

## **New Trends in Innovation and Entrepreneurship For Sustainable Development**

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### **I. INTRODUCTION**

The term entrepreneurship is not new as it has become the backbone of many nations in developing the economy and meeting the needs of its ever growing populace. Understanding the role entrepreneurship plays in any given economy helps in knowing how to harness the opportunities inherent in it. Now we hear of social, youth and women entrepreneurship; all these are new trends that have been embraced and are being used for sustainable development. The advancement of technology also plays a major role in these new trends as we shall be discussing in this work.

### **II. OBJECTIVES**

This paper examines the new trends in innovation and entrepreneurship for sustainable development. These trends were specifically examined using the Nigerian context. Also, the advantages and shortcomings of these new trends were looked at and solutions were proffered where necessary.

#### **Definition of Terms**

Entrepreneurship is when an individual looks out for new investment and revenue generating chance, harnessing this great platform and turning it into a business venture for the purpose of making profit or other social benefits (Udeh, 1999). Entrepreneurship is identifying problems to be solved, needs to be met and new opportunities in one's environment, analyzing, strategizing and operationalizing how to run the business and turn the ideas into profits.

“Entrepreneurship is the recognition and pursuit of business opportunity without regard to one's currently control of resources, with the confidence and assurance of success, with the flexibility to adapt to change as necessary and the will to survive every setback (Bob Reiss, 2000).”

Entrepreneurship is about recognizing opportunities in an environment, the willingness to take it up without considerable risk if there are enough resources to set the ground running. It is a risk taking decision that requires an optimist who believes in the success of the enterprise and can adapt to changes that come with the business. It is an engine that drives a Nation's economy and entrepreneurs are the brain behind it (Amolo & Migiroy, 2014; Anthony-Ebuba, 2014).

Innovation is a new way of doing things as well as running a business. It also has to do with the prescription of better ideas that meet new requirements, needs of the market. What drives successful business is innovation. Nelson (1993), states that it has to do with spotting a need and coming up with unique ways of addressing that perceived need.

Entrepreneurship can be seen as an innovation that is being used to meet the needs of people and contribute to economic development.

Entrepreneurs saw needs in their environment and decided to be innovative by creating a solution that addresses that need. Every business idea springs from an identified need or problem that requires a solution. The growing social, health, basic needs of people have brought about the establishment of so many enterprises.

A salon business, restaurant, transport business, etc. are all innovations that came about to meet the needs of the people and boost the economy.

#### **Sustainable Development Goals**

As stated by the United Nations Commission on Environment and Development (UNCED), sustainable development is defined as “developments that meet the needs of the present generations without

compromising the ability of future generations to meet their own needs.” As presented by the United Nations, the 2030 Agenda for Sustainable development are;

1. To totally eliminate all forms of poverty.
2. Terminate hunger, food security is achieved and the promotion of sustainable agriculture.
3. The health and well-being of everyone is ensured.
4. Lifelong education is promoted.
5. Gender equality and empowerment of all women and girls is ensured
6. Water and sanitation is made available to all
7. Ensure access to affordable, reliable, sustainable and modern energy for all.
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
10. Inequality is reduced greatly in all countries.
11. Cities are made safe for human settlement.
12. The sustainability of consumption and production pattern is made sure.
13. Adequate and quick action is taken to eliminate climate change and the impacts it poses.
14. The oceans, seas and marine resources are conserved for sustainable development
15. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
16. Global partnership for sustainable development is ensured which in return strengthens the means of implementation.

### **III. LITERATURE REVIEW**

#### **New Trends in Innovation and Entrepreneurship for Sustainable Development**

The United Nations (UN) 2030 agenda for sustainable development posited 17 goals that are to be met by all nations are goals that can be largely achieved by harnessing the opportunities inherent in entrepreneurship and creating new trends.

There is a theory that entrepreneurship is very important to the reduction of poverty and sustainable development, sustainability of the environment and gender equality. Entrepreneurship has different nature and links with other areas such as capacity in the area of finance, education and development of skills, innovation and technology. Goal 8 especially says “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.”

This goal can be achieved by establishing more enterprises that are viable, can generate good revenue and also employ people that way reducing unemployment and contribute to the Nation’s GDP. In a country like Nigeria, there are several complains about the availability of jobs and so many people are diving in entrepreneurship and exercising their creative power in breaking new grounds.

The role of entrepreneurship in sustainable development has been increasingly recognized. As such, great attention has been given to a holistic approach to entrepreneurship policies and their implementation. The rise of small and medium enterprise (SMEs) and technological advancement has also brought a new face to entrepreneurship.

#### **Women Entrepreneurship**

As part of the empowerment agenda, great attention has been given to women entrepreneurship and as a way of expanding opportunities and benefit from their engagement in productive (self-) employment. Minniti and Naudé (2010) posit that according to available estimates, approximately one fourth to one third of the world’s formal sector enterprises are owned and operated by women. However, studies also suggest that in some countries, women entrepreneurs experience more difficulties than men in starting and expanding their businesses, particularly due to cultural norms and social attitudes. It is also a known fact that women are less likely to start and grow business faster than men according to statistics.

In the United States, there is a partnership of the small business administration with the National Women’s Business Council and to give adequate support to women entrepreneurship which in turn bring about massive improvement thereby improving their 7.8 million business. Access to internet is made available which has really been of great help to the success of female entrepreneurship, there is a level of acceptance culturally which is great morale boosting for the women and many programs has been organized as a way of publicity which leads to the empowerment of female entrepreneurship (UNCTAD, 2015).

In Nigeria, we have Women in Business (WIMBIZ) which is a body organized by women entrepreneurs to share their knowledge and help other women who are interested in starting up their own businesses. The conference comes up once every year in October and top female entrepreneurs are brought in as the guest speakers to mentor their fellow women.

Minniti and Naudé (2010) opine that women now embrace innovation by launching new markets, new processes and supply chains for their businesses. We see the likes of Tara Fela Durotoye CEO House of Tara take make-up/cosmetics business to another level by engaging social media as a channel of awareness, communication and distribution of her goods to her target market. Many ladies use social media platforms such as Instagram, Facebook, etc. to advertise their goods and services ranging from sale of clothes, jewelries, shoes, cosmetics, hair products, and other form of home or domestic services.

We also have the media mogul, owner of Ebonylife TV, Mo'Abudu. A television that showcase different program ranging from lifestyle, fashion, talk shows with anchors like Toke Makinwa, Bolanle Olukanni, etc. Folorunsho Alakija, Ibukun Awosika, Betty Irabor owner of Genevieve Magazine are few of the many female entrepreneurs we have carved a niche for themselves in various industries in Nigeria competing with the men. These women strive in business and even in the home front telling the world especially young women that it is possible to be a successful entrepreneur and still manage a home successfully.

There are also sites as a result of innovation where one can get fairly used items be it car, house appliances and even the service of a domestic staff. Some women also run online kitchen where people can make their food order online and get it delivered to them in good time. All these are great businesses are as a result of innovation.

### **Youth Entrepreneurship**

According to UNCTAD (2015), as part of the development agenda for unemployment, youth entrepreneurship has become a major priority for many nations. According to the 2013 report of the Global Entrepreneurship Monitor (GEM), it is stated that there is every possibility that 10 young people are very likely to have new ideas and to be “born digital”; in some societies they are more educated than their parents. Naudé (2010) posited that they are also less likely to have responsibilities such as mortgages and families, factors that generally make individuals risk averse. Many countries have recently made available platforms to promote young entrepreneurs. As such, many countries in Africa have introduced entrepreneurship in their curricula and this includes both the secondary and tertiary institutions.

For instance, in many universities in Nigeria, entrepreneurial courses are taught to enable students learn a particular skill(s) alongside their degrees. The idea is to make graduates who are job providers rather than job seekers. Different skill acquisition programs such as catering, make-up, hair making, fashion design, photography, public speaking, etc. are been introduced even during National Youth Service Corp (NYSC). It is even made mandatory to reduce unemployment rate in the country.

It has been observed that in Angola, the teachers that have been trained intensively and certified to teach entrepreneurship equals about 139, and about 9,800 students have been taught the course to date. The Entrepreneurship 2020 Action plan in Europe has seen entrepreneurship as what every young person should engage in as one of the eight key competencies.

We have youths running businesses even before leaving the university. Businesses like fashion design, finger foods and smoothie business, online transport services (e.g. Uber, Taxify, Smart Cab, etc.), mobile kitchen, event management, etc.

To respond to a growing focus on entrepreneurship among youth, United Nations Conference on Trade and Development (UNCTAD), in collaboration with the Commonwealth Secretariat, issued a new document entitled “Promoting Youth Entrepreneurship: Policy Guidance”, targeted at supporting and designing policies that will bring out the potential of youth entrepreneurship.

The following are the key recommendations: encouraging those who fail in business by facilitating restart, for youth entrepreneurship to culminate in unemployment thereby bringing about job creation, policies that will encourage youth to engage in entrepreneurship, by making sure youth are not discourage by rigorous registration by introducing simplified regulations, enhancing the capacity of teachers so as to help in cultivating entrepreneurship in students.

By taking the role of leadership, policymakers can make available platforms like technology and innovations that will give great encouragement to private sector investment. Research and development, training and development and higher education could be used to promote the establishment of favorable frameworks and innovation. There is need to make more investment in technology to provide the foundation for thriving digital economy.

The government should assume the role in which young people can become partners in youth entrepreneurship. There is need by both the private sector and NGOs to provide the means in which the youth can develop hunger for entrepreneurship.

Another new trend in entrepreneurship is when a new company is new launched or formed from an existing company or a department is formed into a company of its own. This is common in marketing communication firms whereby a department e.g. digital media can be formed into an organization thereby

creating a group of company in which different small firms providing different services are created under an umbrella (group of company).

### **Small and Medium Enterprise (SMEs)**

The importance of Small and Medium enterprises as part of any economy thriving towards growth and development cannot be overemphasized. SMEs are broadly defined as businesses with turnover of less than N100 million per annum and/or less than 300 employees. Studies by the IFC show that about 96% of Nigerian businesses are SMEs in comparison to 53% in the US and 65% in Europe (Financial System Strategy 2020 International Conference).

SMEs provide a wide range of opportunities such as employment, innovation, and increase in a nation's GDP, available of goods and services, export, quality products, amongst others.

Small and Medium Enterprises (SMEs) in most developing countries play a vital role in the development of their economies. According to the World Bank, 45 percent of total employment and up to 33 percent of national income (GDP) in developing countries is via the contribution of formal Small and Medium Enterprises. These figures go up when informal SMEs are included.

However, in most developing countries, the major issue confronting SMEs is the availability of finance. This is the reason many international organizations like World Bank, International Monetary Fund (IMF) and Non-governmental organizations are trying their best to provide loans and funds to support SMEs.

In Nigeria for example, there are many organizations both privately and publicly owned that provide funds to emerging businesses and also microfinance banks provide loans at a fair rate to these businesses. Many of the businesses we see around us today are SMEs and it is evident that they have been a major contributor when it comes to the growth and development of the nation.

You find SMEs in all areas of human endeavors like ICT, Catering, Fashion, Cosmetics, Arts, Literature, and so on. People on a daily basis are coming up with new ways of running their business to meet up with competition and also make good profit. Regardless of finance issues, SMEs are relatively doing well compared to some decades back.

It has been suggested by a World Bank group that by introducing informal Small and Medium Enterprises into formal sector can present certain advantages such as great availability of credit and government services and to the entirety of the economy, good regulations and great tax revenues. Also, by making available finance and providing solutions is a great platform to help the sectors to grow and provide employments.

## **IV. CONCLUSION**

Entrepreneurship has come to stay and it is a great way of reducing poverty if not eradicating it, it is also a way of empowering young people and women and other people in the economy that are disadvantaged. Subscribing to entrepreneurship by any economy can improve greatly such economy.

In Nigeria, government at all levels is trying their best to ensure the growth of businesses through funding scheme and skill acquisition programs. A developing country like Nigeria needs entrepreneurs and innovators for its economic growth and development. New products, markets, product modifications are designed to suit the growing market and needs of the people.

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