

CORRELATION BETWEEN ENTREPRENEURIALISM, NURTURING THE SPIRIT OF INNOVATION AND SUSTAINABLE DEVELOPMENT RESEARCH ON AFRICAN COUNTRIES

Vikram Bansal^{1*}, Shashi Kant²

¹Assistant Director, Haryana Vishwakarma Skill University, India.

²Assistant Professor, Bule Hora University, Ethiopia.

*Corresponding Author's Email: vikramkaithal@gmail.com

ABSTRACT

The nexus of Entrepreneurialism, nurturing the spirit of innovation and sustainable development is a subjective generalisation of great interest nowadays, as society is looking for solutions leading to sustainable development. Given this context, the research paper aims to put in connection sustainable Entrepreneurialism and sustainable development from both the perspectives of conceptual reflection in literature and a research on the African countries. The research methodology is based on methods of analysis and synthesis, of interpretation and evitable comparisons. The research results point out that sustainable Entrepreneurialism, seen through the perspective of innovative SMEs, as considered in the research, is part of the support system for sustainable development, as entrepreneurial enterprises are increasingly recognized as a driving thrust for nurturing the spirit of innovation and competitiveness, as one of the keys to achieving sustainable development. The research may be particularly important for both researchers and policy makers and offers opportunities for future studies on the subjective generalisation.

Keywords: *Entrepreneurialism, Nurturing the Spirit of Innovation, Human Development Index, Sustainable Development.*

INTRODUCTION

The nexus of Entrepreneurialism, nurturing the spirit of innovation and sustainable development is particularly evitable given the focus on the quality of life, requiring that ventures reconcile sustainability aspects with profitability, while nurturing the spirit of innovation and Entrepreneurialism have been identified as key to defuse sustainability demands. In this generous context of analysis we bring into discussion the reflection of sustainable Entrepreneurialism into the progress towards sustainable development. The subjective generalization, of great interest for academia, scientific community and policy makers, is obviously extensive and complex and needs to be approached from different perspectives. The research paper cannot and does not attempt to offer answers to all questions, rather it sets a stage for discussion, exploring some of the many ways in which sustainable innovative Entrepreneurialism is used in connection with sustainable development. The research paper is structured in two parts: the first part presents some landmarks from literature regarding sustainable Entrepreneurialism in connection to sustainable development and the second part approaches a research on this topic for the African AU countries, using methods of analysis and synthesis, of

interpretation and evitable comparisons. The research paper ends with a section of conclusions regarding the main ideas of the empirical research, with implications for further research.

LITERATURE REVIEW

The definition of sustainable development as defined as “the development that meets the needs of the present without compromising the ability of future generations to meet their own need”. The Brundtland Report, 1987 requires an understanding of the complex interplay of environmental, economic and social processes at different scales, from local to global. Since its appearance and up to present, the concept of sustainable development has known a continuous improvement, by adding new coordinates, theoretical, methodological and practical valences. Yet, a clear, fixed and immutable meaning remains elusive and reality surely proves that. The overall objective of sustainable development is to find an optimal interaction of economic, human, environmental and technological systems. Countries, organizations, institutions worldwide have committed towards its objectives, incorporating shared principles, objectives and instruments. Seen as a mosaical reality, the subjective generalisation is of great importance, as

society is still searching for the right solutions leading to sustainable development. Regardless of its approach (local, regional, national or global), a wide range of instruments e.g. education Herman, 2012, communication, participation, etc. indispensable in transforming objectives, objectives and principles into concrete actions, behaviors, and attitudes is needed.

In this respect, researchers around the world are investigating how Entrepreneurialism can contribute to the paradigm transition to a sustainable economic spatial ecosphere and to sustainable development more widely, as Entrepreneurialism has long been recognized as a vehicle for societal transformation, especially as an economic spatial ecosphere moves from one technological epoch to another Schumpeter (1934, 1942). Both Entrepreneurialism and sustainable development are considered solutions to assure the future development of the entire society (Stefanescu, Gabor, Contiu, 2016). Still, the research topic of sustainable Entrepreneurialism is relatively recent in the area of scientific preoccupations, developed especially in the last decade, as prior to 2002 there were only a few research papers in the area of sustainable development and Entrepreneurialism (Hall, Daneke, Lenox 2010). The correlation between Entrepreneurialism and sustainable development has been addressed by various streams of thought and literature such as: Eco-entrepreneurship environmentally orientated Entrepreneurialism; social Entrepreneurialism - Entrepreneurialism that aims to provide innovative solutions to unsolved social problems OECD (2010); institutional Entrepreneurialism, contributing to change regulatory, societal and market institutions, responsible entrepreneurship.

Entrepreneurship- a term coined by the UN Environmental Program in the context of Agenda 21, meaning "healthy" entrepreneurial business, which joins economic, technological, environmental factors is or must be responsible to society, enhancing the ventures positive contribution to society whilst minimizing negative impacts on people and the environment Responsible Entrepreneurialism (2003). The concept is met even under the name of sustain entrepreneurship - a concept that has emerged from earlier conceptual development of Social-entrepreneurialism and Eco-entrepreneurship, via sustainability Entrepreneurialism, meaning to use creative ventures organizing to solve problems related to the sustainability agenda to create social and environmental sustainability as a strategic objective

and purpose, at the same time respecting the boundaries set in order to maintain the life support systems in the process Schaltegger (2000), Abrahamsson (2006).

The notion of sustainable Entrepreneurialism, approached as an all-inclusive concept for all those mentioned above has been raised to address the contribution of entrepreneurial activities to solving societal and environmental problems, to sustainable development in a more comprehensive way. Sustainable Entrepreneurialism obtains such main features as social responsibility, competitiveness, progressiveness, knowledge creation and usage, innovativeness, dynamism and seeks for ventures benefits creating social value (Krisciunas and Greblikaite, 2007). Such an ambitious approach of Entrepreneurialism which does not only attempt to contribute to a sustainable development of the organisation itself but also to create an increasingly large contribution of the organization to sustainable development of the market and society as a whole requires substantial sustainability innovation of the nurturing spirits (Schaltegger and Wagner, 2011). Also, Gerlach (2003) speaks about the necessity of approaching the analysis about the role of sustainable entrepreneurs for implementing sustainable development from the perspective of innovation of the nurturing spirits. The focus lies on innovation of the nurturing spirits that enhance sustainability. A successful sustainable innovation of the nurturing spirit is accomplished when entrepreneurial actors achieve competitive advantages, i.e. economic success by applying innovative environmental and/or social practices. Small and medium-sized enterprises SMEs are increasingly recognized as a driving thrust for innovation of the nurturing spirits, entrepreneurial spirit and competitiveness therefore are seen as one of the keys to achieving sustainable development.

RESEARCH METHODOLOGY

Both sustainable Entrepreneurialism and sustainable development are difficult issues to measure and there is no method agreed upon, as both are very complex, multi-dimensional concepts. Still, there are different systems of measuring and evaluating the level of sustainable development or the performance of sustainable Entrepreneurialism at country level. The *research objective* is to determine the role of sustainable Entrepreneurialism in assimilating sustainable development within The African Union. The *research methodology* is specific for the purpose

and the nature of the research and includes literature review, comparative analysis and synthesis of data, followed by a dissemination of the results in order to express a personal opinion regarding the research results.

The literature review is based on bibliographic resources books, studies, articles and official documents e.g. strategies, reports in order to highlight the importance and the opportunity of the subjective generalisation. The *analysis and synthesis* are based on processed and summarized data. Establishing the sample in order to establish research sample two groups of AU countries: one group of countries appreciated as more sustainable developed and another group of AU countries considered less sustainable developed, we approach the following methodology. We take into consideration the country rankings according to two of the most evitable indicators of sustainable development: Human Development Index 2011 Ranking and Environmental Performance Index 2010 Ranking. In the research sample of the group including more sustainable developed countries we choose to include the countries found in both rankings, considering the top 10 AU countries in each ranking.

Thus, these countries are: Ethiopia, Ghana, Nigeria, Sudan, Chad, Kenya etc. Applying the same procedure, but choosing the countries found in both rankings among the 10 AU countries with the lowest scores (at the bottom of the rankings), we establish the research sample of the group including less sustainable developed countries. In order to evaluate the performance of sustainable Entrepreneurialism of the selected countries and to highlight the type of connection with their level of sustainable development, we take into consideration the following indicators: some indicators of the Summary Innovation Index 2011.

RESEARCH FINDINGS

The investigation of the selected countries regarding their SMEs innovation of the Nurturing Spirit performance per sub-indicators highlights that all countries in the group of those more sustainable developed prove relative strengths in all the four dimensions, demonstrating innovative entrepreneurial initiatives and results. The investigated countries in the group of those less sustainable developed, for all dimensions score much lower than those in the group of

more developed countries, suggesting weak linkages between the science base and enterprises, particularly reflected in the very low shares of SMEs introducing product or process innovation nurturing spirits, as well as SMEs introducing marketing and organization innovation of the nurturing spirits.

CONCLUSION

The emergence and growth of innovative ventures is crucial for structural change towards sustainable development. Our research points out those countries where SMEs correlated with Entrepreneurialism are more innovative are placed in the top of the rankings for sustainable development, while countries with weaker performances in terms of innovative Entrepreneurialism have lower scores of sustainable developments. Therefore, sustainable development needs assimilating the innovation of the nurturing spirit initiatives and activities in ventures sectors, working as engines for change in the new development paradigm, to address both present and future challenges.

Our analysis, as presented above, emphasizes that there is a relation between sustainable Entrepreneurialism and sustainable development, as one of the engines for sustainability comes from the private sector; therefore, it is necessary to strengthen innovation of the nurturing spirits capacity of companies by stimulating applied research for innovative products and services, by improving cooperation between industries and research hotspots. One of the solutions is partnerships and scientific collaboration, supported by a creative friendly environment.

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