



## Entrepreneurship: A Veritable Tool in Achieving Decent Work and Economic Growth

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### ABSTRACT

The role of entrepreneurship as a catalyst to the achievement of decent work and economic growth cannot be overemphasized. Entrepreneurship is pivotal to attaining the SDGs 8. It is expected that if the government and its agencies give full attention to the implementation of entrepreneurship, there would be massive job creation which is an effective measure to eradicate forced labour, slavery, human trafficking and minimize poverty to the barest minimum. Entrepreneurship contributes to building resilient infrastructure, promoting inclusive and sustainable industrialisation and fostering innovation. The Sustainable Development Goals 8 has definite targets. With these targets in mind, the goal is to achieve full and productive employment, sustained economic growth, and decent work for all women and men by 2030.

**KEYWORD:** Entrepreneurship; Decent Work; Economic Growth

### Introduction

Sustainable Development Goal (SDG) 8: Decent Work and Economic Growth is one of the 17 SDGs adopted by the United Nations in 2015 as part of the [2030 Agenda for Sustainable Development](#). The goal is to promote inclusive, and sustainable economic growth, full and productive employment, and decent work for all. This includes creating new and better job opportunities, improving working conditions, and promoting social protection for all. The goal also aims to reduce poverty and income inequality, and to support small businesses and entrepreneurs (Apostolopoulos, Al-Dajani, Holt, Jones and Newbery, 2018).

Development-oriented policies are designed to promote economic growth and development in a sustainable and inclusive manner. These policies can help to create decent job opportunities and increase global resource efficiency. By implementing development-oriented policies, governments, businesses, and other organizations can help to reduce unemployment rates and increase the growth rate of their economies. By addressing the root causes of poverty and inequality, and by promoting the well-being and prosperity of individuals, communities and countries can contribute to the achievement of the Sustainable Development Goals (SDGs) and promote sustainable development around the world.

The SDGs define global priorities for development up to the year 2030 and are pivotal for addressing the global economic, social and environmental challenges faced by the communities. They promote a wide range of actions in public and private sectors that can foster economic growth through new and innovative ways. However, their success is uncertain, controversial and slow: Implementation has begun, but the clock is ticking. This report shows that the rate of progress in many areas is far slower than needed to meet the targets by 2030. (United Nations, 2017).

Entrepreneurship can be a transformational driver, offering the scaffolding for both attaining and delivering the SDGs whilst fuelling economic growth led by the principles of sustainable development. Within the domain of sustainable development (Shepherd & Patzelt, 2011), entrepreneurship is championed as a vehicle for empowerment and an enabler of economic development, poverty alleviation and other forms of social value (Kajjage, Wheeler, & Newbery, 2013).

The SDGs promote sustained economic growth, higher levels of productivity and technological innovation. Encouraging entrepreneurship and job creation are key to this, as are effective measures to eradicate forced labour, slavery and human trafficking. With these targets in mind, the goal is to achieve full and productive employment, and decent work, for all women and men by 2030.

### The Concept of Entrepreneurship

Like many concepts, entrepreneurship has no single universal acceptable definition. Many individuals and writers have evolved different definitions of the concept. Some of the definitions given by economists seem to narrow entrepreneurship to the world of buying and selling alone. To some economists,

the entrepreneur is a person who is willing to bear risk of a new venture provided there is significant chance for making profit. It involves risk. However, it is important to know that, it is not only the world of business that involves risk. This could be business, trade, vocation or even invention. The underlying principle in entrepreneurship is innovation and novelty. It can also be described as the capacity and willingness to develop, organise and manage business venture.

Entrepreneurship is the willingness and ability of an individual to seek for investment opportunities, to establish and to run an enterprise successfully (Solomon, 2007). Entrepreneurship according to Baba (2013), is the act of starting a company, arranging business deals and taking risks in order to make profit through the education skills acquired. The entrepreneurship spirit is a pre-requisite to an entrepreneurial society and culture.

Entrepreneurship contributes in an immeasurable way towards creating new jobs, wealth creation, poverty reduction, and income generation for both government and individuals. Having understood the vital role of entrepreneurship in economic development, it becomes apparent that careful attention is needed to invest and promote entrepreneurship.

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## Sustainable Development

Sustainable development refers to the use of resources in a way that meets the needs of the present without compromising the ability of future generations to meet their own needs. It is based on the idea that economic growth, social development, and environmental protection are interconnected and must be balanced in order to achieve long-term sustainability (Tiago, 2023).

Sustainable development is important because it helps to ensure that the planet and its resources will be available to future generations. It also helps to reduce poverty and improve living standards, and promotes more inclusive and equitable societies. Additionally, sustainable development can contribute to economic growth by promoting innovation and efficiency, and by creating new business opportunities.

There are a number of challenges to achieving sustainable development, including climate change, pollution, loss of biodiversity, and resource depletion. Addressing these challenges will require efforts from governments, businesses, civil society, and individuals, and will require the implementation of policies and practices that are sustainable in the long-term.

The targets of [Sustainable Development Goal \(SDG\) 8: Decent Work and Economic Growth](#) are:

- Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries
- Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors
- Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services
- Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead
- By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- By 2020, substantially reduce the proportion of youth not in employment, education or training
- Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms
- Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
- By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products
- Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all
- Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries
- By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization (Tiago, 2023).

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## Meaning of Decent Work

The International Labour Organization (2020) defined decent work as “productive work for women and men in conditions of freedom, equity, security and human dignity”.

In general, work is considered as decent when:

- it pays a fair income
- it guarantees a secure form of employment and safe working conditions
- it ensures equal opportunities and treatment for all
- it includes social protection for the workers and their families
- it offers prospects for personal development and encourages social integration
- workers are free to express their concerns and to organise

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## Benefits of Promoting Decent Work

Promoting employment and ensuring decent work for all can have a tremendous impact on individuals and communities. Benefits include:

Improved living standards

With work being the main source of income, creating jobs can increase material well-being, family stability, and create a virtuous cycle of poverty reduction. Having a decent job and a social protection coverage can provide people with a sense of dignity and eventually lead to their social inclusion.

### *Raised productivity*

Jobs allow for the production of goods and services in the economy and the transition from low to high productivity has proven to lead to economic growth for society as a whole. Moreover, decent work ensures inclusive growth, with fair wages and equal opportunities for all. But to create decent job opportunities, skills must efficiently match market needs, with targeted quality education and training programmes in cooperation with government and private sector.

### *Social cohesion*

Joblessness is often seen by the public as being linked to weak democracy. Unemployment and poor working conditions breed frustration and a sense of social injustice. This is especially true for young people: one risk of feeling excluded from civic participation or community activities can be that young people turn towards violent groups and civil unrest.

Promoting employment and decent jobs helps build public trust and encourages civic engagement, especially as employment helps fight social isolation. When people are engaged in a decent job and enjoy labour rights, they feel part of the community.

### *Meaning of Economic Growth*

In simplest terms, economic growth refers to an increase in aggregate production in an [economy](#), which is generally manifested in a rise in national income (Oxford University Press, 2015). Often, but not necessarily, aggregate gains in production correlate with increased average [marginal productivity](#). That leads to an increase in [incomes](#), inspiring consumers to open up their wallets and buy more, which means [a higher material quality of life and standard of living](#).

In economics, growth is commonly modeled as a function of [physical capital](#), human capital, labor force, and technology. Simply put, increasing the quantity or quality of the working age population, the tools that they have to work with, and the recipes that they have available to combine [labor](#), [capital](#), and [raw materials](#), [will lead to increased economic output](#) (Khan Academy, 2018).

### *How to Generate Economic Growth*

According to Investopedia (2021), economic growth is dependent on the following four contributory areas:

### ***Increase Physical Capital Goods***

The first is an increase in the amount of physical [capital goods](#) in the economy. Adding capital to the economy tends to increase productivity of labor. Newer, better, and more tools mean that workers can produce more output per time period. For a simple example, a fisherman with a net will catch more fish per hour than a fisherman with a pointy stick. However two things are critical to this process.

Someone in the economy must first engage in some form of saving (sacrificing their current consumption) in order to free up the resources to create the new capital. In addition, the new capital must be the right type, in the right place, and at the right time for workers to actually use it productively.

### ***Improve Technology***

A second method of producing economic growth is technological improvement. An example of this is the invention of gasoline fuel; prior to the discovery of the energy-generating power of gasoline, the economic value of [petroleum](#) was relatively low. The use of gasoline became a better and more productive method of transporting goods in process and distributing final goods more efficiently.

Improved technology allows workers to produce more output with the same stock of capital goods by combining them in novel ways that are more productive. Like capital growth, the rate of technical growth is highly dependent on the rate of savings and investment, as they are necessary to engage in [research and development](#) (R&D).

### ***Grow the Labor Force***

Another way to generate economic growth is to grow the labor force. All else being equal, more workers generate more economic goods and services. During the 19th century, a portion of the robust U.S. economic growth was due to a high influx of cheap, productive immigrant labor. However, as with capital-driven growth, there are some key conditions to this process.

Increasing the labor force necessarily increases the amount of output that must be consumed in order to provide for the basic subsistence of the new workers, so the new workers need to be at least productive enough to offset this and not be net consumers. Also, just like additions to capital, it is important for the right type of workers to flow to the right jobs in the right places in combination with the right types of complementary capital goods in order to realize their productive potential.

### ***Increase Human Capital***

The last method is to increase [human capital](#). This means laborers become more accomplished at their crafts, raising their productivity through skills training, trial and error, or simply more practice. Savings, investment, and specialization are the most consistent and easily controlled methods.

Human capital in this context can also refer to social and institutional capital. Behavioral tendencies toward higher social trust and reciprocity, along with political or economic innovations such as improved protections for property rights, are types of human capital that can increase the productivity of the economy.

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## **Role of Entrepreneurship in Achieving the SDGs 8: Decent Work and Economic Growth**

Indeed, beyond the relationship with business performance, the contribution of entrepreneurship to other output measures of critical importance is less certain. Performance itself is a process measure and is a proxy for ultimate goals such as security, happiness and well-being (Blanchflower & Oswald, 2004). Nevertheless, within the context of sustainable development, it should be clear that entrepreneurship can, for example, lead to a reduction in poverty through an increase in financial performance, or greater access to education through efficient market competition, or cleaner access to water through a process that encapsulates the discovery and exploitation of new ideas (Shane & Venkataraman, 2000). As such, it requires guidance through supportive frameworks and institutions. We need to understand what it is that needs to be sustained, what it is that needs to be developed and how entrepreneurial actions can be utilised towards this direction (Shepherd & Patzelt, 2011).

- Through deploying increasingly innovative business approaches that respond to today's challenges, with tomorrow's problems in mind, entrepreneurship plays a key role in contributing to Agenda 2030 and attaining the Sustainable Development Goals (SDGs) 8.
- Entrepreneurship contributes to building resilient infrastructure, promoting inclusive and sustainable industrialisation and fostering innovation.
- Entrepreneurship can create new businesses and jobs, and can help drive innovation and economic growth by bringing new products, services, and technologies to the market.
- Entrepreneurship can actualize the SDGs 8 if the government and her agencies can provide access to finance which can help entrepreneurs overcome the challenge of raising capital which will help to grow their businesses.
- Entrepreneurship can bring about new products, services, and technologies that can drive economic growth. This can involve investing in research and development, or supporting the adoption of new technologies.

- Entrepreneurship will help in no small way in promoting innovation which can help to drive productive activities and increase gross domestic product (GDP) as insufficient investments in R&D can limit a country's ability to develop new technologies and innovations, hindering economic growth.
- Entrepreneurship helps to reduce unemployment and ensure decent work for all women, men, young people and people with disabilities while ensuring equal pay for work of equal value, as well as the fair redistribution of unpaid care and domestic work.

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## Conclusion

Entrepreneurship can play a very crucial role in promoting decent work and economic growth. Its import to the attainment of Sustainable Development Goals (SDGs) cannot be overemphasized. The Nigerian economy can be revamped if entrepreneurship is given adequate attention. It can create more decent jobs, increase productivity and competitiveness, and achieve long-term, sustainable economic growth. It is imperative for government and its agencies, businesses, and other stakeholders to work together to adopt a holistic approach to economic growth that takes into account the social, economic, and environmental impacts of development.

The government should invest in entrepreneurship education as an important strategy for promoting decent work and economic growth, as it can help to create more productive and efficient workers, increase employment opportunities, and improve living standards. By doing so, they can create a more prosperous and equitable global economy that benefits all members of society.

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