Entrepreneurship Opportunities and Challenges for Urban Planners in Nigeria

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ABSTRACT: This paper examines Entrepreneurship opportunities and challenges for Urban Planners in Nigeria. The paper sees entrepreneurship as the process of creating something new with value by devoting the necessary time and effort, with the accompanying financial and social risks, and receiving in return monetary rewards and personal satisfaction and independence. The paper shows that there is increasing interest on Entrepreneurship by consumers, business people and government officials which is manifested in increasing research on the subject and its realization. Thus it quickens the process of industrialization, employment creation and poverty reduction. The analytical tool adopted for this paper is descriptive method, which centred on looking at the various programmes of urban planning profession that can make entrepreneurs to thrive and drawing inferences from them. The paper identified five major areas/fields that can facilitate entrepreneurship opportunities as well as their challenges for urban and regional planners in Nigeria. It includes: Planning consultancy and Research Information, Communication Technology (ICT), Property Development /Building and construction, Energy Efficiency and City Greening/Landscaping. The paper concludes by recommending various factors that urban planners must follow towards embracing self employment and de-emphasize the search for white collar jobs that are non – existent.

Keywords: Challenges, Entrepreneurship, Nigeria, Opportunities, Urban Planners.

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I. INTRODUCTION

Since the beginning of the 1980’s, interest in entrepreneurship has been growing around the world [1]. The main factor that contributed to this interest was the challenges of industrialized countries arising from economic recession, high unemployment rates and fluctuation in international trade’s cycles, which most of these countries have not experienced before [2]. This situation has tended to increase the attention to the potential role of entrepreneurs as a possible solution to the problems faced by most of the countries [3]. Many development agencies, such as educational and professional training institutions around the world, are facing this challenge of how to create an enterprise culture and many of them already provide valuable and the much needed assistance, such as advice and financial aspects. Today, some of the tertiary institutions in the world now offer courses in entrepreneurship, and many business or management schools offer major academic programmes in entrepreneurship besides traditional business or management areas, such as finance, accounting, marketing, human resources and basic management. However, this has not been fully harnessed, developed or investigated in a developing country like Nigeria.

Nigeria faces a number of challenges that can only be met if it has innovative, well-educated and entrepreneurial citizens who, whatever their profession, have the spirit and inquisitiveness to think in new ways, and the courage to meet and adapt the challenges facing them. Moreover, a dynamic economy, which is innovative and able to create jobs that are needed will require as greater number of young people who are willing and able to become entrepreneurs – young people who will launch and successfully develop their own commercial or social ventures, or who will become innovators in the wider organizations in which they work because education is pivotal to shaping young people’s attitudes, skills and culture, it is vital that entrepreneurship education is essential not only to shape the mindsets of young people, but also to provide the skills and knowledge that are central to developing an entrepreneurial culture.

The state of the country’s economy and the level of unemployment have compelled all stakeholders to acknowledge that entrepreneurship plays a vital role within the economy and it is an activity that can lead to economic growth. Realizing the importance of entrepreneurs in the development of the economy in Nigeria, various stakeholders have made efforts to nurture entrepreneurship in all ways. The governments, at all levels, are continuously concerned with promoting an enterprise culture among employable youths to meet the
objective of creating entrepreneurial and innovative society. As a result, educational institutions, particularly higher educational institutions, are entrusted with an additional task, which has contributed to the development of entrepreneurial talents among young graduates.

Urban Planning is a technical and political process concerned with the use of land, protection and use of the environment, public welfare and the design of the urban environment, including air, water and the infrastructure passing into and out of urban areas such as transportation, communications, and distribution networks.

One of the commonest definitions of planning found in the literature is that of [4], who defines planning as “the art and science of ordering the use of land and the character and siting of buildings and communication routes so as to secure the maximum practicable degree of economy, convenience and beauty”. Professional bodies have also made attempts to describe what planning is, or what planners do. The definitions of planning from three well-established professional institutes of town planners are summarized below:

The Nigerian Institute of Town Planners defined “Urban and Regional Planning as concerned with the spatial ordering of land use both in the urban and rural settings for the purpose of creating functionality efficient and aesthetically pleasing physical environment for living, working, circulation and recreation.” [5].

Furthermore, the American Planning Association [6] also defined Urban Planning or City and Regional Planning, is a dynamic profession that works to improve the welfare of people and their communities by creating more convenient, equitable, healthful, efficient, and attractive places for present and future generations.”

Likewise, the Royal Town Planning Institute in United Kingdom [7]: said “Planning involves twin activities that deal with the management of the competing uses for space, and the making of places that are valued and have identity. These activities focus on the location and quality of social, economic and environmental change.”

A critical examination of these definitions show that urban planners have a supremely important role to play in the lives of the citizens of any town, and country, as the quality of their work is directly correlated to the quality of life of every citizen.

Focusing on the Nigerian context, an unfortunate comparison can be observed. Our towns and cities are extremely unplanned, haphazard at best and underdeveloped, while in every year, thousands of urban planners graduate are roaming about our streets without a job to do. Despite the fact that skilled urban planners should be the hottest and most-sought practitioners but it is a reality that populace do not understand their role and value. This is because Nigerians have never experienced what it means to live in a town or city that has been properly and systematically planned, designed, constructed and maintained by these skilled urban planners.

The truth of the matter is that Nigerian government jobs for planners are extremely limited; therefore not all graduated urban planners can be employed by the government. This situation is the case for all practitioners as well. The bitter truth is that Nigerians have a very narrow mentality as regards the purpose of earning a degree. We struggle for the academic qualifications, by hook or crook, with the main aim being to secure a government job (preferably at the Federal level) after graduation, hopefully with the help of a highly placed or influential person we know in a key government position. We fail to realize that this mentality is stifling our tremendous potential as urban planners in this country. We must broaden our mindset and start to entertain and realize the vast opportunities that abound in society as creator of values instead of be a mere government employees. This is where the important concept of entrepreneurship comes into play, and this is the focus of this paper as evidenced by the title ‘Entrepreneurship opportunities and challenges for Urban Planners in Nigeria.

II. LITERATURE REVIEW

[8] argued that the urban planning climate in most western industrialized countries has changed from a focus on land usage and infrastructure development to a focus on community development, revitalization and sustainability. To address these new planning challenges, urban planners have had to become more innovative and more business-minded. Based on these changes, [8] said that the urban planning university curriculum needs to be updated to include the teaching of vital entrepreneurial skills so that a new breed of entrepreneurial urban planners will be developed to tackle the ever-changing planning needs of the society. [8] argument is one that the Nigerian government shares, in that it mandated entrepreneurship education for all university courses, urban planning included, in 2008.

Entrepreneurship contributes to the development of skilled and semi-skilled manpower for national development as well as self employment and poverty alleviation. Skilled training and entrepreneurship education makes his products self reliant. The Federal Republic of Nigeria policy in education of 2004, states that the philosophy and values of education in Nigeria include: ‘Integration of individual into a sound and effective citizen respect for the work of the individual, faith in mans’ ability to make rational decisions, moral and spiritual values in interpersonal and human relations, social, cultural, economic, scientific and technological
progress. The policy also provided that any programme that qualify as education in Nigeria should not just offer ‘certificate’ alone but must be work oriented. Thus this will go a long way in solving unemployment and unemployable problem.

Upon graduation, one of the biggest obstacles preventing urban planners from fulfilling their entrepreneurial ambitions is the lack of start-up capital. [9] explained the process of crowd funding is a process whereby a new business sources start-up capital from the community that will benefit from the product of service the new business will provide. From an urban planning perspective, [9] explained the process of crowd funding as follows: “These civic crowd funding starts-ups tap local communities and businesses to raise money for community centres and urban beautification, giving citizens a sense of ownership and a stake in the future of their cities”. She cited an American urban planning company called “Patronhood” that successfully utilized crowd funding to establish a business focused on developing community business stands and playgrounds for the kids of the community. Another crowd funding success was UK-based planning company, “Spacehive” that has developed a community centre in Wales. Amazingly, the average donation was between $5 and $10. Yet because these companies were able to clearly articulate the benefits of the projects to the community, many people contributed, fulfilling the saying that many good heads are better than one. Crowd funding in the urban planning context is truly synergy at its best. It is particularly poignant from a Nigerian context; instead of waiting for government to provide infrastructure we surely need, and yet they fail again to deliver, perhaps we can help ourselves by supporting our innovative urban planning entrepreneurs via crowd funding.

[10] describes a new environmental urban planning trend that is popping up across many American cities; parklets. Parklets are mini parks within busy city streets that are created from unused parking spaces. Over 27 parklets have been developed in the city of San Francisco with 40 more planned in the future. The construction and maintenance of these parklets are usually paid for by surrounding businesses so as to beautify their surroundings, and more importantly to attract potential customers who enjoy the pleasure of sitting in them; Parklets cost on average of between $15,000 and $20,000. Experience over time has shown that these parklets work best for business such as coffee houses and pizza places which rely heavily on customers walking in off the streets.

An important factor that urban planning entrepreneurs must consider if they are to be successful is the needs of the customers that they are serving. [11] argued that many urban planners involved in building projects becomes so focused on the building process that they often forget to consider the needs of their customers. She went on to present a case study of a Dutch urban planning company called “City Works” that is “bringing the art of listening back into the city planning process” [11]. City works makes a concerted effort to bring together all relevant stakeholders before embarking upon a project. This enables the company to thoroughly understand the needs of these stakeholders so as to provide a project that truly satisfies these needs.

In addition to understanding the needs of the community, [12] charges urban planners to be more proactive in affecting community change by collaborating with government planning agencies to develop projects that make the people’s lives better. He cited an example of the Colombian city of Medellin where urban planners worked together with government planning officials to provide affordable housing for the many poor citizens of the city as well as affordable public transportation routes. In fact, Medellin won an award as the world’s most innovative city in a contest organized by The Wall Street Journal and [13]

III. ENTREPRENEURIAL OPPORTUNITIES AND CHALLENGES OF URBAN PLANNERS
IN NIGERIA

3.1 Opportunities

The profession of Urban Regional Planning provides many opportunities for its practitioners to become either entrepreneurs or promoters of entrepreneurialism. They can effectively play the following roles among others:

- Design and implement plans and programmes that would promote an environment for entrepreneurship to thrive, towards achieving robust and sustainable urban development.
- Planners as entrepreneurs – contributing directly and actively to urban development through participation in provision of service and facilities.

Urban Planners can promote a conducive environment for entrepreneurs to thrive in the following programmes areas.

3.1.1. Housing

In most cities the private sector plays a critical role in the provision of houses. Entrepreneurs, in the form of real estate developers, use sites earmarked for housing to prepare layout plans and designs to develop properties for sale to the public. Governments therefore harness the private sector’s power of urban spatial development and exploit market potentials to the fullest by introducing new modes of regulatory measures to stimulate private innovations and strengthen market functioning. Well-articulated policies in housing provision by the private sector, facilitated by adequate housing finance system, enables entrepreneurs to venture into
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housing production creating, in the process, many value chain additions in other areas. This typical case can be seen in the United States where the regulatory framework facilitates the production of houses by private entrepreneurs for sale to the public. These firms grow and expand during boom periods but shrink during periods of economic recession.

3.1.2 Climate Change

Some of the effects of climate change, namely rising sea levels, increased frequency and severity of storms, heavy rains, floods, droughts, heat waves and other extreme weather events have started to be witnessed in the country. For example, the 2012 floods in Nigeria with its devastating effects on human settlements and economic infrastructure was the most severe to be witnessed in recent memory. Urban planning plays a key role in mitigating the effects of climate change, flooding, adaptation and making the communities more resilient and sustainable. One of such areas in the preparation of hazard mitigation plans that anticipate the effects of future flooding, landslides and provide measures that can withstand them and enable the community to rebuild itself when necessary. Planning also plays a key role in putting in place, measures that help to mitigate greenhouse gas emissions through better transport planning and use of energy efficiency projects.

3.1.3 Urban Upgrading

Upgrading of blighted and slum communities, has the potential of creating chains of entrepreneurs in a city. This is more so, when the initial plan is conceived in a holistic, comprehensive and participatory manner. In some of Nigerian cities, urban upgrading projects have been carried out using labour intensive public works programmes as well as community contracting. These have tended to produce entrepreneurs and provide employment opportunities to residents as well as improve the standards of living in those communities.

3.1.4 Urban Environment

Environment sustainability is central to the qualitative changes necessary to transform cities and urban lives of the urban poor. This is due to the fact that environmentally sustainable cities are vibrant and offer good quality of life. Such cities are more likely to attract the skills and entrepreneurship essential for growth and prosperity [14] The issues of urban environment management in Nigeria centre mostly on the areas of solid waste management and sewage/ waste water treatment. In spite of the efforts of States government and the Federal Ministry of Environment on integrated wastes management facilities, the challenge of safe collection and management of solid waste have remained a challenge. Planners have a role to monitor the situation to assess progress or otherwise. Entrepreneurship possibilities in the area of solid waste management include opportunities as consultants, waste collection companies, informal waste collector, recycling companies, composting companies, vehicle dealers and repairers etc. Urban planners can operate directly as entrepreneurs in various groups as shown below.

Table 1. Planners as Entrepreneurs

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<tr>
<th>No</th>
<th>Field/Area</th>
<th>Opportunities</th>
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<tbody>
<tr>
<td>1</td>
<td>Planning consultancy and Research</td>
<td>Consultants to prepare:</td>
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<td></td>
<td></td>
<td>• Master / structure plans</td>
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<td>• Detailed neighborhood plan</td>
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<td>• Urban design plans e.g slum upgrading plans,</td>
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<td>• Facilitating the issuance of certificate of Occupancy to the residents.</td>
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<td>• Urban Research</td>
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<td>• Data bank eg, traffic counts etc</td>
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<td>• Data Management</td>
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<td>• Transportation e,g urban bus stops, school bus systems on behalf of PTA,s of the schools</td>
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<td>• Local Economic Plans</td>
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<td></td>
<td>• Risk Management</td>
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<td></td>
<td>• Energy Audit</td>
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<tr>
<td>2</td>
<td>Information Communication Technology(ICT)</td>
<td>• Gis Mapping</td>
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<tr>
<td></td>
<td></td>
<td>• Development and use of software programs</td>
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<td></td>
<td></td>
<td>• Modelling</td>
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<tr>
<td>3</td>
<td>Property Development /Building and</td>
<td>• Comprehensive layout and development plans</td>
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<tr>
<td></td>
<td>construction</td>
<td>• Modernizing community markets on behalf of</td>
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<th>Energy Efficiency</th>
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<td>City Greening/Landscaping</td>
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4. Energy Efficiency

- Consultants
- Energy auditors
- Investors
- Promoters

5. City Greening/Landscaping

- Landscape Designer
- Horticulturists
- Contractors
- Facility managers

3.2 Challenges

For every business opportunity discussed above, there are some obstacles that make it difficult to take advantage of this opportunity. Some of these obstacles are discussed below from a Nigerian context.

3.2.1  Disabling economic environment: As Nigerians, we are all well aware of the myriad of problems that have plagued our society for decades; from epileptic power supply to almost non-existent pipe-borne water supply; from horribly damaged roads to haphazard and unplanned housing estates; from non-existent public transport systems to a continually failing economy. All these problems give credence to the popular saying that failing plan is planning to fail. Unfortunately, the root cause of all these problems is the malignant corruption that has fatally infected the Nigerian economy. The crippling nature of the Nigerian economy serves as the biggest obstacles preventing urban planners from being successful entrepreneurs. It requires a great deal of integrity, innovation, hard work and excellent service delivery to be able to deal with this seemingly insurmountable obstacle.

3.2.2  Obsolete knowledge: With the ever-changing urban landscape and the continuous development of new technology, an urban planner who wants to be a successful entrepreneur cannot rely solely on the knowledge gained whilst in university. He has to continuously keep track of the latest planning trends and innovation, particularly regarding the use of technology to provide valuable urban planning solutions. To achieve this, he has to review the latest urban planning scholarship on a regular basis. He also has to attend conferences at home and abroad, as well as training courses. The reality is old planning solutions are no good for the modern society. Innovation is key to survival of any urban planning business.

3.2.3  Capital constraints: The lifeblood of any business is cash; without adequate cash, one is unable to implement any planning strategies he might have, no matter how innovative and valuable. One of the greatest challenges facing the budding urban planning entrepreneur is raising the much needed cash to effectively start and sustain the business. The most obvious way to raise start-up capital is to borrow from the bank; this is an inadvisable strategy and it is the start of a death-trap that is hard to recover from. So, if the bank loan is taken off the tables as a source of start-up capital for the urban planning entrepreneur, what viable options remain? Below is a description of five alternative methods of raising capital for the urban planning entrepreneur.

3.2.4  Friends and Family: Vital start-up funds can be obtained from family and friends either as a zero-interest loan or in exchange for an equity stake in the company. These group of people are interested in the entrepreneur’s success rather than focused on getting a return on their money, via interest payments like the commercial banks.

3.2.5  Partnerships: The experienced urban planning entrepreneur I interviewed for this paper suggested strongly that the best course of action for an urban planner with entrepreneurial intentions is to collaborate with like-minded individuals from related fields like Architecture, Building and Civil Engineering, and form a formidable partnership with experts sporting complementary skill-sets. Each partner would be required to contribute a certain amount of capital to get the new business going. As the saying goes, “two good heads are better than one”.

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3.2.6 Business Angels: Start-up capital can also be obtained from wealthy individuals referred to as “Angels” who invest in new companies with the potential to become very successful, for an equity stake in the new company. Although, this method of raising capital is more common in developed countries. It is worth exploring by the Nigerian urban planning entrepreneur. The key to successfully raising capital through this approach is to prepare a clear and comprehensive business plan, and to make convincing pitches to wealthy potential investors.

3.2.7 Venture Capital: This is similar to raising money from business angels, but from an institution. Such institutions are usually formed by a group of wealthy investors to finance new business with high risk but expected high returns. This method is also not very common in Nigeria, but there are firms out there specialize in this area; Examples include Unique Venture Capital Company Limited, Henshaw Capital Partners, Vetiva Capital, Osprey Investments Nigeria Limited and Disok International Limited.

3.2.8 Crowd funding: This is a relatively recent and innovative development in the area of financing new companies. The investopedia website describes this phenomenon as follows: “Crowd funding is the use of small amounts of capital from a large number of individuals to finance a new business venture. Crowd funding makes use of the easy accessibility of vast network of friends, family and colleagues through social media websites like Facebook, twitter and LinkedIn to get the word out about a new business and attract investors. Crowd funding has the potential to increase entrepreneurship by expanding the pool of investors from whom funds can be raised beyond the traditional circles of owners, relatives and venture capitalists”. With so many people utilizing social networking website these days, and people having hundreds of friends via these networks, crowd funding can be an effective way to raise much-needed capital for the aspiring urban planning entrepreneur in Nigeria.

IV. RECOMMENDATIONS

In order to determine which of the entrepreneurial opportunities discussed in the previous section is best for urban planner, the following recommendations are made. To be able to provide valuable urban planning services which customers will value, it is obvious that you have to be excellent at what you do. It is thus crucially important that whatever business venture you decide to embark upon is one which tallies optimizes your God-given talents. This places you in the best option to succeed.

Starting a new business takes a tremendous toll, physically, mentally and emotionally on the entrepreneur. This is because it involves many activities such as planning, marketing, raising capital and working very long hours in order to gain a solid footing in the market place. Passion serves as the fuel that keeps the entrepreneur motivated to make the business a success despite the many obstacles that need to be overcome. When you have great interest in an endeavour, going to work becomes a pleasure as you are doing something that you enjoy.

A business is successful when it provides a solution to societies needs which the members of that society are willing and able to pay for it. “It involves getting out there, connecting with homeowners, and politicians to discuss how to meet the needs of an ever-changing urban area: (Lapoointe, 2015).

The way you run your business must be in accordance with established universal principles such as justice, honesty and integrity for it to be successful in the long run. This is because as an urban planner, being trustworthy is a unique selling point which customers will appreciate in the short and long term. The urban planner decides how much to charge customers, and thus honesty becomes an integral quality to possess. Additionally, in executing urban planning projects, the planner must ensure that quality materials and qualified personnel are utilized at the best price. Being dubious and conniving might seemingly breed short-run profitability. Once these shortcomings are revealed, it leads to long-term unprofitability and eventual business and personal failure.

V. CONCLUSION

Since government planning jobs are inadequate to service the teeming number of urban planners that graduate from Nigerian tertiary institutions every year, it is imperative that the Nigerian urban planners to become more entrepreneurial by going into business for themselves, with a special emphasis on establishing businesses with like-minded professionals from the complementary fields for Architecture, building and Civil Engineering.

Nigeria’s urban planning needs are too numerous to count, and thus there is ample opportunity for proactive and innovative urban planners to succeed by providing cutting-edge solutions to these planning problems: be it in the economic development, transportation, housing, urban design, or environmental sphere.

In order to achieve sustainable success, it is crucial that urban planning entrepreneurs interact exhaustively with the community so as to fully understand their planning needs, and thus provide as much valued service. People are willing to pay for a service whose benefit they clearly articulate the potential benefits of a project to his or her clients.
There can be no denying that many challenges exist that hinder the ability of the Nigerian urban planner to achieve his entrepreneurial ambitions as discussed in an earlier section of this paper. However, for any problem there is a solution, and usually as long as one is very creative and willing to consult with, and learn from, like-minded professionals, these obstacles can be overcome. As the saying goes, nothing good comes easy.

The role of the urban planner in improving the quality of life of the citizens of a country cannot be overestimated. Every urban planner in Nigeria must understand that he has a moral obligation to utilize these God-given talents to contribute his quota in improving the condition of his fellow citizen, whilst making a healthy profit along the way.

REFERENCES