THE ROLE OF TOURISM ENTREPRENEURSHIP IN POVERTY ALLEVIATION IN NIGERIA

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Abstract

This paper seeks to examine the role of tourism entrepreneurship towards the alleviation of poverty in Nigeria. The purposes of the Study includes: to examine the role of the entrepreneur and tourist towards poverty alleviation through entrepreneurship development; to determine the relationship between entrepreneurship and poverty alleviation; and offer recommendations with a view to reducing poverty through tourism entrepreneurship in the State and Nigeria in general. This Study was based on extensive review of related literature. It was recommended and concluded that the government should encourage tourism entrepreneurship by giving soft loan, incentives and providing enabling environment to ensure that tourism entrepreneurship thrives in the country.

Keywords: Entrepreneurship, Poverty Alleviation, Tourism

Introduction

Entrepreneurship is a state where an individual gainfully employs his/her skills, attitude and cognitive abilities to earn a living as well as helping others around him to earn Samer oviawe, (2010) noted that entrepreneurship is acquisition of skills and ideas for creating employment for oneself and others. It is the process of bringing together the factors of production, leisure embodiment, sight viewing in heritage, land, capital (Visible and invisible capital) to provide goods and services for public consumption. In essence, entrepreneurship becomes a process of social training through which the strong innovative skills in business plan and innovation marketing plans that use modern communication technology, finance and accounting as well as right attitudes, values and business ethics are being inculcated into the people through a well-planned strategy.

The vision, business accrue and ability of many tourism entrepreneurs has imported their environment government realizing the importance of tourism entrepreneurship has lend support to programs that alleviate poverty such as STEB and PIT program. The world tourism organization, the international labor organization like ILO has specific program designated to encourage tourism in less developed countries. Realizing the importance of tourism, the entrepreneurship has been a major engine of growth to bring these benefits of tourism in major developing countries. Normally, tourism entrepreneurship is classified into two categories; lifestyle entrepreneurs who possessed low level managerial ability often have limited capital (Shaw and Williams, 2004). Business entrepreneurs, who are normally motivated by profit (Lorcliporindze et al 2005) This is because entrepreneurs are responsible in creating business; through innovative ability and business accrue. They are business pioneer or transforming existing business through their entrepreneurship innovations.
The entrepreneurs skill and management ability play a major role in shaping business practices. Their actions and attitudes ranges from creativity, risk taking, business innovations and profit maximization (Wiktam 2001) They are bold, creative and confident in their ability and display a level of energy and expect immediate feedback and results (Zimmer and Sacarboro 2005) They take advantage of business opportunities. These behavior corresponds with the leadership capabilities need in small business organization process (Hinterhuder 2014) Therefore the tourism entrepreneur is the founder, facilitator or manager and usually is saddled with the responsibilities of developing and managing many aspect of the business.

Major factors responsible for the success of tourism entrepreneur are the extent to which the operation and the activities of the business align with their personal or cultural or family lifestyle (Kaplan 2007, Monison 2016). Small tourism establishments attracts grate proportion of lifestyle entrepreneurs and family operators (Thomas 2004, Hegarty and Ruddy 2004; Peters 2004) This is because lifetime entrepreneur are motivated and influence by need to generate sufficient increase for self and family. (Getz and Cartson 2000) instead of focusing on growth and profit improvement strategies, they rather focus on employing business strategies that are characterized by low level marketing, product innovation and business planning activities which normally correspond with their lifestyle aspirations (Weiatrrner 2001) Also many small tourism enter price are generally single enters supported by their family members.

It then plays a critical role in encouraging and supporting local participation in tourism development relax and low entry barrier in capital formal and technology makes it easy or possible for many poor households to start up the business”. This business enable the owner to engage himself, the members of his family and possible employ other locals. Although such jobs created might be minimal but the general effect is substantial when compared with the large business entity that might start up with the specific tourist destination. The simple establishment of small tourism enterprise structure creates close enabling in which visitors and host interact intimately. Governments tend to support this form of small tourism enterprise because they have closer relayed with the local economy, employs locals and choose domestic supplies. The prosperity of his small tourism enterprise cause revenue to be retained within the economy domain of the destination and ensure the benefits extend and spread through the local population.

Theoretical framework

An analysis of various entrepreneurship theories reveal that economists differ somehow on the forces that drive entrepreneurs. Richard Catillon (1680-1734) was the first of the major economic thinkers to define the entrepreneur as an agent who buys means of production at certain prices to combines them into a new product. He classified economic agent into land owners, hirelings, and entrepreneurs, and considered the entrepreneur as the most active among these three agents, connecting the products with customers.

Theory of Entrepreneurial Discover

According to Duru (2011), the theory of entrepreneurial discovery is focused upon the nature of competitive processes, market disequilibria, and the role of knowledge, expectations and learning in the operation of markets the nature and significance of entrepreneurial discovery, and the comparative effectiveness of alternative institutional frame works for evoking entrepreneurship. It is acclaimed as one of the most widely accepted conceptions of entrepreneurship among market process theorist. In line with the broader research programme within which it is embedded, this approach is distinguished but its relationship to ability of the entrepreneur to compete favorably in the industry which he/she operates (Duru, 2011).

Theory of Social Change

The theory of social change was developed by kart Marx’s. Marx’s stress on the existential roots of ideas, his stress on the need to view thinking as one among other social activities, has remained no matter what qualifications have to be made one of the enduring parts of his work. Put together with his economic interpretation of the course of human history, his theory of class relations, and his focus on the alienating aspects of social life in modern society, it has become a permanent part of the sociological that creative personality in an individual is characterized by high need for achievement, law, order, autonomy, and problem solving. This helps to explain that in entrepreneurial development the creativity of the people is highly relevant which in the end contributes to improving economic development.
Leibenstein’s Theory of Entrepreneurship

Harvey Leibenstein (1922-1994) considers entrepreneur as gap-fallers. The three traits of entrepreneurship include:

- Recognizing market trends
- Develop new goods or process in demands but not in supply
- Determining profitable activities.

Tourism and Poverty Alleviation

Poverty is hunger, poverty is lack of shelter, and poverty is being sick and not being able to see a doctor. Poverty is not having access to school and view low to read. Poverty is not having a job, fear for the future, living a day at a time. Poverty is lacking a child to illness brought about by unclean water. Poverty is priceless lack all representation (World Bank). Poverty as one of the prevalent social phenomenon has been conceptualized in many ways. Poverty has negative implications in people’s lives and its devastating and humiliating effect on human and national development cannot be underestimated. For instance poverty has been associated with poor health, low level of education or skills and high rates of disruptive or disorderly behavior among others. According to Webster (2009), poverty is a state of lacking associating acceptable amount of money or material possession. Poverty is also said to exist when people lack the means to satisfy the basic needs require for survival or those that reflect the prevailing standard of living in the community.

According to ‘WTO’ tourism is the activities of people (visitors) traveling to and staying in places outside their usual environment for less than a year for leisure, business and other purposes. Tourist are people whose main purpose of visit is not activity paid from without the destination. The tourist therefore generates a lot of business in their host destination, impacting positively on the economy of the visited location, foreign exchange are earned, jobs are created and infrastructure are developed and other ancillary services and small business grows up in the location. The effect has resulted in organization such as to advocating the use of tourism as a tool to inducing economic growth in so many developing nations. This leads to adaption STEB sustainable tourist programs and pro-poor tourism program.

According to the Pro-Poor Tourism partnership, PPT is “tourism that results in increased net benefit for people. PPT is not a specific product or niche sector but an approach to tourism business development and management. It enhances the linkages between tourism business and poor people so that tourism’s contribution to poverty reduction is increased and poor people are able to participate more effectively in product development. Links with many different types of “the poor” need to be considered. Staff, neighboring communities, land-holders, producers of food, fuel and other suppliers, operators of micro tourism business, craft-makers, other users of tourism infrastructure (roads) and resources (water), etc. there are many types of PPT strategies, ranging from increasing local employment to building mechanisms for consultation. Any type of company can be local employment to building mechanisms for consultation. Any type of company can be involved in PPT, a small lodge, an urban hotel, a tour operator, an infrastructure developer. The critical factor is not the type of company or the type of tourism, but that an increase in the net benefits that go to poor people can be demonstrated.

Vision of the PPT is as follows:

- Upgrade local skills
- Operate decent local jobs
- Use local construction
- Embrace the local culture
- Improve local infrastructure
- Help sustain the local environment
- Source locally as much as possible
- Provide a unique experience for tourist
- Promote itself as a top economic profit
- Create partnership to improve livelihoods
Benefits of tourism entrepreneurship in alleviating poverty

Reduction in rural-urban migration

The importance objective of promoting entrepreneurship is to lessen the severity of the rural–urban migrating. The migration of rural dwellers to cities in search of jobs has resulted in congested, high incidence of crimes etc.

Employment opportunities

Entrepreneurship enables individual to create small business. The labor intensive nature of small scale tourism business create more jobs to alleviate poverty in the country.

Economic Development

The payment for the different factors to production and profits made by entrepreneur, flow into the national income and the gross domestic product, which improves the standard of living of the citizens of the country and fosters economic development.

Development of Local Technological base.

Tourism Entrepreneurship will help in enhancing the transferable needed technology for the rapid transformation of the rural environment.

Conservation of Foreign Exchange

The direct expenditure boosts the recipe of foreign exchange, which has multiplier effect of the economics of the local environment.

Tourism Entrepreneurship Challenges

Tourism entrepreneur businesses face so many challenges:

Inadequate infrastructure

Nigeria’s Infrastructure can be deemed to be a nightmare to both entrepreneurs and the country’s populace. With the infrastructure deterioration, the cost of doing business has tremendously gone up. The tourism super structures like hotel lack constant electricity and water supply which is a necessity in hosting the visitors, also dilapidated road network which lead to tourism site is lacking.

Failure to Adapt to Change

Majority of the tourism entrepreneur lack the necessary business skills and management know how to operate tourism business effectively and growth in ICT business solutions demands that the small tourism business acquire the needed skills to cope with the changing business environment.

Security issues

lack of security and inadequate protection of lives and properties of the visitor by various security agencies had hindered tourist investment to trap. Security situation in the country has affected the inflow of international tourist in the country. Nigeria has become a home of kidnappers and other unjust harassment.

Venture capitalization

Has hinder entrepreneurial endeavor financing in Nigeria as a result of political and economic instability.

National de-moralization
Corruption widespread in the country make the procurement of licenses, permits, goods, and services from government agencies and even the payment of taxes without giving bribes.

**Inconsistent government tourism policies**

Government policy inconsistency has generated challenges among entrepreneurs. Have no control over, all they can do is to respect to enacting favourable business laws. But he must have political clout and massive resources to be able to influence government laws. However, he may not have the political clout or financial muscle to influence government’s policy so the best strategy is to to keep a keen eye on government laws and swiftly adjusts your business to align with the policies.

**Lack of credit facilities**

Accessing business facility is difficult for most small tourism entrepreneur due to stringent conditions and unfavorable collateral demands by the banks to collect loans has hinder so many tourism entrepreneurs to access loan facilities.

**Conclusion**

Since tourism entrepreneurship business benefits the economy, the government is expected to throw their weight behind it. The STEP program (Sustainable Tourism, Eliminating poverty) and PPT (pro-Poor Tourism which encourages tourism as tool for eliminating poverty and provision of employment opportunities, cultural enhancement and improvement of physical environment

**Recommendations**

It is recommended that;

- The government should encourage tourism entrepreneurship by giving soft loan, incentives and providing enabling environment to ensure that tourism entrepreneurship thrives in the country.
- Tourism entrepreneurship skills should be boosted since it has much bearing to the economic development of the country
- Every available means through which the nation’s economy can be boosted should be encouraged so as to quickly get the nation out of the current economic recession.

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