Entrepreneurship And Business Management - Exploring Linkages For Sustainable Development

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ABSTRACT: Entrepreneurs have emerged as market leaders in today’s business world amidst the numerous economic turmoil constantly affecting economies on a global scale. This research paper is on entrepreneurship and business management and its linkages to other business stakeholders. The research paper therefore, discusses entrepreneurship and business management; exploring the linkages to available financing and potential institutions for startup capital, by linking entrepreneurs to the government, financiers and the public clientele. It is believed that this can bring about achievement of sustainable development goals translating into sustainable development and hence economic growth. The idea of funding is echoed by Robert Rice (2016) ‘An entrepreneur without funding is like a musician with no instruments’. Sustainability and entrepreneurship ‘sustainopreneurship’ is made possible with availability of information on linkages between entrepreneurs and financial lending institutions as well as government policy. It is hoped that the research will add to the existing knowledge and help entrepreneurs with funding options for their business ideas to come to life. Findings show that the government, financial lending institutions and the public are the major linkages between entrepreneurship and business management and are critical for attaining sustainable development goals and achieving economic growth.

Key words: Business Management, Entrepreneur, Funding, Sustainability, Linkages, Innovation.

1. Introduction
The World Bank group has set two goals for the world to achieve by 2030; the first is to end extreme poverty by decreasing the percentage of people living on less than $1.90 a day to no more than 3% and the second is to promote shared prosperity by fostering the income growth of the bottom 40% for every country. Having good infrastructure, building decent work and sustaining a substantial economic growth rate are every government’s desire in a middle income country. This can be achieved by encouraging entrepreneurship amongst the citizen and working towards sustaining a degree of innovation, a degree of hard work, fostering economic partnerships between government and the citizenry as well as linking entrepreneurs and would be entrepreneurs to financial lending institutions, for capital needs on the former and investment in ideas that drive the economy on the latter. Achieving sustainable development goals translates into better living standards, better health, and more responsible citizens’ therefore a more productive economy. The research paper explores the linkages between entrepreneurship and business management and how these linkages help to achieve sustainable development goals translating into economic growth. Donors and international development agencies have turned to entrepreneurship to improve the effectiveness and sustainability of aid; this is according to Naude (2013). It is not a secret anymore that entrepreneurship has turned out to be remarkably resurgent over the past few decades in countries that were preceded by economic hardships but have now achieved substantial poverty reduction such as the people’s Republic of China, Singapore to mention but a few. In the pages that follow, the paper discusses linkages to funding for entrepreneurs and how this can translates to sustainable development.

2. Research Objectives
2.1. To explore the linkages between entrepreneurship and business management
2.2. To find out available sources of funding for entrepreneurs and would be entrepreneurs
2.3. To discuss challenges and opportunities entrepreneurs are exposed to in securing funding.
2.4. To critique prior understanding of entrepreneurs requirements for business management.

Hypothesis:
Hypothesis one;
H0: There is a relationship between entrepreneurs and access funding
Hypothesis two;
H0: there is relationship between small entrepreneurs and financiers

2.5. Significance of the study
The research paper adds value to already existing knowledge on entrepreneurship and business management, the study also equips would be entrepreneurs with knowledge on where to go for start-up capital and established entrepreneurs on where to get resources/capital to fund their business or organization expansion programs.

2.6. Purpose of the study
The purpose of the study is to bring out celestial truth on entrepreneurship and business management exploring financial linkages with a positive outcome having a resultant effect of achieving sustainable development goals translating into economic growth.

2.7. Scope of the Study
The study focusses on financial lending institutions including banks, credit facilities and micro financing institutions as sources of capital as well as government and public clientele as an important linkage for entrepreneurial development. The study is indigenous to Zambia and geographically covers the southern region of Africa but the knowledge is globally applicable and relevant. Main focus is on middle income countries and developing countries.
2.8. Theoretical Framework

Theories of Social and Organizational Networks. Our research focuses on the connections the entrepreneur must have to succeed in business. Our theoretical framework therefore states that a firm's performance is enhanced when individuals are embedded in networks of relationships with actors who can provide capital, advice, access, and other valuable resources that are important to the entrepreneur (e.g., Burt, 1992; Kotha and George, 2012; Sorenson and Stuart, 2001). Network theories point to the importance of common educational experiences, geographic ties, and other facets of background that may be central to the effectiveness of the entrepreneur. A diverse and rich network often confers social capital and status that allows these individuals to shape and create entrepreneurial ventures. In a resource-limited context, networks could play an important role in local governance, venture creation, and access to business opportunities. While benefits of such networks abound, the size of these networks could also place a cost on the entrepreneur that could be disproportional to its benefit. This theoretical framework therefore applies to our study in that, if the entrepreneur has proper linkages, he is able to get the necessary support he needs in financially. Our focus therefore is on the entrepreneur and how well he can manage his business and achieve sustainability if he is well interconnected.

3.0. Literature Review

According to the Business Dictionary, ‘business management embodies the activities associated with running a company, leading monitoring, organizing and planning in an organization. Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, social risks and uncertainties; and receiving the resulting rewards of monetary and personal satisfaction. Hisrich, Peters et al (2010). This cannot be attained with entrepreneurs operating on their own as a separate entity. Entrepreneurs need to be connected to financial institutions for funding purposes, for the same reason to government and the public as well as aligning themselves with policy governing these businesses. In addition every business or company in all industries understands that customers are perhaps their most valuable assets, entrepreneurs must therefore understand this notion of maintaining public clientele relationship and also get connected to the right stakeholders.

3.1. Linkages to the Entrepreneur

Every government has a responsibility to steer economic growth for the well-being of its citizens. Entrepreneurship is increasingly becoming the best and most effective way for governments especially in middle income countries like Zambia to increase national income and generally boost the economy subsequently achieving sustainable development, Shultz (2016). In seeking to help stimulate entrepreneurial growth in firms it is important, according to Isenberg (2010), to avoid flooding the system with too much “easy money”. This can take the form of government grants and venture capital funds that are too easily obtained. Generally when looking at entrepreneur government relationship like in the case of Zambia and related middle income countries, what is important is to grow firms with strong root systems that can sustain their own growth as much as possible before seeking additional funding. Such firms should be financially sound; profitable and well managed. “Entrepreneurs starting business must think creatively enough to craft strategies that make their companies unique and successful”. A true entrepreneur should not react to market conditions but should shape market conditions by influencing the specific industry regardless of the government in place Kanyama (2010). There is need for government to build government – entrepreneur relationship system making use of local conditions, to grow existing industries and build on their foundations, impart skills and improve on capabilities rather than attempting to launch high-tech industries from scratch. The government should acknowledge the importance of engaging the private sector from the start. Here the role of government is indirect and one of a facilitator not a manager. There is a growing interest in the role that entrepreneurship can play as a catalyst to achieve economic and social development objectives, including growth, innovation, employment, and equity. Velerio et al (2014). Research shows that governments in the 21st century are taking an active role in assisting entrepreneurs establish their business, for instance the Zambian government has set up The Youth Development Fund Zambia, which has the overall objective of lending finances to viable projects that belong to young Zambian entrepreneurs, the Ministry of Youth and Sport has since 2010 been implementing the Youth development fund and applicants can apply for business loans and social grants starting from K2, 500 up to K50, 000 with flexible repayment terms of up to 36 months. However this has not yielded the required results due to rigid terms and conditions attached to accessing these loans. For example in 2010 the Bank of Zambia governor then noted that; while the country has recorded impressive performance on the macroeconomic front, some challenges remain in translating this positive picture into increased access to finance for entrepreneurs. Gondwe (2010) further indicated that Zambia has enjoyed a relatively stable macroeconomic environment but even with such macroeconomic achievements, the bank of Zambia has not witnessed commensurate level of wealth creation arising from access to finance. There still exists rigidities that impede the effective response by a critical mass of economic agents (among them: government, microfinance institutions and commercial banks) in providing finance. Another government empowerment fund is The Citizens Economic Empowerment Commission (CEEC). This is a government body in Zambia which was established by an Act of Parliament whose mandate is to promote broad based and equitable economic empowerment of citizens that are or

Figure 1 Exploring linkages of an entrepreneur.
have been marginalized or disadvantaged and whose access to economic resources and development capacity has been constrained due to various factors such as race, sex, educational background, status and disability. Government is committed to the creation of a conducive environment in which SME’s should achieve growth objectives and contribute effectively towards the Gross Domestic Product of the country as well as take advantage of economic and financing opportunities to enhance the personal welfare of the citizens, The bank of Zambia is increasing access to finance by members of the general public as one of its strategic objectives. Gondwe (2010). For example in the state of the nation report for Zambia, Nyimbili (2012), observed that at least 86 young people across four provinces of Zambia had received funding from CEEC in 2010. Many young people however do not have information on how they can access funding from the Commission. In 2009; K92 Billion was released out of the K150 Billion earmarked for the CEEC. Records also indicate that the Commission spent K35 Billion Kwacha on 160 projects, while 240 projects were approved at a cost of K52 Billion as at 30th September, 2009. In 2010, the budgetary allocation for youth fund was K5 billion. This was increased to K10 billion in 2011. The Ministry of Youth had a very low recovery rate for the funds disbursed in 2010 and 2011 of less than 4%.

3.3. Entrepreneurship and Financiers

Financiers are organisation such as a bank, credit union or finance company that gives financial assistance in form of loans to be repaid over a period of time; it may or may not be depository institution. These institutions help entrepreneurs with start-up capital. A good entrepreneur develops a good business plan to exploit the defined opportunity. This precedes the requirement to obtain the resources necessary to launch the business. Herford (2010) says ‘economic wealth come from a combination of man – made resources (roads, factories, machines, telephone systems), human resources (technical know – how or simply high tech machinery). He stresses further that in the past poor countries grew into rich countries by investing money in physical resources and by improving human and technological resources with entrepreneurial education and technological transfer programs.

3.3.1. Commercial Banks

Application of entrepreneurial programs cannot be made possible without the availability of funding. ‘A good business plan is essential to developing the opportunity and determining the resources required, obtaining those resources, and successfully managing the resulting venture. Hisrich et el (2010). The role that SME’s play in an economy cannot be overemphasized Gondwe (2010). The then bank of Zambia governor observed further that SME’s provide sustainable economic growth through job creation. Development of entrepreneurial skills and potential to contribute significantly to export earnings. However the provision of finance to SME’s sector Zambia still remains a challenge. A survey conducted by the World Bank on enterprise development in Zambia (2007) identified poor access to finances as a major impediment to investment and growth in Zambia. Only 16% of firms surveyed reported having a loan on line of credit from financial institutions compared to with 23% for the region and 35% for all the countries. Therefore while Zambia’s cost of doing business index has progressively improved in recent year’s access to finance continues to be a constraint to investment and growth. Its nevertheless gratifying to note that commercial banks in are slowly realizing the importance of the SME’s sector. As of December 2011 commercial banks’ lending to SME’s was at 21.0% of the total loans, an improvement from 17.0% in December 2010. This also represented an increase in lending to SME’s by 68.9% to K2, 322.5 Billion from K1, 375.0 Billion in 2010. Although this is impressive, much more needs to be done in order for the sector to meaningfully contribute to growth of the country's economy. Further the provision of finances to SME’s can be a leading conduit for transforming our economy by opening up business opportunities as well as channeling resources more efficiently to the sectors that require it the most.

3.3.2. Microfinance institutions

According to the World Bank 2015 report regarding microfinance institutions, of the 400 million micro- , small and medium- sized enterprises catalogued in developing economies, over half, i.e., between 200 and 245 million, have poor access to credit. Needless to say financing of micro- and small enterprises is essential to strengthening the private sector, the creation of jobs and the economic and social development of a region or a country, Desjardins (2015). In addition, Offering of financial services to entrepreneurs is most often concentrated between small microfinance institutions (MFIs) and traditional financial institutions. Tim Harford the undercover economics share in these sentiments by stressing that Economic development is necessitated by availability of financial institutions that support entrepreneurs and would be entrepreneur’s presence in the market system. Markets do not work well without market – supporting institutions especially in a market economy, people need banks for commercial loans, contract law to resolve disputes and confidence that their profits will not be confiscated. Harford (2011). This spells a mutual trust from entrepreneur’s side as well as the source of business funding. Jenkins et el (2008) observed that, according to the UN Conference on Trade and Development(UNCTAD), Finance has been identified in many business surveys as the most important factor determining the growth and survival SME’s in both developed and developing countries.

3.3.3. Entrepreneurship and the Public Clientele

It’s much easier to put existing resources to better use than develop resources where they do not exist Soros (2010). The social capital structural refers to the general pattern of contacts among people, that is, which is in your access and how is such as network relate with its members, its network configuration and appropriate organization Burt, (1997). Group of people in connection with each other through special relationships. Spence et,al, (1999) observed that entrepreneurs are able to control the unsuitable environment in transient economy through individual relationship networks, intra-network connections among networks give access to resources and information and allow the individuals to access the resources which are not accessible by themselves. In addition, these factors not only help to find investors but also they help the
government and legislators. Without entrepreneurial skills there would be no new projects Burke and Barron (2007) because it’s the entrepreneurs creative and innovative skills that enable them to spot opportunities develop networks of useful contacts and take calculated risks and these are the pre-requisites for creating new ventures. This goes to show that linkage between entrepreneurship and public clientele is key to forming social networks in business management for sustainable development. Naude (2013) observes that donors and international development agencies have turned to entrepreneurship to improve the effectiveness and sustainability of aid.

3.4. Entrepreneurship and Sustainable Development
Business drives many things in our society, it is therefore essential, if sustainable development is to be achieved for businesses to be involved in finding solutions to social issues or problems that surface in our countries, organizations and communities. This is where entrepreneurship comes in to combine ideas and resources together to build a business that directly or indirectly contribute to the economic development of a country, made possible by access to funding within established linkages. ‘Sustainopreneurship’, a term that puts together sustainability and entrepreneurship. (Abrahamson 2006, 2007) claims that sustainopreneurship could be the accentuating factor to give even more leverage to forces emerging from the world of business activities to contribute to sustainability. Nobel Prize winner and pioneer in microfinance industry Muhammed Yunus quote; “social entrepreneurs are not content just to give a fish or teach how to fish, they will not rest until they revolutionized the fishing industry”. And conclusively these sentiments are echoed by eBay co-founder Jeff Skoll who says, ‘my dream is to find individuals who take financial resources and convert them into changing the world in a positive way. What this therefore means is that entrepreneurial activities should not be a once off thing but should culminate into sustainable development.

4.0. Methodology
The research design used in this research paper was about the entrepreneur and its linkages. For theory testing and in depth understanding of the subject matter an explorative design was used because the study involved exploring the linkages of an entrepreneur and it networks. The researcher used an explorative method which helped in getting open ended discussion. This encouraged conversation among stakeholders in wide areas of academic research, economic sustainability and governance. The researcher also made use of online sources like google scholar and other dedicated academic sites like Ebsco, J-store and Emerald to explore the research topic. Qualitative type of research was used mostly from secondary data and also primary data was collected from some people who were talked to face to face. 15 random interviews were conducted with participants being professionals in engineering, accountancy, and also interviewed were business executives, entrepreneurs themselves as wells public at large.

5.0. Research Findings Analysis and Interpretation

Hypothesis one
H0: there is a relationship between entrepreneurs and access funding
H1: there is no relationship between entrepreneurs and funding

Literature review conducted shows that it’s not easy for every entrepreneur to access funding for their business project because there are fewer or no linkages for entrepreneurs to access funding. A survey conducted by World Bank on enterprise development in Zambia (2007) Identified poor access to finances as a major impediment to investment growth in Zambia, however other research papers explored linkages that make it easy for entrepreneurs to access funding. Gondwe (2012) the bank of Zambia governor then is reported to have said the Bank of Zambia is increasing access to finance by members of the Public as one of its strategic objectives.

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<tr>
<th>Chi-Square Tests</th>
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<th>df</th>
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<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>28.680</td>
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<td>.052</td>
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<tr>
<td>Likelihood Ratio</td>
<td>35.095</td>
<td>18</td>
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<tr>
<td>N of Valid Cases</td>
<td>100</td>
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a. 27 cells (90.0%) have expected count less than 5. The minimum expected count is .14.confidence level: 95% significance level: 0.05
b. Pearson Chi-Square Results show that it’s relatively easy for entrepreneurs to access funding given their positive attitude towards available opportunities and availability of funding by government and financial lending institutions and this subsequently leads to sustainable development. Chi-square = (28.68, P = 0.052). With significant likely outcome slightly above 5 % (0.05), we accept the null hypothesis (H0) and reject the alternative (H1)

Hypothesis two
H0: there is relationship between small entrepreneurs and financiers

Research shows that donors and international development agencies have turned to entrepreneurship to improve the effectiveness and sustainability of aid, Naude (2013). Literature further reveals that governments in the 21st century are taking an active role in assisting entrepreneurs establish their business. However according to investigations by the world bank on small medium enterprises SME’s in 2013; SME’s are less likely to have access to capital, this constrains their ability to grow and become more productive. Additionally Hermes and Lensik (2007) say lack of access to credit is generally seen as one of the main reason why ordinary people in developing economies remain poor. Usually they no access to loans from banking systems, because they cannot put up
acceptable collateral and because the cost by banks of screening and monitoring the poor are too high.

**Sme’s Empowerment and Financial Availability**

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<thead>
<tr>
<th>Chi-Square Tests</th>
<th>Value</th>
<th>df</th>
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<tr>
<td>Pearson Chi-Square</td>
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<tr>
<td>Likelihood Ratio</td>
<td>46.572</td>
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<td>Linear-by-Linear Association</td>
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<td>.002</td>
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<td>N of Valid Cases</td>
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a. 10 cells (66.7%) have expected count less than 5. The minimum expected count is .20.
b. The Pearson Chi-Square test results show that there is a positive relationship between entrepreneurs, the government and other financial lending institutions. Chi-square = (75.721, P = 0.000). With significant likely outcome slightly less than 5% (0.05), we reject the null hypothesis (H0) and accept the alternative (H1).

Linkages between entrepreneurial funding and business management are critical for any nation that wants to experience economic growth, more so for developing countries and middle income countries for achieving sustainable development goals and subsequently sustainable development. The three some linkages; Government, financial lending institutions and public clientele play a pivotal role in connecting entrepreneurs to available resources needed for their business operations. The findings show the government must help the entrepreneurs by relaxing some policies to help especially start up business to start their business. It must be noted that govern has come up good ideas of giving loans to entrepreneurs through the for example the Citizen Economic Empowerment Commission and the Youth Development Fund. However what obtains on the ground leaves much to be desired. The people who have tried to access these funds said it was almost an impossibility to access such funds. Government has put in place things to help the entrepreneur. E.g. CEEC but there is too much beurocracy, centralisation of logistics and makes it practically impossible to access these funds. Entrepreneurs need finances to develop. And most financiers have put up departments which work with entrepreneurs. However, they charge very high Interest rates on their loans and overdraft. Mostly the entrepreneurs who have access to such facilities end up losing their properties and money which they had worked for a long time. There are also a number of requirements which complicates and defeats the all process of seeking for outside funding. For example they would ask for collateral far much above what the entrepreneur are looking for. The linkage of the entrepreneur to its clients is an important aspect that can bring about economic development and growth. The socially optimal level of entrepreneurship will be achieved if clients, employers, and workers can work together. The clientele is willing to corporate if the know the product and can buy in the idea. However the public can only buy into the idea if they are made aware of the problems surrounding them. Bank loans and Credit facilities are sources of financial capital that links entrepreneurs who already have collateral that they can use to acquire the needed capital. These are more are more strict in offering financial assistance for startups because of the numerous risks involved. They do not just sponsor ideas; they need proof that the person applying for a loan has the capability to repay the loan they are applying for. These requirements make it difficult for entrepreneurs who are just venturing into business due to lack of capital while on the other hand works best for business entrepreneurs who are already established and want to expand their operations to a wider market and explore new horizons. It is clear that entrepreneurial innovations supports the development of tailored products and services which in many cases is aided by banks because banks can take actions to enhance transparency, improve information sharing and outreach efforts to deepen entrepreneur penetration in new and existing markets. Simultaneously this calls for entrepreneurs and would be to master specific skills to become “bank ready", in order to meet particular expectations of banks and master the capacity to pitch their projects in a positive, persuasive, manner. Many governments are in the 21st century are taking an active role in helping set up entrepreneurs as this has proven to be an effective way for boosting economic growth. According to a World Bank survey on Small Medium Enterprises SME’S in 2013; SME’S are less likely to have access to capital, this constrains their ability to grow and become more productive. SME’S are collectively the largest employers in many low income as well as middle income countries. Yet their growth can be stifled by restricted access to credit, equity and payment services. Access to financial services therefore become critical to for boosting job creation, raising of income and increasing investment in human capital. These enterprises account for a large percentage of worlds employment and GDP around the world but when they have limited access to finance, economies suffer a series of negative consequences; economic and social opportunities are restricted while enterprise creation as well as growth are restrained, a situation that retards economic growth.

6.0. **Conclusion and Recommendations**

There is need for a coordinated approach to address the challenges raised. For example the Central government should facilitate a conducive business environment e.g. reducing the number of licences and the cost involved in registering business enterprises. It must communicate the expectations that all systems must facilitate the easy conduct of business by local business people. The local government must facilitate the national vision which is coming from that communication from the central government. It’s not easy for every entrepreneur to access funding for their business project because there are fewer or no linkages for entrepreneurs to access funding needed to get their business running and watch their brilliant ideas come to life. Lack of ideas to sustain the business once it starts and lack of collateral for easy access to funding are other posse as serious challenges to attaining sustainable development. However, that being a harsh reality, plenty opportunities for entrepreneurs and would be entrepreneurs do exist with assistance from governments, monetary institutions like World Bank and IMF and other numerous microfinance institutions.
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