

**CHALLENGES OF ENTREPRENEURIAL VALUE CREATION IN NIGERIA (A STUDY OF
SELECTED ENTREPRENEURS IN IHIALA LOCAL GOVERNMENT AREA, ANAMBRA
STATE)**

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Abstract

This study is focused on the challenges of entrepreneurs in Nigeria on value creation. This study was premised on the assumption that entrepreneur faces a lot of challenges which hinders their value creation. Value creation is like beauty which they say lies on the eyes of the beholder. What constitute a value to other might not be perceived to be value to another. To guide this study, the following research questions were formulated. Do infrastructural facilities pose a problem on the entrepreneur value creation? Do activities of government regulatory agency affect entrepreneur value creation? The study made use of primary and secondary data in sourcing of information. The 5 points Likert scale was employed to determine the strength of the respondent agreement to the instrument employed. T student product moment test was used to test the hypotheses. The study then revealed that entrepreneur faces a lot of problem which impacted on their value creation. Problems such as infrastructural inadequacy, regulatory challenges, insecurity of property and life and corruption were found to be the major challenges facing entrepreneur value creation in Nigeria. The study also revealed that government regimes in Nigeria have paid lip services to the problems of infrastructure which are the engine of entrepreneurship. The researcher recommends that great attention should be paid on the infrastructural facilities, especially in the area of power sector.

Keywords: Entrepreneur, Value, Creation, Nigeria

INTRODUCTION

This research work was carried out to explore the challenges of entrepreneurial value creation: A Study of Selected Entrepreneurs in Ihiala Local Government Area, Anambra State. Our country Nigeria is blessed with rich human and natural resources to be used for the growth and development of the nation. But we are weighed down not only by uncertainties, but also by moral, economic and political problems. The wrong uses of these gifts of nature through injustice, bribery and corruption have drastically affects entrepreneurial value creation.

Entrepreneurs are seen as the engine for economic growth and development. They are the induction cushion for entrepreneurship business, and innovation. Entrepreneurial ventures is the wheel with which an economy is driven through value creation and creative approach to produce goods and services which will impact positively on the life of organization, employees, consumers, shareholders and the society at large. Collapse of infrastructural facilities, poor governance structure, massive corruption, insecurity of life and property, political instability and poor macroeconomic management pose lots of challenges on entrepreneur's value creation. (Olusanya S. O. and Oyebo 2012).

There is this current government policy on private sector led growth for job and wealth creation which is attached on entrepreneurship on the pursuit to reverse this decline in the nation's economy. Government

should provide enabling environment in this present dispensation to encourage entrepreneurship in value creation. Globalization calls for value creation and greater competitiveness. For Nigeria not to lose out, issues on the challenges of entrepreneurs on value creation should be given attention and addressed. Entrepreneurs create value for the society through creation of jobs for the youths and unemployed graduates. Entrepreneurs are job creators. Youths and graduates if empowered will also be value adding employees and not job seekers.

Value creation is being seen as the focal point of any organization. Organizations exist to create value for their customers by providing them with what they need at the right time, right price and right place and in the right combination. Organizations constantly add value to the goods and services in which they deliver to the society through innovation with fewer resources.

Public and private sectors create value for their customers of one form or another through entrepreneur innovation. Entrepreneurs through innovation discovers new ways, methods, ideas of delivering values to their customers by identifying their problems and also identifying the organizations capability of solving these problems with their limited resources.

The key task of organization is to determine the needs, wants and value of their target market and to adapt the organization to delivering the desired satisfactions more effectively and efficiently than its competitors. Entrepreneurs in other to meet with the demand of the customers (end users) and organization's goal first of all identifies their needs. Identifying customers needs, simply means finding products or services that satisfy these needs, and arranging for this product to be made and sold to the consumer (the end user), so that the whole operation is to the mutual benefit (profit) of both consumer and the company. (Philip Kotler, Chapman)

Customer's profit is his satisfaction; Customer's satisfaction is solving their problem by giving them those goods, services or things of value he needs, at the right price, in the right place and at the right time, and in the right combination. While organizational goals of profit can be accomplished if the aforementioned factors are approached in the right way. Long term profitability goes hand in hand with customer satisfaction, through effective innovation. (Nnolim 2011)

Entrepreneurs in organizations identified the needs of the customers and that of the organization. Organization's goal will not be met if the needs of the customer's are not identified and solved. Many marketing scholars and practitioners agreed with the marketing concept that customer is the "king" and sole purpose of the business being alive. They determine who stays in the business and who does not.

Entrepreneurs ensure that organization produces or creates unique product and services that will create value in the customer's desired value and perception. Customer's value refers to customer's perceptions of what they receive, in return for what they sacrifice (Zeithamal, 1988). Desired value refers to what a customer desires in a product or service. Perceived value is the benefit a customer believes he or she received from a product or services after it was purchased or created. (Woodru, 1977)

In today's global business the emphasis is on the customers (consumers or the end users) they dictate what to produce or create. Entrepreneurs fulfill this old metaphor about meeting customer's need. It says: come up with a product that scratches a customer's itch, and they will buy it. Come up with a product that relieves a customer's pain, and you have got a winner. Entrepreneurs identify the needs of the consumers in the organization, and then fulfill those needs. Also, it is to say that if your product does not create value that is, it serves no need at all; does not even scratch an itch it has no value and no sane human being buys a useless product. Entrepreneurs have solution: value creation.

The Problem

The whole idea of entrepreneurship is about self employment, which will create employment opportunities to him and others who will work with him. Entrepreneurs face problem of insecurity of life and property and it is very difficult to run a successful business where life and property is not guaranteed. Infrastructural facilities such as power supply have led to shut down of many manufacturing firms due to their inability to compete with foreign products. In a developed country; generators are used as a back-up plant to avoid disruptions in production process whenever there is power failure. But in Nigeria generator is the main source

of energy and it is very expensive to run a business with a generator. Transportation system in Nigeria is poor which poses challenges in the movement of both raw materials as well as finished goods from one place to another. There are many others noted in this research work. However, the main thrust of this research work is to examine the challenges facing entrepreneurs in Nigeria in value creation.

Purpose

The broad objective of this research work is to examine the major challenges faced by entrepreneurs on value creation. The specific objectives are as follows:

1. To examine the extent to which insecurity of life and property has affected entrepreneurs value creation.
2. To examine the extent to which Infrastructural facilities has affected entrepreneur value creation.
3. To examine the extent to which bribery and corruption have affected entrepreneur value creation.
4. To examine the extent to which activities of government agencies affects entrepreneur value creation.
5. To explore the extent to which finance affects entrepreneur value creation.

Research Questions

1. Does insecurity of life and property affect entrepreneurs' value creation?
2. Do bribery and corruption affects entrepreneur value creation?
3. Do Infrastructural facilities affect entrepreneur's value creation?
4. Do activities government agencies affects entrepreneur value creation?
5. Does finance affects entrepreneur value creation?

Hypotheses

- H₀. There is no significant relationship between insecurity of life and property and entrepreneurs value creation.
H₁. There is significant relationship between insecurity of life and property and entrepreneurs value creation.
- H₀. There is no significant relationship between Infrastructural facilities and entrepreneurs value creation.
H₁. There is significant relationship between Infrastructural facilities and entrepreneurs value creation.
- H₀. There is no significant relationship between bribery and corruption and entrepreneur value creation.
H₁. There is significant relationship between bribery and corruption and entrepreneur value creation.
- H₀. There is no significant relationship between activities of government agencies and entrepreneur value creation.
H₁. There is significant relationship between activities of government agencies and entrepreneur value creation.

Concept of Entrepreneur

Entrepreneurship is the service that the entrepreneur renders, in accepting the risk of starting and running a business. (Akanwa, 2011). These services rendered by entrepreneurs are as follows: means of vision cheer leading, enthusiasm, love, trust, verve, passion, obsession, coaching and effectively wondering around, ability to monitor, inspire and motivate. (Ajagu, 2005),

Entrepreneur is a person who sees a business opportunity, obtains the needed capital, knows how to put together an operation successfully and has the willingness to take a personal risk of success or failure. Akanwa identified three types of entrepreneur to include the following: Business entrepreneur, micropreneur and intrapreneur or corporate entrepreneur. (Akanwa 2011).

Micropreneur according to him are those entrepreneurs who are only interested in simply enjoying a balanced lifestyle while doing the kind of work they want to do. This type of entrepreneur will not be interested in

creating value for the business they do. Even if their companies never appear on the list of top ranked business they do not care.

Intrapreneur or corporate entrepreneur is the creative person who works as entrepreneur within corporations. He makes use of the company's existing resources – human, financial, and physical to launch new products and generate new profit.

Entrepreneur means one who has potential to exploit business opportunities and has profit as his reward. Kiyosokki, (1999), defines an entrepreneur as someone that sees an opportunity, put together a team, and builds a business that profits from the opportunity. He states also that a tradesman or craftsman is someone who can produce a product or provide service primarily by himself while an entrepreneur builds teams that take on products that no one individual can do on his or her own. Entrepreneur does not only exploit opportunity but he also creates employment by pulling people with different skills and talents from various disciplines to work as a team with a view to achieving a common goal.

Akanwa (2011), also sees an entrepreneur as a person who sees a business opportunity, obtain the needed capital knows how to put together an operation successfully, and has the willingness to take a personal risk of success or failure. Ajagu (2005), defines an entrepreneur in different perspective, he sees an entrepreneur as a leader, prime mover, author, pacesetter, investor, and risk bearer. Also, as a pioneer who strategize and formulate the rules for the general bona fide interest of the enterprise for others to follow.

From his own point of view an entrepreneur is one who makes things to happen. One who has the potential to add value in the production and creation of goods and services for the general interest of the public and the enterprise as well?

Entrepreneur can be viewed as someone who organizes, manages and assumes the risks of a business. He is an agent of change. He discovers new ways of combining resources together to achieve greater profit for the business or enterprise.

Entrepreneurs in Nigeria

Entrepreneurial forces are strong in this country. It has become vital in a “specially tottering economy” like Nigeria's, that her citizens, young and old alike unemployed, under-employed and even the employed take on enterprising and risk-taking characteristics in order to sustain their family above poverty line. Like natural traits, the average Nigerian is alert to grabbing as much as he can while he can to stay afloat (Obiajuru, 2012).

In the last decade more Nigerians have attended entrepreneurial trainings, taken courses in entrepreneurship than ever before. More so, entrepreneurship has been included in the school curriculum so that students on graduation will be job creators instead of job seekers. Virtually all young graduates have been tutored or received some form of tutoring on entrepreneurship.

In Nigeria, there are many entrepreneurs that have touched lives of many by making life easier through their product and services. Some of these notable entrepreneurs in Nigeria that have created value in their chosen career, despite the fact that there are lot of challenges facing them, and also, some Western press report negative issues bordering on Nigeria. These groups of people prove that no country is free from crime that Nigeria is a very fertile ground for entrepreneurship business. Among them are:

Mrs. Pamela OloyinkaAdehayo, she voluntary withdrew from the Federal Civil Service to establish De-Tastee Pot Limited, an outdoor catering outfit in 1990. In 1996 she diversified into the fast food business applying the knowledge she acquired from Kentucky Fried Chicken, Chicago, U.S.A.

Tastee Fried Chicken has expanded by establishing additional outlet at different places about 650 (six hundred and fifty) personnel on its payroll. Is this not wonderful? (Ajagu 2005).

Prince Adedoyin is another fellow who proved that despite all the challenges facing entrepreneurs in Nigeria that Nigeria is truly a fertile ground for entrepreneurship activities. He is one of the major industrial giants and entrepreneurs of our time. He controls a group of fourteen vibrant companies with factories in Lagos, Ogun and Kwara states and depots all over the country. The group employs over 5,500 Nigerian.

Tantalizers, is one of the big names in the Nigerian fast food industry owned by Mr. and Mrs. MofolusoOluyeniAyeni. They have successfully steered the eatery business from one single outlet into a

vast business, employing about 1,700 Nigerian in their thirty outlets in Lagos, Abuja, Ibadan,, Port-Harcourt etc. This proves that in spite of all the challenges that Nigerian entrepreneurial landscape is fertile for those with the vision and the dream, to create value for its customers, employees and all other stakeholders.

Ekeh, Chief Leo Stan Nnamdi, OFR through his company Task Systems Ltd pioneered desktop publishing and computer graphics in Nigeria. He created value in the area of information and communication technology through innovation and creation of information technology solution in West African via his company, ITEC solutions ltd through which he has delivered the largest IT solutions to the Nigerian corporate market, also he pioneered IT distributions in West Africa through his company Technology distribution ltd (TDL). Again he set Zinox Technologies ltd to manufacture Zinox computers, Nigerian's first internationally branded computer.

From the foregoing Chief Ekeh has proven the saying “that if your product has potential of scratching the itch of consumers that, the sky will be your limit”. He was able to go international because he created a valuable computer product that is of international standard. He still proof that entrepreneurship business thrive in Nigeria for those who have the potential to create value in what they do. (Ajagu 2005).

Another great entrepreneur of this millennium is Chief Innocent Chukwuma (Ifediaso Nnewi) the Chairman of Innoson Motor Manufacturing Company and Innoson Plastic firm Emene, Enugu, Enugu State. This entrepreneur created value to the people of Nigeria by saving them from the cost of importing vehicle from outside the country. Also his plastic firm is one of the best plastic manufacturing firms in the country. He was honoured with Golden Entrepreneurships Award by the Nigerian Institute of Policy and Strategic Studies, NIPSS, Kuru. This award was delivered to him on Friday, May 8, 2015; at his Plastic firm Emene, Enugu.

Innoson industries have created value for the society in term of employment. His industries have seven thousand staff in its employment list. This was possible through the help of ex-governor of Anambra State, Peter Obi whom the Chairman commended for helping the Innoson Vehicle Manufacturing Company to grow, and requesting the present administration under Governor Willie Obiano to follow Obi's example.

Nigeria is blessed with young enterprising men and women who if encouraged by creating enabling environment will venture into industries and create value for the nation at large. Government would not provide all the needed jobs in every state; entrepreneur will complement the efforts of the governments in creating jobs. (Christian Outlook, May 23, 2015)

Theories of Entrepreneur

The word “entrepreneur” originates from a thirteenth century French verb – *entreprendre*, meaning “to do something” or “to undertake” around the sixteenth century, the noun form, *entrepreneur*, was being used to refer to someone who exploits business opportunities. Richard Cantillon an economist was the first to make academic use of the word *entrepreneur* around 1733. He identified an entrepreneur as someone who has potential to bear personal financial risk in carrying out business venture. Jean-Baptist Say and John Stuart Mill in the early 1800s popularized the academic usage of the word ‘entrepreneur’ Say stressed the role of the entrepreneur in creating value by moving resources out of less productive areas into more productive areas. Mill on the other hand refers to entrepreneur as a person who assumes both risk and management of a business.

In the twentieth century two notable economists, Joseph Schumpeter identified entrepreneur as an innovator who implements change in an economy by introducing new goods and services and new method of producing and creating them. While Kirzner focused on entrepreneurship as a process of discovering. He identified the entrepreneur as the economic agent who is “alert to opportunity” and who acts on that opportunity. To Kirzner an entrepreneur is someone who recognizes that there are economic goods or services that are currently undervalued, and he or she then takes action in the hopes of realizing a profit, by means of selling the undervalued goods or services at their market price.

Kirzner's theory of entrepreneurship undervalues the entrepreneurs. Entrepreneurs do not merely buy low and sell high; they actively produce, create new value in the process of identifying undervalued goods and services and discovering new method of combining some resources in order to create more value. (Todd 2014)

An entrepreneur is an individual who sees opportunities that are invisible to others and create value by identifying solutions to those opportunities in which some goods or services are undervalued and apply their life's energy to creating a reality which does not yet exist with a guarantee of getting a reward (profit). In organization entrepreneurs identifies the strengths and weaknesses of the organization in producing or creating goods and services. He worked with the firm's available resources in adding value to their product. The essence of entrepreneurship is geared towards innovation leading to wealth creation and sustained growth of corporations (Miller, 1993; Lumpkin and Dess, 1996; Ray, Devarajan and Ramachandram, 1996). The motive for entrepreneurship lies in the urge to identify sources of existing and emerging customer dissatisfaction and developing solutions to eliminate them (Ramachandran, 2003) and at the same time capturing greater market share. Scholars emphasize corporate entrepreneurship to new business creation by individual entrepreneurs, viewing it as a concept that is limited to new venture creation within existing organizations (Burgelman, 1984). Corporate entrepreneurship refers to the process of creating new business within established organizations to improve organizational profitability and enhance a firm's competitive position or the strategic renewal of existing business (Zahra 1991). Corporate entrepreneurship is defined as entrepreneurial activities in the form of product, process, and organizational innovations (Zahra and Covin, 1995). Antoncic and Hisrich, (2000) defines corporate entrepreneurship to involve the pursuit of creative or new solutions to challenges confronting the firm, including the development or enhancement of old and new products and services, markets and administrative techniques and technologies for performing organizational functions. In this context, changes in strategy, organizational structures and systems and methods of dealing with competitors may all be seen as innovations in the broadest sense of the term. It is also defined as a process by which individuals inside the organization pursue opportunities without regard to the resources they currently Control (Stevenson and Jarillo, 1990; Stevenson, Roberts and Grousbeck, 1999).

Corporate entrepreneurship is conceived as the effort to extend organization's competitive advantage through internally generated innovations that significantly alter the balance of competition within an industry or create entirely new industries. Corporate entrepreneurship is a process of organizational renewal that has two distinct but related dimensions (Sathe, 1989): innovation and venturing, and strategic stress creating new business through market developments on by undertaking product, process, technological and administrative innovations. The second dimension of corporate entrepreneurship embodies renewal activities that enhance a firm's ability to compete and take risk in value creation. (Miller, 1983).

Concept of Value

The first task facing the value analyst is to operationally define value within the context of a particular product or process. In doing so it is important to acknowledge the fact that value is subjective. Just as beauty lies in the eyes of the beholder, value is highly dependent upon perspective. Therefore, it is useful to recall that all products and processes have multiple stake-holders. Indeed, in operationally defining value, the consultant might consider the perspectives of end consumers, individuals making the purchasing decision, suppliers, employees, managers, creditors, investors, regulators, and even the local community. While not all of these potential stakeholders will be concerned with every product or process, an initial consideration of which perspectives to consider is helpful in identifying a robust definition of value to drive the extended analysis. Often, the analyst will discover that the different perspectives will lead to conflicting definitions of value. While this complicates the task at hand, honing in on an acceptable definition of value often requires balancing competing demands.

The value-definition phase begins with the gathering of information. The value analyst should have a clear idea of the scope of the review expected. Then each stakeholder's perspective should be explored to determine what they consider to be valuable. What are the utilities expected to be provided by the product or the objectives to be achieved by the process? Are there specific operational goals that should be considered? For example, is there an expectation that all telephone orders will be delivered within twenty-four hours? At this initial stage, each stakeholders experience with the product or process should be broadly considered in order to facilitate the consideration of integrating complimentary elements in the product or process design. Information regarding stakeholder requirements may be revealed through direct observation, focus groups, interviews, surveys or other methods. (Miles D. L , 1947)

Business value on the other hand in management, is an informed term that includes firms or value that determine the health and well being of the firm in the long run, business value expands concept of value of the firm beyond economic value to include other forms of value such as employee value, customer value, and social values etc. they are not measured in monetary terms.

Business value is associated with the theory that an organization is best viewed as a system of relationship both internal and external. These systems are sometimes called a value set of connections or value chain. Each node in the system could be a stakeholder group, a resource, end-consumers, interest groups, regulators, or the environment itself. In a value system, value creation is viewed as a collaborative, synergistic process rather than purely mechanistic or a result or command control.

Peter Drucker was an early proponent of business value as the proper goal of a firm, especially that a firm should create value for customers, employees and distribution partners. His management by objectives (MBO) was a goal setting and decision-making tool to help managers at all levels in creating business value.

Components of Business Value

Customers (consumer's) value: Know whom you're selling to, every entrepreneur has in the back of her mind, a mental picture of the ideal customer. The question is whether this image is based in reality. Does this ideal customer exist? What if she does, but it turns out that she doesn't want to buy your product? As you learn more about your market, you may need to be flexible and willing to change your image of both the customer and the product itself.

This is the value received by the end customer of a product or service customers can include a single individual (consumer) or an organization with various individuals playing different roles in the buying/consumption processes. Customer value is conceived variously as utility, quality, benefits and customer satisfaction.

Shareholder value: This is the part of its capitalization that is equity as opposed to long-term debt. In the case of only one type of stock, this would roughly be the number of outstanding shares times current share price. Things like dividends, argument shareholder value while issuing of shares (stock options) lower it. This shareholder value added should be compared to average/required increase in value, also known as cost of capital.

Employee value: Employees are the most valuable assets of any organization. They are not seen in any of organization's balance sheet. They are individual asset in organizations and also the area where there is the most discord in reporting. Organizations depend on their employees in achieving their goals but they are the one who receives the short end of the stick when it comes to value.

Societal value: The social environment also wants that the firm follows or adopts several values towards the society. These society values relates to the provision of hospitals, charity, schools, parks, protection, scholarships, donations etc.

Corporate entrepreneur recognizes when the above listed components economic goods or services are undervalued in an organization, he then takes action of creating more value in the hopes of realizing a profit from them.

Value Creation

The key idea of capitalism is that the entrepreneur or manager creates value by capturing the jauntiness of the interest of the stakeholders. The key interests are in conflict, but over time they must be shaped in the same direction. (Freeman 2008b, p. 165). Value creation therefore, is the primary aim of any business entity. Creating value for customers helps sell products and services, while creating value for shareholders, in the form of increases in stock price, insures the future availability of investment capital to fund operations. From a financial perspective, value is said to be created when a business earns revenue (or a return on capital) that exceeds expenses (or the cost of capital). But some analysts insist on a broader definition of "value creation" that can be considered separate from traditional financial measures. "Traditional methods of assessing organizational performance are no longer adequate in today's economy," according to ValueBasedManagement.net. "Stock price is less and less determined by earnings or asset base. Value creation in today's companies is increasingly represented in the intangible drivers like innovation, people, ideas, and brand."

When broadly defined, value creation is increasingly being recognized as a better management goal than strict financial measures of performance, many of which tend to place cost-cutting that produces short-term results ahead of investments that enhance long-term competitiveness and growth. As a result, some experts recommend making value creation the first priority for all employees and all company decisions. "If you put value creation first in the right way, your managers will know where and how to grow; they will deploy capital better than your competitors; and they will develop more talent than your competition," Ken Favaro explained in Marakon Commentary. "This will give you an enormous advantage in building your company's ability to achieve profitable and long-lasting growth."

The first step in achieving an organization-wide focus on value creation is to understand the sources and drivers of value creation within the industry, company, and marketplace. Understanding what creates value will help managers focus capital and talent on the most profitable opportunities for growth. "If customers value consistent quality and timely delivery, then the skills, systems, and processes that produce and deliver quality products and services are highly valuable to the organization," Robert S. Kaplan and David P. Norton wrote in their book *Strategy Maps: Converting Intangible Assets into Tangible Outcomes*. "If customers' value innovation is high performance, then the skills, systems, and processes that create new products and services with superior functionality take on high value. Consistent alignment of actions and capabilities with the customer value proposition is the core of strategy execution."

Although the intangible factors that drive value creation differ by industry, some of the major categories of intangible assets include technology, innovation, intellectual property, alliances, management capabilities, employee relations, customer relations, community relations, and brand value. According to Kaplan and Norton, the link between these intangible assets and value creation is corporate strategy. It is important to note that investments made to enhance intangible assets (research and development, employee training, and brand building, for example) usually provide indirect rather than direct benefits. In this way, focusing on value creation forces an organization to adopt a long-term perspective and align all of its resources toward future goals attainment.

Entrepreneur Styles for value creation

Entrepreneurs do some things differently in order to make things happen in an organization. Companies that systematically outperform their competitors often seem to have a coherent long-term value creation logic that drives everything they do. The leaders of such companies are often marked by four distinct value creation styles. Below are the descriptions of these styles.

Goal Setting: Some entrepreneurs are primarily engaged with embedding a higher purpose for their company, beyond making money. They are concerned with defining the company's genuine contribution to society and how the meaning of its existence is reflected in the products and services it makes and how it operates. In a market economy in which supply and demand are two sides of the same coin, many things a company does have a mirror reflection that has to make sense to customers. If a company would declare that its primary goal is to make money, the mirror reflection of that would be that customers would primarily want to give the company their cash, rather than wanting a valuable service or product. That is a business proposition that no sane investor would fund. Hence, almost by definition, in a capitalist market society, profits are a by-product of creating meaning for others.

Stratagem model: A second group of entrepreneurs is focused on finding new sources of revenue that build upon previous income streams or represent truly new ones. They apply the company's purpose to new product categories, markets or industries—thus multiplying its value—and systematically seek to increase the revenues and margins they earn from the purpose.

Perfect execution: A third class of entrepreneurs is relentlessly focused on creating consistent, flawless implementation. They are focused on quality and price, and are obsessed with ensuring consistent service delivery and product performance. They create value by doing everything necessary to make sure customers are buying an excellent product, always and everywhere.

Value incarcerate: A final set of entrepreneurs and CEOs is tirelessly focused on the company's cost of capital, its cash flows, returns on capital, growth, pricing, risk, capital efficiency, etc. Their main focus is on capturing the value the company creates for customers and stakeholders, and converting it into financial value for the company in the most optimal way.

Recognize an opportunity: What exactly does one look like? It has to do with analyzing both the product and the market and seeing if they intersect. What you're looking for is a product that fulfills (or creates) a need at just the right time, in just the right place. Opportunities are built using a combination of your ideas and entrepreneurial creativity mixed with market need and good situational timing.

Think about your idea as you read the rest of this work—or, if you don't have an idea yet (which is perfectly fine), let it inform your idea generation process—and ask yourself these questions:

- Is my idea realistic? Is it technically and financially feasible?
- Is there a strong need for my potential product?
- Is this a need I passionately want to address?
- Does pursuing this opportunity meet my goals as an entrepreneur?

Challenges of Entrepreneurs on value creation

Nigerian entrepreneurs are being faced with lots of challenges which hinder their business activities in value creation. Okezie A. I, Odili and Njoku A .C (2013), listed 18 challenges faced by entrepreneurs in Nigeria to include the following:

1. **Lack of Credit Facilities:** Potential Nigeria entrepreneurs go through many hardships when trying to access credit for their businesses. Though there is a wide range of financial institutions that offer business loans, they usually charge high interest rates deterring aspiring entrepreneurs. For instance, major banks have pegged their lending rates to as much as 28% deterring potential entrepreneurs who are mostly low income earners. Other obstacles faced by our entrepreneurs include severe collateral conditions set by banks and other lending institutions.
2. **Corruption:** Widespread and all present corruption that makes the procurement of licenses, permits, goods and services from government agencies and even the payment of taxes and levies difficult without playing the game i.e. paying bribes and kickbacks.
3. **Inconsistent Government Policies:** Government inconsistency is really a challenge an entrepreneur will have to tackle if he must succeed in Nigeria. Governance is something entrepreneurs have no control over; all entrepreneurs can do is to influence government's policy with respect to enacting favorable business laws. But he must have political clout and massive resources to be able to influence government laws. Now he may not have the political clout or financial muscle to influence government's policy so the best strategy to combating the ever changing policy of the government is to keep a keen eye on government laws and swiftly adjust your business to align with the policies.
4. **Multiple Taxation:** One other sensitive challenge that is encountered by majority of Nigerian entrepreneurs is multiple taxation. Although entrepreneurs in a country have a responsibility of funding the government through paying taxes, most of the taxes charged on entrepreneurs are not lawful and have the effect of increasing the cost of doing business. Although Nigeria's Companies Income Tax Act (CITA) has approved only 39 taxes and levies, there are over 500 various levies and taxes that are imposed by state and local government agents. These taxes are questionable and in the case where they are genuine, they are mostly duplicated and this has the effect of increasing the cost of doing business.
5. **Poor State of the Country's Infrastructure:** The state of Nigeria's infrastructure can be deemed to be a nightmare to both entrepreneurs and the rest of the country's population. With the existing infrastructure deteriorating and in some places it is non-existent; the cost of doing business has tremendously gone up. The state of the country's road network makes it hard for entrepreneurs in the agricultural sector to transport harvested produce from farms to processing factories. According to a report released by the World Bank, Nigeria's pace of socioeconomic development and growth is way below what we can achieve. This is mostly because of the erratic supply of electricity which has negatively affected many businesses. The outcome of power problems has prompted

- entrepreneurs to generate power through expensive ways that have in turn increased their production costs and made their products uncompetitive due to high prices.
6. **Failure to Adapt to the Changing Business Environment:** Majority of those who venture into MSMEs (Micro, Small and Medium Enterprises) do so because of their need to make money and in almost all cases, such entrepreneurs lack relevant and adequate information about the businesses they engage in. In the event where problems arise, most of these business owners lack sufficient problem solving skills and in the end they find it hard to survive. With the growth in the telecommunications sector since the introduction of GSM in 2002, Nigeria has become one of the fastest growing ICT market not only in Africa but also worldwide. This presents a challenge to entrepreneurs who have not embraced technology, and who are now finding it hard to remain relevant in the competitive business environment. For existing and potential MSMEs to survive and be relevant, it must adapt to the changing business environment and embrace technology.
 7. **Low Standard of Education:** There is no gainsaying the fact that education is the key to knowledge and that it plays a strong role in forming the burgeoning entrepreneur. The world today is a global village and since an intending entrepreneur must be conversant and in tune with events around and about him, education becomes a critical factor in preparing and empowering the entrepreneur with the qualities required of him.
 8. **Security Issues** - When there is no guarantee of security of lives and properties, it is difficult to run a successful venture. According to Arizona (2009), Nigeria has become a den of kidnapping and resulting in incessant hostage taking, kidnapping and unjust harassment.
 9. Getting venture capital to finance entrepreneurial endeavour in Nigeria is very difficult because of the political and economic instability.
 10. The policies of the Nigerian government are a barrier to the success of large-scale entrepreneurial success for many Nigerians. The government is plagued by corruption and greed. The government systematically ignores laws that are already in place to promote free enterprise.
 11. The lack of enforcement of Nigerian patent laws discourages entrepreneurs from commercializing their ideas and inventions.
 12. The constant political turmoil in the country greatly limits foreign investors who would be willing to provide resources for entrepreneurship in the country, which is very rich in natural resources.
 13. Political and social movements strongly affect the level of entrepreneurial activity in Nigeria. Religious intolerance and ethnic warfare limit country progress in some areas of the country.
 14. Female entrepreneurs in Nigeria are often underestimated and overlooked and they are often hindered because of cultural barriers such as male/female role definitions that label women inherently inferior to men.
 15. Entrepreneurship activity in Nigeria is primarily based on necessity: The aim with which you start a business also tells how much the business will go. Are you starting a business solely because you want to make fast money? Is it because you want to spend more time with friends and family members? Is it because you want to be your own boss? If these are the major reasons for starting your business, then you may be getting it wrong, experts say. Make sure your business is started because of the passion you have for the venture, experts say.
 16. **Poor planning:** Experts say individuals who have successfully managed major events are aware of the fact that success mostly come as a result of careful, systematic, strategic planning and hard work.
 17. **Poor product or service:** The entrepreneur must understand the needs of his customers and seek ways to meet these needs via the product or service which he offers to the market.
 18. Nigeria is characterized by large growing and active population, with sanitation life styles resulting in high demand for expensive foreign goods and services. Most citizens have negative attitude towards made in Nigeria goods and services, some people are highly religious to point of intolerance in some states. This has resulted in riots and destruction of lives and properties.

METHOD

This describes the method and procedures employed in this research work. It dealt with the design of the study, population, sample and sampling technique, sources of data, administration of instrument, validity and reliability of the instrument and method of data analysis.

The designs used in this research were both survey and content analysis method. The survey method approach is particularly a method for collecting and analyzing social data through highly structured and often very detailed interviewed or questionnaire in order to elicit information from the respondents presumed to be representative of a specific population.

The content analysis involves the review of the related literature such as textbooks, journals, workshop or conference papers etc were relied on with a view to discovering generalizations that were significant in understanding of the past and present in order to predict and deal with the issue under study. (Ahiazu, 2003).

Setting

This research work was carried out in Ihiala local government Area of Anamabra State. Some selected entrepreneurs operating in this area were chosen for the interest of this study.

Population

The research work was focused on the entrepreneurs operating in Ihiala local government area. The research interests were both from manufacturing and servicing firms in Ihiala local government Area. The researcher selected 25 business owners hence the population. This data constitute the population for this study. This population was restricted to only business owners.

Sources of Data

Primary and secondary were the major data used in sourcing information. Primary data, involves the firsthand information obtained from the field of the study through the use of questionnaire, telephone, interview and observations. Secondary data involves the review of the related literature such as textbooks, journals, and workshop or conference papers.

Method of Data Analysis

The researcher administered 25 copies of questionnaire to small business owners in Ihiala Local Government Area out of these 25 that were administered 2 were not returned and 3 were not properly filled. Arithmetic mean was the statistical tool used for data analysis. A five point scale method was used in order to determine the degree of the agreement or otherwise in each of the questionnaire item. Nominal values were assigned to the items as follows.

	Boundary Limits	
Strongly Agree	SA - 5	4.5 - 5.00
Agree	A - 4	3.5 - 4.49
Undecided	UD - 3	2.5 - 3.49
Disagree	D - 2	1.5 - 2.49
Strongly Disagree	SD - 1	0.5 - 1.49

Decision Rule

Using the interval scale of 0.5 the upper limit is determined thus: $3.0 + 0.5 = 3.5$. Therefore, any response with a mean score of 3.5 was accepted as agreed while any one that received a mean score below 3.5 were regarded as disagree and therefore not accepted. Concurrent deviation correlation coefficient was used to determine the degree of the relationship while t student product moment was used to test the level of the significant.

DATA ANALYSIS

This section analyses the data collected from the field through the distribution of questionnaire. Simple percentage and summated rating scale or Likert type scale were used for the analysis of information gathered from the respondents. These responses are grouped and analyzed based on their relevance to the key variables as contained in the various research questions of this study.

Table 1

Respondent’s approach on challenges of infrastructural facilities on entrepreneur value creation.

Entrepreneur value creation and Infrastructural facilities	X	SD
The privatization and commercialization of the power sector has brought an improvement in the power supply	4.5	1.0
The cost of running generator as an alternative source of power supply in Nigeria is expensive.	4.2	1.0
The transportation system in Nigeria is efficient and effective for entrepreneurs.	2.3	0.94
The road network linking town is in deplorable condition.	2.14	0.875

Source field survey 2022.

Table 1 above shows that item 1 had a means score of 4.5 which is above the cut off 3.5. This shows that the privatization and commercialization of the power sector has brought any improvement in the power supply. Item 2 had a mean score of 4.2. It also shows that the cost of running generator as an alternative source of power supply in Nigeria is expensive. Item 3 had a mean score of 2.3 this is below the cut of point of 3.5. This is not acceptable that the transportation system in Nigeria is efficient and effective for entrepreneurs. Item 4 also had a mean score of 2.14 which was also below the cut of point of 3.5. It is also not acceptable that the road network linking town is in deplorable condition.

Table 2

Respondent’s response on how corruption affects entrepreneur value creation

Entrepreneur value creation and Corruption	X	SD
Unchecked corruption in Nigeria forces the masses to pay a premium for public goods and basic services.	4.32	1.0
People demand gratification while performing their official duties	4.03	1.0
Security of lives and property is necessary for business to thrive in Nigeria.	4.21	1.26
The menace of Boko Haram insurgents and other militant groups coupled with armed robbers and kidnapping have adversely affected business in Nigeria.	4.32	1

Source: field survey 2022.

Table 2 above shows that item 5 has a mean score of 4.32 which shows that corruption in Nigeria forces the masses to pay a premium for public goods and basic amenities. Item 6 had a mean score of 4.03, which also shows that people cannot perform their function without seeking for gratification. Item 7 had a mean score of 4.21 which shows that security of life and property is essential for the smooth running of any business activities. Item 8, also had a mean score of 4.32 this shows that the menace of Boko Haram insurgents and other militant groups coupled with armed robbers and kidnapping have adversely affect on entrepreneur value creation.

Test of Hypothesis 1

HO: There is no significant relationship between Infrastructural facilities and entrepreneurs value creation.

X1	X2	D(x2 –x1)	D2
130	195	65	4225
54.8	82.2	27.4	750.76
37.2	55.8	18.6	345.96
28.4	42.6	14.2	201.64
85.6	12.4	42.8	1831.84

$$d = \frac{\sum d}{t} = \frac{168}{5} = 33.6 \quad \sum d = 168 \quad \sum d^2 = 7355.2$$

$$t = \frac{33.6}{\sqrt{\frac{7355.2 - \frac{(168)^2}{5}}{5(5-1)}}} = \frac{33.6}{\sqrt{\frac{7355.2 - 5644.8}{20}}} = \frac{33.6}{\sqrt{85.52}} = 3.6332$$

$$t_{\text{Cal}} = \frac{33.6}{9.248} = 3.6332$$

$$t_{\text{critical}} = 2.776$$

Decision Rule

With 4 degree of freedom and testing at 0.05 level of significance, the t-cal critical of 2.776 is less than t cal. of 3.633. This means that the Ho will be rejected while the Ha will be accepted. Hence, there is significant relationship between Infrastructural facilities and entrepreneurs value creation.

Ho. There is no significant relationship between bribery and corruption and entrepreneur value creation.

X1	X2	D(x2 - x1)	D2
146	219	73	4225
58	87	29	750.76
26	39	13	345.96
22	33	11	201.64
84	126	42	1831.84

$$d = \frac{\sum d}{t} = \frac{168}{5} = 33.6 \quad \sum d = 168 \quad \sum d^2 = 8224$$

$$t = \frac{33.6}{\sqrt{\frac{8224 - \frac{(168)^2}{5}}{5(5-1)}}} = \frac{33.6}{\sqrt{\frac{8224 - 5644.8}{20}}} = \frac{33.6}{\sqrt{128.0}} = 2.959$$

$$t_{\text{Cal}} = \frac{33.6}{11.356} = 2.959$$

$$t_{\text{critical}} = 2.776$$

Decision Rule

With 4 degree of freedom and testing at 0.05 level of significance, the t-cal critical of 2.776 is less than t cal. of 2.959. This means that the Ho will be rejected while the Ha will be accepted. Therefore, there is significant relationship between bribery and corruption and entrepreneur value creation.

Findings

This study was carried with the aim of examining the challenges facing entrepreneurs in value creation. The study was carried in Ihiala local government area. The result of the study would be generalized to the society at large. The discussion of this findings centres on the research questions in the study and the responses of the respondents from the questionnaire distributed.

Research Question One

To examine the extent to which Infrastructural facilities affect entrepreneurs value creation. Under this question it was found out that infrastructural facility is the major hindrance on the activities of entrepreneurs hence affects its value creation

Research Question Two

To examine the extent to which bribery and corruption affects entrepreneur value creation. It was also found out that bribery and corruption undermine the efforts of entrepreneurs in value creation.

Summary of the findings

The thrust of this research work was to examine the challenges facing entrepreneurs on value creation. To provide a background to this study some related literatures were reviewed Entrepreneurs are seen as the engine for economic growth and development. They are the induction cushion for entrepreneurship business, and innovation. Entrepreneurial ventures is the wheel with which an economy is driven through value creation and creative approach to produce goods and services which will impact positively in the life of organization, employees, consumers, shareholders and the society at large. Collapse of infrastructural facilities, poor governance structure, massive corruption, insecurity of life and property, political instability and poor macroeconomic management pose lots of challenges on entrepreneur's value creation.

Conclusion

Sequel to the discussion of the findings conclusion were drawn that infrastructural facilities has been found to be the major impediments to entrepreneur value creation. This is as result of epileptic power supply in the area, and also the cost of running generator is too high. This is because there is always scarcity of fuel, which is not in favour of any business operators. Some business men and women are forced out of business due to harsh business environment.

Recommendations

1. Great attention should be paid on the infrastructural facilities, especially in the area of electricity. If any policy is made, it is proper to see that the implementation is in line with the objective of the policy. In the power, we have succeeded in changing the name of the cooperation from NEPA to PHCN now EEDC but the activities are the same. There is no improvement in that sector.
2. There should be adequate portable water supply; this also will help to improve the standard of living. Good road also is important as this will help to improve the activities of the business.
3. Corruption was seen as another hindrance on entrepreneur value creation. If government should pay serious attention to these social vices that is now turning out to be a culture in this country, I think the society at large will benefit from the activities of entrepreneurs as this will help to improve the standard of living and employment creation.
4. If government could also provide a healthy enabling environment, this will help attract business investors. Nobody would like to invest where lives and properties are not guaranteed.

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