and reduce pupil/teacher ratio; and enhance the efficiency, resourcefulness and competence of teachers and other education al personnel through training, capacity building and motivation.

HEALTH SECTOR

For the health sector, the underpinning policy for the inputs towards achieving the human capital development goal of the Vision 20: 2020 strategy is the National Strategic Health Development Plan (NSHDP). The NSHDP is the vehicle for actions at all levels of the health care delivery system which seeks to foster the achievement of the MDGs and other local and international targets and declaration commitments.

LABOUR AND PRODUCTIVITY

Here, the agenda is to focus on the implementation of the National Action Plan on Employment Creation (NAPEC) targeted at creating five million new jobs annually within the next three years, establishment of more skills acquisition centres; implementation of local content policy in all the sectors, especially in the oil and gas industry in order to boost job creation in the country.

The transformation agenda also provides for Key Policies for the Real Sector under the plan period. Its policies for developing the seven growth drivers are agriculture and food security, manufacturing, and oil and gas. Under agriculture and food security, apart from securing food and the food needs of the country, government will enhance generation of national and social wealth through greater export and import substitution, enhance capacity for value addition leading to industrialisation and employment opportunities, and ensures efficient exploitation and utilisation of available agricultural resources; and enhance the development and dissemination of appropriate and efficient technologies for rapid adoption.

Under manufacturing, the agenda seeks to promote private sector investments through the creation of an enabling environment that allows for substantial improvement in efficiency, productivity and profitability, significantly increase local manufacturing local content and linkages with other sectors of the economy, ensure global competition for manufactured goods, make Nigerian manufactured goods major foreign exchange earners and achieve rapid and sustained economic growth through broadening of the nation's productive base.

In oil and gas, the focus will also be on the promotion of private sector investment in both the upstream and downstream activities of the oil and gas, deregulation of the industry and promotion of environmentally friendly oil and gas exploration and exploitation methods; strengthening capacity building programmes especially in core technical areas; provision of funding mechanisms for pre-bidding geosciences and surveys of deepwater offshore, gas flare-down to reduce pollutions and increase supply for domestic use and power generation, and local content development.

INFRASTRUCTURE POLICIES, PROGRAMMES AND PROJECTS

Government will seek to address the infrastructure deficit in the country in key development areas such as power, transportation, and housing, Information Communication Technology (ICT), Federal Capital Territory (FCT) and Niger Delta. The Transformation Agenda stresses the critical importance of these areas in the national development. Between 2011 and 2015, key priority policies will be pursued to develop infrastructure and consequently engender sustained growth and development in the country.

POWER

Government envisages that the total proposed investment in the power sector during the period is about ₦1, 896 trillion. This will cover investments in four areas of power generation, transmission, distribution and alternative energy. This expenditure aims at increasing generation and transmission capacity in order to provide adequate and sustainable power, intensifying rural electrification efforts in a more efficient manner;

and achieving optimal energy mix using the most appropriate technology. The strategies to be adopted in achieving these include creating a deregulated and competitive electric power sector to attract foreign and local investments; ensuring a viable commercial framework for the electric power sector including a tariff regime that promotes transparency, guarantees security of investments and a reasonable rate of return on investments; ensuring the transmission capacity and providing redundancies in the transmission system so as to ensure a fully integrated network that minimises transmission losses while strengthening grid security.

INFORMATION AND COMMUNICATION TECHNOLOGY

The proposed investment for the ICT sector between 2011 and 2015 is ₦22.2 billion. The agenda will focus on the development of a national Knowledge Based Economy (KBE) 10-year Strategy Plan, sustained human capacity development in ICT; creation of a favourable and friendly investment and enterprise environment through transparency in tax systems, antitrust laws, incentives and trade policies that would stimulate local and foreign investments in ICT, as well as development of infrastructure, particularly global connectivity as a prerequisite to leveraging the benefits of the global economy, improving domestic productivity and attracting foreign investments. Other strategies are: creation of an enabling environment through appropriate policies, legal, regulatory and institutional frameworks and enhancing Public Private Partnership (PPP) in project funding, financing and management.

NIGER DELTA

As for Niger Delta, the proposed investment in the region during the Plan period is ₦335.05 billion. The main policy thrust will be to entrench peace and stability to drive sustainable socio-economic development in the area with the aim of reducing the high incidence of poverty, high rate of unemployment and high level of insecurity.

TRANSPORTATION

Government expects total investment for the transport sector during the period 2011-2015 to be approximately ₦4, 465 billion. The investment would cover roads, railways, inland waterways, ports and airports development. The main policy thrust during the Plan period is to evolve a multimodal, integrated and sustainable transport system, with greater emphasis on rail and inland waterways transportation. An enabling environment for Public-Private Partnership (PPP) is being created by designing new policies, legislation and institutional framework that would support the envisaged transformation of the sector.

LITERATURE REVIEW

Definition of Entrepreneurship

Hisrich and Peters (2002) defined Entrepreneurship as the dynamic process of creating incremental wealth. The wealth is created by individuals who assume the major risk in terms of equity, time and/or career commitment or provide value for some products or services. The product or service may or may not be new or unique but value must somehow be infused by the entrepreneur by receiving and locating the necessary skills and resources (Ayozie and Latinwo 2010).

Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, mental, and social risk, and receiving the resulting rewards of monetary and personal satisfaction and independence.

Entrepreneurship can be define as the process of creating something new by generating ideas and venturing into business risks created by dynamic environment and making the best opportunities for profit purpose. Entrepreneurship is the art or skill with which resources of production can be combined in a manner that could accomplish a profit purpose. It involves decision-making, supervision and co-ordination.

Many definitions of entrepreneurship can be found in the literature describing business processes. The earliest definition of entrepreneurship, dating from the eighteenth century, used it as an economic term describing the process of bearing the risk of buying at certain prices and selling at uncertain prices. Other, later commentators broadened the definition to include the concept of bringing together the factors of production. For any nation to achieve national transformation, such nation must develop practical approach to managing recourses and businesses, and for the best result, entrepreneurship is a cardinal area to give attention (Mamman, 2008).

THE ROLE OF ENTREPRENUERSHIP

It is abundantly clear that entrepreneurship is important role towards economic growth, Productivity, innovation and employment, and many countries have made entrepreneurship an explicit policy priority. As globalization reshapes the international economic landscape and technological change creates greater uncertainty in the world economy, entrepreneurship is believed to offer ways to help to meet new economic, social and environmental challenges. Entrepreneurship has gained additional attention in the current economic crisis; as it is widely viewed as a key aspect of economic dynamism. Entrepreneurship in seen as the key to industrialization and wealth creation of any nation, and therefore have the following roles in national transformation (Ayozie, 2004).

Employment Generation

A lot of youths, retired workers and out of school graduates can be gainfully employed, thereby reducing the unemployment rate and its attendant's social complication of armed robbery and crimes. They contribute to the labor market by absorbing an ever growing supply. In doing this, they have sufficiently helped to curtail the rising unemployment in Nigeria. Ayozie (2004) specifically mentioned the role of entrepreneurship in accelerated industrial development by enlarging the supply of entrepreneurs and the enlarging of small and medium enterprise sector, which offers better potential for employment generation and wider dispersal of industrial ownership.

Mitigation of Rural Urban Migration

Entrepreneurship checks the effect of polarization by a planned and systematic development of rural areas. The much talked about urban migration is reduced by the introduction of small scale industries in rural area. The activities of small business firms have resulted in the mobilization of the resources of the environment and thereby

improving on the standard of living of the population in rural areas, thereby reduce the rate of youth migration to urban areas. Transformation agenda is achievable if government can scan for local entrepreneurs, farmers, graduates, empower them as well encourage them through financial assistant this will go a long way to reduce rural urban migration.

Industrial Development

Entrepreneurship generally contributes towards mobilization of domestic savings and utilization of local resources in various industries or sectors of the economy. It helps to bring about new goods and services and supply the needs of large industries, which have to rely on the small entrepreneurs for business success.

Through this they serve as agents for disposal of industrial products and services and have contributed immensely to the production of raw materials in the form of semi-processed goods for use by bigger industries. Aside from oil and gas sector, more money will come into Nigeria through the establishment of industries in the geopolitical zones.

Development of Appropriate Technology

Businesses of any form is a base for development of appropriate technology through entrepreneurship and provides a veritable ground for skilled, unskilled and semi-skilled workers. It has assorted in improving the performance of small industries by enlarging the supply of carefully selected and trained well rounded entrepreneurs and diversify sources of business.

Development of Indigenous Entrepreneurs

One of the noticeable role or contribution of entrepreneurship is that, it helps to develop local entrepreneurs. Mention is being made of the Dantatas, Ekene Dili Chukwus, Dangotes, Doyin Groups, Fajemirokuns, Igbinedions, Dankabos and the Amazus who have excel in their chosen business and has contributed to national development of Nigeria, more Nigerians can be developed in attempt to achieve transformation agenda.

Direct Creation of Wealth and Income

Entrepreneurship helps in wealth creation mainly through technological advancement by Research and Development, (R&D) (Mamman, 2008). From the wealth created, individuals or nations can generate a lot of income in a form of wages or salaries and taxes respectively. These efforts tend to increase the Gross Domestic Product (GDP) of a country which in turn contributes to national development.

ENTREPRENEURSHIP AND ENTERPRISE DEVELOPMENT

Private sector development and entrepreneurship development are essential ingredients for achieving the transformational agenda and Millennium Development Goal of reducing poverty. While sound macroeconomic policies and providing market access are crucial, emerging markets need to nurture and develop entrepreneurs able to take advantage of opportunities created by globalization. For many developing countries, private sector development has been a powerful engine of economic growth and wealth creation, and crucial for improving the quality, number and variety of employment opportunities for the poor, economically entrepreneurship invigorates

markets (Tijani-Alawe, 2004). The formation of new business leads to job creation and has a multiplying effect on the economy. Socially, entrepreneurship empowers citizens, generates innovation and changes mindsets. These changes have the potential to integrate developing countries into the global economy (<http://www.gdrc.org>). Based on above assertions, practical approach to enterprise development for better creativity and innovation is required in functional areas of enterprises and other entrepreneurial competencies to move enterprises forward; this will contribute to economic growth and development a nation and Nigeria in particular.

ENTREPRENEURSHIP AND ECONOMIC DEVELOPMENT

Entrepreneurship and economic development are intimately related. Schumpeter cited (Mohammed and Ibrahim 2010), state that entrepreneurial process is a major factor in economic development and the entrepreneur is the key to economic growth. Whatever be the form of economic and political set-up of the country, entrepreneurship is indispensable for economic development. Economic development is the process of structural transformation of an economy towards a modern, technologically advanced economy based on services and manufacturing. We have seen the present administration of Good Luck Jonathan yearning for transformation of our economy, this they must do through sector analyses and development. This process must involve not only qualitative changes to the nature of our economy, but also accompanying quantitative changes in terms of the productivity and output per person. If these qualitative and quantitative changes result in unambiguous improvements in human welfare, it is generally seen as economic 'development'. In both the qualitative as well as the quantitative dimensions of economic development entrepreneurship could make a positive contribution to economic development. In the popular press entrepreneurship is depicted as important for economic development; seen to create jobs, ease fiscal burden, and provides competition (Mohammed and Ibrahim 2010).

CONCLUSION

From the analyses of this paper, the writers conclude that lack of continuity, consistency and commitment in the implementation of policies and programmes constitute a strong bottle neck towards the realization of development agenda in any nation which Nigeria is not exceptional. However, it can be concluded that sincerity of purpose couple with transparency and accountability are major factors needed to drive home a good development agenda. Entrepreneurship is seen as the key to industrialization, wealth creation and national transformation of any country, Nigeria inclusive. Finally, globalization which is aimed at integrating both developed and developing countries towards national development, poses a lot of challenges to innovation, businesses and the environment, entrepreneurship is needed to withstand such challenges.

RECOMMENDATIONS

In line with the analyses of transformation agenda and literature on entrepreneurship, the following recommendations are given to guide policy makers, analyst and the academia in general.

- (1) Government should encourage educational institutions to teach practical entrepreneurship to complement the present theoretical approach to Entrepreneurship Education Development (EED). The writer of this paper however recommends the immediate integration of **CEFE Methodology** into

entrepreneurship academic curriculum of tertiary institutions in Nigeria to enable the learning of practical approach to enterprise formation and management.

- (2) For the sake of transparency and accountability, people with proven track record should be appointed to take charge of policy implementation to help achieve transformation agenda.
- (3) Transformation agenda should not be seen as political party affair, it should be given comprehensive and collective participation from private institution, universities and polytechnics if only a good result is to be achieved.
- (4) Mono-economy has never solved the problem of any country whether developed or underdeveloped instead it compounded the problem. Government should aggressively revive the agricultural sector if not transformation agenda may be a dream unrealizable.
- (5) Projecting a baseline GDP growth rate for example 100per cent or 11.17 per annum as stated earlier in this paper, for the period 2011-2015, without investment in real sector of the economy, is the same as "putting water in a basket"
- (6) Government should with all sincerity ensure that power does not fail for the next four years or measures be put in place to celebrate at least three years of uninterrupted power supply as against ten years celebrated by our counterpart Ghana, if we really hope to transform our country Nigeria.

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