Entrepreneurship and Business Opportunities for Professional Builders in FCT, Abuja.

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 **ABSTRACT**

***The aim of the paper is to evaluate the concept of entrepreneurship against the background of evidence of insufficient knowledge base among builders in Nigeria. Database at the Nigerian Institute of Building National Secretariat suggest that an insufficient proportion of Builders are in self-employment and a more significant proportion are contemplating self-employment. The study utilised extensive literature review of concepts as well as a questionnaire survey of 55 builders in Abuja. The findings revealed a total of 22 identified business opportunities for builders which included building maintenance, scaffolding, consultancy and other hitherto unsubscribed options such as journalism, publishing and manpower training. Profitability was ranked first among five factors that motivate builders’ interest in business options. Some recommendations were advanced towards enhancing builder’s engagement in self-employment.***

***Keywords: Entrepreneurship, unemployment, business, consultancy, skills, opportunities***

1. **INTRODUCTION**

Given the Nigerian youth unemployment situation which is supported by database of Nigerian Institute of Building, entrepreneurship remains the viable option to create jobs, reduce unemployment, poverty and empower the youth, to develop their businesses, pursue their dreams and contribute to overall productive capacity and national economic growth and development (Lemo, 2013). From personal interactions and survey, most young builders do not have a good knowledge of entrepreneurship; they are passive and have a mind-set of securing public service jobs immediately after graduation. There is a death of entrepreneur skills development and relative ignorance of enormous business opportunities available for builders to key into, as a result of these, the objectives of this paper are:

i. To review the key concept of entrepreneurship development in Nigeria

ii. To identify entrepreneurship opportunities for professional builders

iii. To evaluate the knowledge base and preferences of builders about entrepreneurship and business opportunities within the Nigerian economy.

iv. To identify major reasons for choice of business opportunities.

2.0 **ENTREPRENEURSHIP DEVELOPMENT**

**2.1 Concept of Entrepreneurship:**

The concept of entrepreneurship have been defined by different authorities in field of studies, but it seems as if there is no universally acceptable definition of the term yet, especially in today’s digital age where young persons aspire for quick fix solutions. Nwosu (2014) observed entrepreneurship as a process of actions of an entrepreneur who is a person always in search of something new and exploits such ideas into gainful opportunities by accepting the risk and uncertainties with the enterprise. Entrepreneurship is the process of using initiative to transform business concept to new venture, diversify existing venture or enterprise to high growing venture potentials (United Nations Industrial Development Organisation, 1999). Entrepreneurship is the willingness and ability of an individual to seek out investment opportunities, establish and run an enterprise successfully (Inegbehebor, 1987). The entrepreneur is essentially a person who owns or controls a business through which income is gained. National Directorate of Employment (NDE) (1989) in Onyebueke and Ochonogo(2002) defined entrepreneurship as the art which involves recognizing a business opportunity, mobilizing resources and persisting to exploit such opportunity. According to Gana (2001), entrepreneurship is the ability to seek investment opportunities and establish an enterprise based on identified opportunities. The entrepreneur takes risks, is focused and energized by an inner drive. According to Anayakoha (2006), the entrepreneur is one who chooses or assumes risks, identifies business opportunity, gathers resources, initiates actions and establishes an organization or enterprise to meet demand or market opportunity. Alaezi (2007) refers to an entrepreneur as a person who, after identifying a certain unmet need in the community, risks his time, energy and capital to satisfy such a need in such a way as to make profit and be in business. This is to say that an entrepreneur is the one who discovers and operates a new kind of business or enterprise. He undertakes the enterprise with the chance of profit or loss, but of course with an initial hope of profit in mind.

The term entrepreneurship by extension of the forgoing, have three key dimensions: dimensions: innovativeness, risk taking and pro-activeness with each dimension occurring in different degrees. The implications of these key dimensions are the requirement for an individual who recognizes opportunities for new products or services and raises the money and wherewithal to produce and deliver them. A person with the ability to create a working business where none existed before; a person with the combination of ideas, skills, money, equipment and markets which form a successful business (Blake and Lawrence, 1989)

Schempeter,(1934), emphasized the concept of an entrepreneur as the creator of new combinations’ bringing about suggested that entrepreneurs are motivated primarily by three possibilities:

a. A dream and will to find a private kingdom

b. The will to conquer and the joy of creating

c. The economic reward.

An entrepreneur has the following motives: (Schempeter, 1934)

a. An innate desire to be independent (which leads to finding a private kingdom)

b. A craving for challenge (the will to conquer).

c. A need for self-fulfilment provided that one has the ability to succeed independently (economic reward)

d. The glamour attached to entrepreneurship (the joy of creating wealth)

**2.2 Brief History of Entrepreneurship in Nigeria**:

Entrepreneurship started when people produced more products than they needed, as such they had to exchange these surpluses. For instance, if a blacksmith produced more hoes than he needed, the excesses may be needed by the farmer who cultivated yam or reared goats. By this way, producers came to realize that they can concentrate in their areas of production to produce more and then exchange with what they needed. Early entrepreneurship is characterized with production or manufacturing in which case the producer most often started with a small capital, most of it from his savings. Early entrepreneurship started with trade by barter even before the advent of any form of money. Modern entrepreneurship in Nigeria started with the coming of colonial masters who brought in their wares and made Nigerians their middle men. In this way modern entrepreneurship was conceived. Most modern entrepreneurs were engaged in retail trade or sole proprietorship.

Nigeria has deep entrepreneurship culture as can be seen from early history of the peoples of Hausa, Ibo, Yoruba, Benin etc. between 13th and 19th century. The Hausas for example had astute entrepreneurs who managed workers with skills in tanning, dyeing, weaving, and metalworking which were highly developed. They (Hausas) have long been famous for wide-ranging itinerant trading, and wealthy merchants shared the highest social positions with the politically powerful and the highly educated. Since ancient times, the Ibos have also traded craft goods and agricultural products. Traditionally, the Igbo have excelled at metalwork, weaving, and woodcarving. The finished products were traded on as business ventures and enterprises with all the trappings of entrepreneurship. The Ibos also specialized in buying and selling goods and have perfected their entrepreneurial expertise in inventory control, management and distribution – which up till today, has remained their prevalent way of *entrepreneuring*. The Yorubas are predominantly town dwellers who practiced small-scale, domestic agriculture and are well known as traders and craftspeople. Since the 13th century, Yoruba artists have been producing masterpieces of woodcarving and bronze casting. Like the Ibos, the finished products were traded on as business ventures and enterprises.

*Entrepreneurship* – that is modern entrepreneurship, was easy for Nigerian entrepreneurs to adapt to – simply because their forefathers, who were the early entrepreneurs, passed on the concepts and principles and the foundation for entrepreneurship. The difference now, is that it has become a course, a field of study and investigation; and the government in Nigeria, has taken a keen interest in developing the idea using various methods like Small and Medium Scales Enterprises programs etc.

**2.3 Background to Building Profession in Nigeria**:

Ever since man decided to build his own house, there have gradually emerged people who have specialized in constructing buildings. The ancient man constructed his own building by gathering materials as the job proceeded; sometimes soliciting assistance from other members of his community. Thus building activities in the olden days were done on manual basis.

In Nigeria, the facts about the structure of the building industry before 1930 is difficult to obtain in documented form. However it is clear that the birth of the building industry can be traced to the division of labour in the olden days when certain set of people who did the work so well were engaged to undertake other people’s buildings on an economic basis. An interesting feature of building development in the olden days was that design and construction stages were not separated.

The emergence of Nigeria’s building sector in the early 1930’s brought about the rise of private enterprise from one man firm to general builders employing ten men who had limited skills in building construction.

The lack of skills amongst craftsmen gave rise to establishment of professional bodies whose members are involved in design and construction of buildings. From this period professional bodies like NIS, NSE, NIOB evolved. These professional bodies like NIOB were particularly interested in training and retraining of her members. After the independence in 1960, few universities started offering courses in building technology. The first amongst all was Ahmadu Bello University, Zaria located in Kaduna State.

**2.4Entrepreneurship Development Institutions in Nigeria**:

Government is one of the major agencies involved in entrepreneurship development in Nigeria today. Economic growth rates are often attributed to the role of the duo of government and entrepreneurs which is complementary and not mutually exclusive. In [Nigeria](http://www.nigerreporters.com/history-of-entrepreneurship-in-nigeria/) like some other economies, government helps to develop transportation, power, financial inducement, subsidies and other utilities to encourage entrepreneurship development. Furthermore, government provides security to safe guard life and property; maintaining law and order and freedom to do business.

The role of government in entrepreneurship development in Nigeria became significant only after the Nigeria civil war (1967-70). Since the mid-1980s there has been increased commitment of government to [entrepreneurship](http://www.nigerreporters.com/history-of-entrepreneurship-in-nigeria/) development especially after the introduction of the Structural Adjustment economic Program (SAP) in 1986. Added to this, is the establishment of the National Directorate of Employment (NDE), National Open Apprenticeship Scheme (NOAS), Small and Medium Enterprise Development Association of Nigeria (SMEDAN), SMEEIS etc.

Fundamentally, Nigerian government promotes entrepreneurial culture through initiatives that builds business confidence, positive attitude, pride in success, support and encouragement of new ideas, social responsibility, providing technological supports, encouraging inter-firm linkages and promotion of R&D. Others are cheap financial resources, free access to market, prompt registration/advisory service to businesses, promotion of entrepreneurial skills acquisition through education and manpower development, production of infrastructure, export incentives, stable macro-economic environment, security of investment, stable political climate etc.

In early 2000s, entrepreneurship studies have been introduced into the Nigerian educational system especially higher institutions as a mandatory course. The Centre for Entrepreneurship Development (CED), which has the objective of teaching and gingering students of higher institutions especially in science, engineering and technological (SET)) to acquire entrepreneurial, innovative, and management skills, was established. This is to make the graduates self-employed, create job opportunities for others and generates wealth.

UNESCO-TVE Programs in Nigeria is aimed at fostering linkage and co-operation between higher institutions and industries such that academic research findings can readily be taken up by industries for production and product development.

***2.5* Basic steps to setting up a business in Nigeria**.

The following basic steps are essential to starting a new business

a. Evaluation of chosen business feasibility and viability analysis.

It is important for embarking on any business of your choice to conduct a feasibility study, know who your prospective customers are and where possible areas for citing the business.

b. Get completely qualified, qualitative and sufficient information to aid company registration, certifications, ethical Conduct, management standard and records.

c. Business Plan:

 A prospective entrepreneur should do a thorough business pan which will guide him.

d. Engagement of Appropriate Human Resources:

Engage persons that have the interest of your business in, persons that can drive the process, creative minds and persons with high intelligent quotient. Your employees must be hard working and focused persons.

e. Financial Discipline and Accounting Standards:

A prospective entrepreneur must have financial discipline, must set realistic budget for his business.

f. Technology/Operations

A prospective entrepreneur should invest on up to date gadgets like computers, printers, phone to aid his business.

g. Marketing Strategy and Sales

A prospective entrepreneur must have a comprehensive marketing strategy which is captured in the business plan.

h. Packing/Presentation

 A prospective entrepreneur must embrace proper branding and packaging.

i. Information Management, Networking.

A prospective entrepreneur should be able to network among friends and associates through Facebook, print and electronic media

j. Incorporation of company with CAC

A prospective entrepreneur must register his or her business with Corporate Affairs Commission to have a legal entity.

L. Engagement of the right partners to compliment your weaknesses

A prospective entrepreneur should engage persons of like minds that will complement your weaknesses.

To start a business, the entrepreneur must set realistic and achievable goals. Also seek advice from senior colleagues and family relatives who are in the same kind of business and succeeding.

***2.6* Qualities of an Entrepreneur**.

An entrepreneur must have these attributes to succeed in today’s Nigerian business environment.

a. **Dynamism:** He must be ambitious, energetic and possess a dynamic personality.

b. **Courage**: He or she must be courageous, have ability to cope with difficult and frustrating situations, because entrepreneurship itself is fraught with risks and setback.

c. **Confidence**: He or she must have confidence in himself, at all times, that what he is doing is worth the while.

d. **Leadership**: He must have the quality of effective leadership that is the ability to inspire and motivate others. He must initiate actions and organize the people to carry out further actions.

e. **Imagination**: The entrepreneur must be filled with imagination. He is unconventional and always seeking ways of doing things better.

f. **Adventure**: He must be willing to take risks in uncertain situations. Nothing ventured, nothing gained. The entrepreneur is separated by ordinary people by their ability to overstep the boundaries of routing, both in vision and action.

g. **Willingness to Learn**: An entrepreneur is not a custodian of knowledge; therefore, to be successful, an entrepreneur must develop the habit of learning new things always.

h. **Vision**: He must be a visionary, an imaginative and innovative person.

i. **Prudence**: He is very prudent in the management of resources, because recklessness and extravagance leads to failure in business.

j. **Good Judgement**: Entrepreneurship and decision making cannot be separated. Therefore, the entrepreneur must have the attribute of being critically minded. He must be objective in issues involving people

k. **Hard work**: Hard work does not kill and it is therefore an indispensable attribute of an entrepreneur.

l. **Persistence and Determination**: A fierce drive to succeed and to let no obstacle bar their path and an unquenchable drive to succeed and achieve. Calvin and Coolidge said ‘Nothing in the world can take the place of persistence.

Great entrepreneurs share some qualities that throw light into their lives and work.

2.7 **Training of Builders**

The builder’s education, like other professionals commences with a primary and secondary education from where he proceeds to the tertiary institution (Polytechnic or University). To gain entry into the University to study building which is a five year programme, one must possess at least five credit level passes in the following subjects- English Language, Mathematics, Physics plus any two from the following – Chemistry, Further Mathematics Technical Drawing, Economics, Geography and Building Construction in GCE O Levels or SSCE. On graduation from the University, he or she undergoes a period of practical training under the tutelage of his professional seniors before preparing himself for the professional examinations conducted by the Nigerian Institute of Building (NIOB) to test his professional competence. On passing the NIOB Corporate examination, he will be examined by the Council of Registered Builders of Nigeria (CORBON), which after due process, confers on worthy Corporate Builder the privileged qualification referred to simply as a ‘Registered Builder. A Builder by virtue of his training understands business environment, contract administration, costing/budgeting as such is better positioned as an entrepreneur can be appreciated from the entrepreneurship content of B.Sc Building Curriculum as approved by the National Universities Commission.

 Table 1. Entrepreneurship Content of B.Sc Building Curriculum

|  |  |  |  |
| --- | --- | --- | --- |
| Course Code | Level of Study | Course Title | Credit Unit |
| BUD 101/1012 | 100 Level | Introduction to Building I/II | 2 |
| GST 223 | 200 Level | Introduction to Entrepreneurship skills | 2 |
| BUD 231 | 200 Level | Principles of Accounting for Builders | 2 |
| BUD 302 | 300 Level | Statistics for Builders | 2 |
| BUD 371 | 300 Level | Quantities and Cost Planning for Builders | 2 |
| BUD 372 | 300 Level | Estimating and Price Analysis for Builders | 2 |
| BUD 346 | 300Level | Entrepreneurship Studies | 2 |
| BUD 452 | 400 Level | Construction Economics | 2 |
| BUD 464 | 400 Level | Business Organisations and Accounts | 2 |
| BUD 491 | 400 Level | Students Industrial Work Experience Scheme (SIWES) | 15 |
| BUD 531 | 500 Level | Professional Practice & Ethics | 2 |
| Total |  |  | 35 Credit Units |

Source: Building Department Handbook, University of Jos (2012)

From the courses shown in the table above, it is glaring that a young graduate of building by training has the basic foundation and background to become a successful entrepreneur. 35 units(or about 20%) of the 180 units of courses required to graduate has entrepreneurship focus.

3.0 THE STUDY DESIGN

3.1 In order to collect data on the knowledge base and interest of respondents on business opportunities for builders, 55 questionnaires containing a checklist of business opportunities were administered to Builders in Abuja. The questionnaires also included a checklist of reasons for business interest in various business options. The checklists were designed following cresswell (2009) where participants were requested to respond to the checklist based on a 5-step scale of preference. The algebraic sum of the participant’s responses was taken to represent the total score which was used to produce a preliminary ranking of the factors involved.

Out of the 55 questionnaires distributed, 50 were returned and analysed. Table 2 shows the ranking of knowledge base and interest of builders in various business opportunities while Table 3 shows the ranking of reasons for choice of business plan.

From Table 2, a total of 22 business opportunities were identified by the respondents

Table 3 shows a total of 5 reasons for the choice of business opportunity. As is to be expected, the sole criteria for business is profit. In this regard the ranking of profitability as the first reason for choice of interest did not come as a surprise. This was followed by relative strength/competence, future prospects (3rd), Government Policies (4th) and family ties (5th). The poor ranking of family ties shows the declining trend of apprenticeship system at the graduate level and the growth of business opportunities outside family traditions.

Table 2. Knowledge of Business Opportunity and Interest by respondents

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| S/N | BUSINESS OPPORTUNITY | KNOWLEDGE BASE | INTEREST |  |
|  |  | Sum | Rank | Sum | Rank |  |
| 1 | Scaffolding | 16 | 5 | 15 | 5 |  |
| 2 | Journalism | 2 | 16 | 2 | 16 |  |
| 3 | Building Maintenance | 26 | 1 | 25 | 1 |  |
| 4 | Equipment/Plant Leasing | 10 | 9 | 10 | 9 |  |
| 5 | Building Materials & Component Manufacturing | 14 | 7 | 12 | 7 |  |
| 6 | Specialist Contracting | 18 | 4 | 17 | 4 |  |
| 7 | Publishing | 3 | 15 | 3 | 15 |  |
| 8 | Event Management Structures | 6 | 13 | 5 | 13 |  |
| 9 | Waste Management | 9 | 10 | 9 | 10 |  |
| 10 | Health & Safety Specialist | 6 | 13 | 5 | 13 |  |
| 11 | Glazing | 8 | 11 | 7 | 11 |  |
| 12 | Consultancy | 19 | 3 | 18 | 3 |  |
| 13 | Quality Control & Quality Assurance | 7 | 11 | 7 | 11 |  |
| 14 | Real Estate Development | 22 | 2 | 22 | 2 |  |
| 15 | Interior Decoration/Fitting | 15 | 6 | 14 | 6 |  |
| 16 | Human Capital Development(Training of Artisans & Craftmen) | 7 | 12 | 7 | 12 |  |
| 17 | Energy Studies with respect to Buildings | 3 | 15 | 2 | 15 |  |
| 18 | Deconstruction Works | 1 | 17 | 1 | 17 |  |
| 19 | Buildability/Maintenability Analysis | 13 | 8 | 12 | 8 |  |
| 20 | Green Building Development | 7 | 13 | 6 | 13 |  |
| 21 | Vocational Training in Carpentry | 4 | 14 | 4 | 14 |  |
| 22 | Building Information Management | 4 | 14 | 4  | 14 |  |

From table 2 shown above, builders in Abuja have more interest in Building Maintenance, followed by Real Estate Development, then Specialist contracting like concreting and scaffolding. The least appreciated business opportunity is deconstruction works, journalism and vocational training in carpentry and building information systems. Journalism has great business opportunities which builders have not keyed into. Property pages in Daily Trust, Punch newspapers, Guardian, Thisday and other national dailies are handled by non-professionals.

Table 3

Reason for Interest of Business Opportunity

|  |  |  |
| --- | --- | --- |
| S/N | Factor | Number of Respondents |
| 1 | Profitability | 29 |
| 2 | Relative Strength | 27 |
| 3 | Family Traditions | 4 |
| 4 | Favourable Government Policies | 5 |
| 5 | Future Prospects | 21 |

**4.0 Conclusion and Recommendations**

4.1 Conclusions

Professional builders can become great entrepreneurs. Persistence, resilience, focus, determination, hard work is the key.

From the study many builders understand entrepreneurship but are not knowledgeable about the great business opportunities available for them to take advantage of.

Most of the builders are interested in entrepreneurship due to profit followed by competence, passion and interest.

All professional builders must be information technology compliant, social, amiable, composed, confident and knowledgeable about the building profession. Entrepreneurship is not for lazy hands as such builders who desire to go into business must be goal getters and strong-willed.

5.2 Recommendations

1. Government should provide the enabling environment for business to thrive in Nigeria. Particularly good roads, affordable housing and regular power supply.

2. The Nigerian Institute of Building and Council of Registered Builders of Nigeria should organize regular workshop on entrepreneurship opportunities for builders to create more awareness

3. Men toring of young builders by senior and experienced builders should be encouraged, this seems to be lacking amongst builders.

4. Young builders are advised to acquire more skills in Information technology and general building trades instead of depending on artisans.

5. Builders are encouraged to network amongst themselves, to be focused and confident and exhibit a pleasant personality.

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