

SOCIAL ENTREPRENEURSHIP AND URBAN COMMUNITIES RENEWAL IN NIGERIA

Olufunmilayo T. IYUNADE, Ph.D

Department of Arts and Social Sciences Education

Faculty of Education

Olabisi Onabanjo University

Ago-Iwoye, Ogun State, Nigeria

&

Patricia TONUKARI

(Research Fellow)

Department of Educational Foundations

Faculty of Education

Niger Delta University

Wilberforce Island Bayelsa State, Nigeria

Abstract

This paper examined social entrepreneurship and urban renewal in Nigeria. The paper showed how social entrepreneurship integrates individual's behaviour, interaction and the transformation of cultural and social institutions overtime for the betterment of the urban communities. The paper highlighted approaches of urban renewal namely: redevelopment, rehabilitation and integration to support the improvement of sustainable urban renewal practices through social entrepreneurs and other agents of social change. It concluded that urban renewal in Nigeria requires a detailed understanding of how to improve social change in communities to achieve sustainability. It was suggested that there should be a regular appraisal of urban renewal strategies to enhance the integration of innovation practice for the achievement of sustainable development.

Keywords: *Communities, Entrepreneurship, Social, Urban, Renewal*

Introduction

Social entrepreneurship predicts social change, and it has potential payoff, with its lasting, transformational benefits to society, that sets the domain and its practitioners apart to renew urban space. Entrepreneurs make use of the resources in communities to produce more goods and services with attendant values. This, in turn, increases the Gross Domestic Product of (GDP) of the country. Also, small and medium enterprises (SMEs) create employment and income for people, thereby accounting greater wealth and increase in the per capita income of a

country. Social entrepreneurship is not only an aspect of community development, but has potentials to drive various endeavours in business, industry and agriculture, thereby contributing to the economic development of the nation (Ibem, 2011).

In Nigeria, there seems to be aggregation of development in the urban areas with a near absolute neglect of the rural areas, hence, the emergence of imbalance, exclusion and inequality in development between rural and urban spaces. It is regrettable to note that over the years, the

expected benefits of development did not trickle down; rather, there was more of the ‘trickling up’ of both human and material resources to galvanise the industries in the growing and developing urban areas. The present imbalance in development and the ravaging poverty in the rural areas are therefore underscored by development perspectives that guided such efforts in the country during and after the colonial era in Nigeria (Wing-bo, 2008). Urban renewal is often presented as a natural process through which the urban environment, viewed as a living entity, undergoes transformation. As the years pass, transformations take place, allowing the cities to constantly rejuvenate itself in a natural and organic way (Kara, 2011).

Social entrepreneurship is an approach by individuals, groups, start-up companies or entrepreneurs, in which they generate funds and implement solutions to social, cultural, or environmental issues (Dees, 2007) The concept can be applied to a wide range of systems, which vary in size, aims, and beliefs (Thompson, 2002). Social entrepreneurship typically attempts to further broaden social, cultural and environmental goals often associated with the voluntary sector in areas such as poverty alleviation, health care, community development and capacity building (Martin & Osberg, 2007).

The entrepreneurial orientation in the realm of community renewal is a central force of economic growth and development, without it which, other factors of development may be wasted or frittered away. However, the acceptance of entrepreneurship as a central development force by itself will not lead to community renewal and the advancement of rural enterprises (Wing-bo, 2008). What is

needed in addition is an environment enabling entrepreneurship in deficits and under-developed communities in Nigeria. The existence of such an enabling environment largely depends on policies promoting community and social entrepreneurship. The effectiveness of such policies in turn depends on the need to adopt renewal strategies to integrate the lives of the individuals in the community (Komarudin, 2013).

According to Kara (2011), option available for social entrepreneurs is to call upon the people to engage in self-help development projects to complement the limited efforts of government. This clearly demonstrates the failure of the “top-down”, development strategy and hence, the need to involve the people in their own development as captioned by the people themselves in their communities. The renewal programme had three main elements namely: slum prevention through neighborhood conservation and housing code enforcement; rehabilitation of structures and neighborhoods; and clearance and redevelopment of structures and neighborhoods. However, private investors may be reluctant to participate because of the limitations which direct projects towards housing, not the most lucrative investment in the long run, and because projects took many years to complete, tying up capital for long periods. As a result, urban renewal still consisted mainly of slum clearance and redevelopment.

Social Entrepreneurship

Literature is evident on the issue of social entrepreneurship just as Dees and Anderson (2006) cited in Dorgu, Ogunfunmilakin and Adediran (2019) defined social entrepreneurship as

innovative activity with a social objective in either profit sector, such as in social purpose commercial ventures. Basically, it refers to the phenomenon of applying business expertise and market based skills in the operation of non-profit organisations. Thompson (2002) referred to social entrepreneurship as a phenomenon of applying business expertise and market based skills in the non-profit sector such as when non-profit organization develops innovative approaches to earn income. The drive for social entrepreneurship is to create social value, rather than personal and shareholders' wealth, and that such activity is characterized by innovation through the creation of something new rather than simply the replication of existing enterprises or practices.

Edward (2008) asserted that the central drive for social entrepreneurship is the social problem being addressed and the particular organization form a social enterprise that is supposed to be a decision based on which format most effectively is needed to address that problem. According to Edward (2008), the key defining entrepreneur behaviour is the idea of seizing opportunities that increase efficiently or impact, relentless pursuit of a goal and steadfastness even in the face of resource constraint.

Many people who live in poverty exhibit this type of ingenuity, resourcefulness and alertness. According to Yaduma (2013), the global best practice is required to make entrepreneurship responses to several major issues and problems which have hindered the progress in Nigeria. For example, the unemployment problems, low standard of living and other economic issues may reduce if social

entrepreneurship is being globalized in Nigeria and other parts of the world. Social entrepreneurship requires best practice in an environment where formulation of formidable policies and effective implementation strategies are put in place. In essence, for social entrepreneurship to be globalised, there is demand for qualified personnel who can drive the modality and strategies that may improve the programme.

Social entrepreneurs in the view of David (2004) can include a range of career types and professional backgrounds, ranging from social work and community development to entrepreneurship and environmental science. For this reason, it is difficult to determine who is a social entrepreneur. Thus, it can be reasoned that business entrepreneurs are to the economic enterprise, as social entrepreneurs are to social change and human capacity building for community renewal. There are many who are stressing the need for social entrepreneurship as there are diverse societal problems in communities. Individuals, businesses, and non-profits organisations are stepping to the front and truly making a conscious effort to bring about positive change in the world.

Types of Social Entrepreneurship

Entrepreneurs represent a vast cross-section of what they are trying to accomplish with their undertakings. They also differ in terms of their strategies and goals for bringing about social change. Hence, there are varied social entrepreneurs with orientation geared at specific interest or problems to be addressed in the social system. The following are types of social entrepreneurship for the renewal of urban communities.

Community Social Entrepreneur

Social entrepreneurs on this frame are usually individuals or small organisations offering financial solutions to local people who have no access to banking (Godsmith, 2010). Such entrepreneurs seek to serve the social needs of a community within a small geographical area. These entrepreneurial initiatives could be anything from creating job opportunities for marginalized or excluded members to building a community centre for development. These entrepreneurs work directly with members of the community. This means more vested interests and a slower decision process, but it comes with the advantage of long-term solutions. Both community members and local enterprises are likely to sustainably carry on with the project even without the entrepreneur's direct involvement.

Non-Profit Social Entrepreneur

Non-profit social entrepreneurs focus on social well-being over traditional business needs. These entrepreneurs reinvest any profits into the business to facilitate the further expansion of services (Bornstein, 2007). These include companies and organizations that choose to use their power to integrate social change in communities. Business-inclined entrepreneurs who are based on the integration of individual societal behaviour, relationship and social institutions for the betterment of a given community would use their skills to create change (Komatsu, 2016).

Transformational Social Entrepreneur

Transformational social entrepreneurs focus on creating a business that can meet the social needs of the people that governments and other businesses are yet to provide (Peredo & Chrisman, 2006).

These entrepreneurs have larger organizations with rules and regulations - sometimes growing to the point of working with or getting integrated into governmental bodies for the benefit of individuals and communities.

Global Social Entrepreneur

The global need in question can be anything from free access to education to clean water. This is usually a lofty goal that spans continents and links many organisations and interests together. However, Thomson (2008) asserted that the trade-off is in scrutiny. If global social entrepreneurs fail to meet the needs and gather sufficient support, their failure has a bigger impact than those of smaller organisations. Furthermore, these bodies are usually tied to a particular cause and work with other social entrepreneurs to function. As such, you are more likely to achieve these heights if an individual connect with other social entrepreneurs and build a global community around solving social issues. Dorgu, Ogunfunmilakin and Adediran, (2019) stated that these entrepreneurs seek to completely change social systems in order to meet major social needs that are globally of consequences.

Urban Renewal

Urban renewal has been described as a tool for reverting or ending urban obsolescence, preventing urban deterioration, clearing blighted areas and upgrading deteriorated buildings, physical environment and infrastructure (Okeke, 2004). Besides, urban renewal has also been described as a strategy for eliminating undesirable individuals and creating additional job opportunities (Zielenbach and Levin, 2000), achieving sustainable provision of utilities,

improving the quality of living environment, and creating new and efficient economic activities (Kara, 2011), and building sustainable communities and improving socio-economic integration in urban areas (Fadare & Oduwaye, 2009). This means that urban renewal schemes generally seek to eliminate undesirable physical, environmental, social and economic elements that negate community integration for sustainable urban growth and development. Therefore, the different urban renewal strategies are seen as strategic planning tools for improving and sustaining the viability of urban neighbourhoods, and thus, promoting all around sustainable development.

Gbadegesin and Aluko (2010) identified the different urban renewal strategies to include rehabilitation, conservation and redevelopment. However, as is true for other urban development initiatives, the success of each of these strategies in urban renewal depends largely on the adequacy of funding arrangement for the scheme (George, 2006). In many developing countries, the increasing need to reduce government budgetary constraints and improve the performance of public sector in service delivery has heightened the search for alternative to the traditional funding arrangement for urban development. The following are the various urban community renewal approaches:

Redevelopment

This approach is applicable to areas in which buildings are in acute deteriorating condition and have no preservation value, or in which the arrangement of buildings are such that the area cannot provide satisfactory living conditions. According to Roy and Hazenberg, (2019),

redevelopment consists of the removal of existing buildings and the re-use of cleared land for the implementation of new projects. In such cases, demolition and reconstruction of whole blocks or of small sections, is often thought to be the only solution to ensure future comfort and safety of the residents.

Interestingly, Lyne, (2012) asserted that redevelopment leads to the destruction of badly needed housing units and it does not prevent slums from reappearing in other parts of the city. It also contributes to the impoverishment of the original residents by reduction of job opportunities, as resettlement areas are usually located outside of the city.

Rehabilitation

Rehabilitation is based on preserving, repairing, and restoring the natural and man-made environments of existing neighborhoods. Rehabilitation is applicable in areas where buildings are generally in structurally sound condition but have deteriorated because of neglected maintenance. It takes advantage of the existing housing stock as a valuable resource and adapts old houses to present day life and acceptable standards by providing modern facilities (Lee, 2016). In rehabilitation, it is certain that the limited availability of funds for new construction and the serious housing shortage make the option of destroying already-existing housing appear both unaffordable and imprudent. It recognises the value of old neighborhoods and, by preserving what is unique, ancient, and specifically local, it can also contribute to the development of the tourism industry and stimulate the economy. From the standpoint of time and cost, rehabilitation is a sensible solution to the problem of neighborhood regeneration.

Integration

This approach views rehabilitation and redevelopment as complementary forces and combines the best aspects of both approaches. It consists of rehabilitation of what can realistically be saved, combined with reconstruction of new buildings in place of those beyond the reach of feasible rehabilitation (Lyne, 2012). Integration is considered today to be the most acceptable way to regenerate old neighborhoods. It allows for flexible project implementation which can preserve the traditional urban environment and its human scale while achieving respectable densities. It respects the social order of the community by renovating the majority of the original residents on the site and invites mass participation. Integration results in the creation of rich environments through the integration of new buildings within the existing neighborhoods and allows for the development of a new form of contemporary architecture with local characteristics, enriching the appearance of the old city while maintaining its identity. However, for many developers and local authorities, integration remains a time-consuming process, less profitable than redevelopment with mass housing.

Urban Renewal and Social Entrepreneurship in Nigeria

Social enterprise is usually thought of as a way to make non profits more effective and sustainable, especially in the area of human services. In consideration of the complexity of human activities in urban centres, it is significant to establish an equal mix of building professionals and other stakeholders as decision makers to enhance urban renewal projects (Okeke, 2004). As such, architects who were identified as the initiators of building

designs should be part of the decision-making process. It is remarkable to highlight the roles of various professionals in decision-making process, particularly the role of an architect towards an effective implementation of sustainable urban renewal plans in densely populated regions of Nigeria. It is noted that coastal cities in Africa are the most developed urban areas in the region, which have influenced the high concentration of residential, educational, industrial, commercial, infrastructural and military facilities (UN-Habitat, 2008). In Nigeria, the scenery is not different, with about 45% of the population living in urban settlements (Babanyara, Usman & Saleh, 2010).

Poverty remains in cities and many working families remain poor, as such there is need to provide different social entrepreneurial strategies to enhance the social well being of individuals in urban communities. Multiple patterns of urban growth and decline exist with different impacts on working with different families (Amidu & Aluko, 2006). The goal of urban renewal is to ensure an improvement in urban living standard as part of a strategy to boost the economy both locally and internationally. Also urban settlers lack the willingness to accept urban renewal projects in Nigeria as a result of poor communication amongst stakeholders and concerned residents. According to Amidu and Aluko (2006), the first urban slum renewal in Nigeria was implemented in 1951 with a slum area of about 28.34 hectares (70 acres) in central Lagos. This urban renewal project was initiated due to poor accessibility, inadequate parking facilities, poor

drainage and sewage systems and lack of open space.

Also, poor health conditions and waste disposal systems in urban slums have increased the outbreak of communicable diseases. It is further noted that lack of sufficient funds limited the success of the first urban regeneration project in Nigeria. With the integration of social entrepreneurs towards achieving social change in a community would help urban dwellers in the country. Also, other regeneration projects across Nigeria have been marred by lack of re-settlement plan for existing occupants in such areas. Recently, it was noted that urban regeneration were carried out in some parts of the country like Lagos State, Rivers State, and Federal Capital Territory (Dimuna & Omatsone, 2009).

While in Bayelsa State, Osahon (2020) confirmed the role played by entrepreneurs for the renewal of urban area, especially in the state capital Yenagoa. The author justified that the urban renewal project in Yenagoa is to enhance the aesthetic of the state capital. This renewal plan is to give facelift to the capital city as evident in the demolition of illegal structures in the Yenagoa metropolis, including the popular Swali, Tombia, Zarama and Opolo Market. All these are ways in which urban renewal actualised through the initiatives of social entrepreneurs for the betterment of various cities or towns in the nation.

Although efforts are made by governments to improve urban renewal in some cities due to the increasing environmental threat, it is however identified that a larger ratio of such urban populace will be exposed to greater risk. The majority of such populace are poor urban settlers that reside in urban slums prone to storm surges, urban heat

island effect, flooding and heavy rainfall. Adelekan (2009) noted that lack of urban planning in Lagos, Nigeria, will generate future hazards for new development, particularly in high environmental risk areas. Moreover, the urban poor are noted to live in the high risk zones due to inadequate government control of such areas and lack of urban land for development.

In Nigeria, most urban infrastructure is currently in a deteriorating state as a result of poor maintenance, increased population growth and the negative impact of climate change. Also, climate change challenges in the 21st century have made it considerable difficult to plan for future sustainable infrastructural systems (Roberts, 2000). This requires an effective integration of urban renewal strategies with the needs to protect the environment for the activities of both present and future generations. Furthermore, the author opined that urban renewal is a long-term development project in social, economic, physical and environmental condition.

Management of Social Entrepreneurship for Urban Renewal

Zahra, Rabu-houser, Bhawe, Meabaum and Hyason (2008) asserted that the essential harmonization of resources is authenticated through social entrepreneurship in the following ways.

Global wealth disparity: This covers the uneven distribution in the world economy. It is pertinent to concur that globalization has increased the awareness about the social problems in the developing countries and also the opportunities for improvement in these countries.

Corporate social responsibility (CSR) movement: This movement is now thought as a firm's responsibility to those who are

harmful or helped by the corporation as well as those groups whose rights are impacted through corporate actions and decision.

Technological advancing and shared responsibility: This entails the advancement made by communication technologies where everybody's access to information provides individual the knowledge to apply and exploit social opportunities (Dorgu, Ogunfunmilakin & Adediran, 2019).

The above elements can be managed and achieved when communities are renewed for the improvement of social change in the urban environment.

Challenges of Social Entrepreneurship for Urban Renewal

There are different challenges affecting the implementation of social entrepreneurial activities for the achievement of social change. These impediments include but not limited to the following: lack of access to quality human resources, lack of support to grow and scale-up, negative public perception and recognition, lack of access to sizeable financial capital, lack of legal recognition and supportive policy structure, as well as lack of institutional awareness.

Lack of Funding Support

When most of the social entrepreneurs are individual entities, it is, therefore difficult to accumulate enough funds at the beginning. Over time some ventures flourish but a vast majority of the ventures struggle to maintain their existence and sustainability due to capital or ongoing sources of income. The traditional support mechanisms such as banks or financial institutions that foster the development of social enterprises are quite scarce as compared to commercial enterprises.

Therefore, social entrepreneurs struggle to accumulate the required capital and mostly invest their own savings to tackle social problems (Roy&Hazenberg, 2019).

Ability to Scale-Up

Social enterprises primarily spring up from the social inequity or the market failure when the traditional systems are not enough to meet the needs. Most of the time it starts with immense enthusiasm or a social outlook to address any specific problem. However, the lack of support and structured policies affect the social enterprise to scale it up to the next level. Partly due to the discontent across the societies and the skepticism towards socially driven actions which is mostly neglected. This also affects the sustainability of the social enterprises. Given that most begin with addressing social problems where the government support is scarce, the expansion opportunities become limited overtime due to resource constraints.

Duality of Mission

Social entrepreneurs aspire to create social value by addressing various social problems existing in the societies. This aspiration, however, is not deviant from economic objective as it can also aim to earn profit through the innovative business model. The traditional conceptualization however, associates the social enterprises largely with the notion of philanthropy or non-profit venture. The duality of this identity has remained a big problem for social enterprises. Some social entrepreneurs earn money through their ventures considering this as a more ethical way to do business, some do this with the mission to create a social impact and some try to create social value and develop a sustainable business model. Thus, it is

apparent that the identity of social enterprises has become more ambiguous due to the diverse identity.

Lack of Proper Business Strategy

What most social enterprises face is the lack of proper business strategy which leads to non-competitive products (Komatsu, 2016). This largely remains on social needs which to some extent impede the development of the actual product or service offered by the social enterprise. It hampers the progressiveness of a proper business strategy to compete in the market as many of the social enterprises compete with commercial enterprises. Sometimes, social entrepreneurs engage in a business without having any prior business background which is entirely out of goodwill. Due to this, most of them would not have the required managerial skill allowing them to plan, undertake strategic planning, financial forecasting etc. (Di Fabio, 2017).

Conclusion

Urban renewal in Nigeria requires a detailed understanding of how to improve social change in communities' sustainability, and amidst the rapid urban growth to achieve a common national economic goal. This involves the contribution of social entrepreneurs to suitably integrate measures towards enhancing urban renewal projects.

Suggestions

On the basis of the discussion of this paper, the following suggestions are very important to enhance further scholarship.

1. Social entrepreneurs and other stakeholders in urban environment should strengthen their collaboration with the public to enhance urban renewal strategies and projects in Nigeria.
2. Community members and regeneration neighbourhood should be involved in government urban renewal plans in order to achieve social change for the betterment of the individuals and the community.
3. There should be a regular review of urban renewal strategies for each region of the country to enhance the integration of renewing communities through social entrepreneurship to achieve sustainable development.
4. Community development experts and agents as well as social entrepreneurs are required to emphasize relevant strategies to be adopted for urban renewal in the 21st century environment.

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