# The Catalyst for Sustainable Rural Development and Poverty Reduction in Zambia

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**Abstract:** Rural development is more than ever before linked to entrepreneurship. Now a day's Institutions and individuals promoting rural development see entrepreneurship as a strategic development interference that could speed up the rural development progression. However, entrepreneurship stands as a vehicle to improve the quality of life for individuals, families and communities to sustain a healthy economy and environment.

The entrepreneurial point of reference to rural development accepts entrepreneurship as the central force of economic growth and development, without it other factors of development will be wasted. The acceptance of entrepreneurship as a central development force by itself will not lead to rural development and the advancement of rural enterprises. There is an urgent need to enable environment entrepreneurship in rural areas, Gómez-Araujo, E. J. (2012). The existence of such an environment depends on policies promoting rural entrepreneurship. The efficiency of such policies in turn depends on an intangible structure about entrepreneurship, i.e., what it is and where it comes from.

Keywords: Enterprise, rural area, sustainability etc.

# 1. Introduction

These days rural enterprise is a noteworthy event for the general population who fundamentally meander from country zones or semi-urban territories to urban zones. It is additionally a reality actually that the larger part of rustic business people are confronting heaps of issues due to non accessibility of prime enhancements in provincial territories especially in creating nations like Zambia. Surely the financial extension of our nation for the most part relies upon the development of provincial regions and furthermore the way of life in its country mass. For the monetary advancement of a nation and of locales inside the nation country business visionary is a standout amongst the most essential sources of information. Presently business visionaries are additionally headed to achieve accomplishment in their business alongside the qualities acquired by them of a visionary, pioneer, supervisor, trend-setter, constant student, and leader and most vital is to actualize every one of these qualities into the work. Surely Entrepreneurs set the case of transforming their fantasy into reality, Gómez-Araujo, E. J. (2012). All the more vitally the story at the back to accomplish the fantasies into the truth is to set gigantic objectives for themselves and furthermore remain focused on accomplishing them paying little mind to the impediments they act as a burden with the unmatched energy and the aspiration towards accomplishing the objective. Without a doubt it looks alluring, intriguing and spurring subsequent to

listening the stories of the business people, however for beyond any doubt achievement isn't as simple as it looks dependably.

Rural Entrepreneurship is that entrepreneurship which ensures value addition to rural assets in rural areas by engaging huge rural human resources. The issue is basically unequal development which is a progression of one region at the cost of enhancement of some other place, with accompanying related issues of underdevelopment Brown, D.L & Schafft, K.A (2011).

## Rural entrepreneurship in Zambia

Who should fundamentally be equipped for making use of the organization designs and techniques for the progression of common people? Some NGO's and close-by pioneers nearby person who are dedicated to the purpose behind the provincial people have unquestionably been the synergist masters for headway. Despite the way that their tireless work ought to be perceived, yet significantly more ought to be done to pivot the heading of improvement of people i.e., to pull in people to natural locales which infers stopping the overflowing of nation people and in addition attracting them over from towns and urban groups where they had moved, Scott, K., (2011), This can be impacted possible exactly when youths to consider nation's rural districts as spots of possibilities. Enabling general society to think unequivocally, inventively and associating with them purposely in business venture practices is most basic for the change of common regions. Adolescents with such perspective and besides with the help of legitimately channelized undertakings would completely present a period of provincial business venture. A part of the basic principles of business visionary which can be associated with natural headway are:

- Optimum and full utilization of adjacent resources in an entrepreneurial meander by commonplace masses Better dispersals of the residence convey achieves nation flourishing.
- Entrepreneurial occupation open entryways for natural masses to decrease isolation and moreover giving elective occupations as against the nation development.
- To sanction such system as to give crucial "6M" Manpower, money, materials, organization, equipment and market to nation people.

#### Rural entrepreneurship and improvement of towns:

In various words building up the business in provincial areas is known as country enterprise. As a result of this country business enterprise is synonymous with rustic industrialization. Numerous such cases of effective country enterprise would already be able to be found in writing. The entrepreneurial combos of those assets are as an example tourism, game and entertainment offices, expert and specialized tutoring, retailing and wholesaling, business bundles (designing, creates), adjusting (consultancy), cost included (items from meat, drain, wooden thus forth)and the chance of off-cultivate work. Similarly entrepreneurial are new makes utilization of land resources that which allow a diminishment in the power of rural assembling, for instance, common assembling. Some of the central open doors in provincial enterprise are:

- Better distribution of farm produce which ends up in rural prosperity.
- Entrepreneurial career for rural teenagers ensuing in discount of disguised employment possibilities and opportunity occupations for rural teens.
- For maximum and maximum utilization of farm produce formation of big co-operatives like Amul.
- Most excellent usage of neighbourhood resource in entrepreneurial challenge by means of rural adolescents.

On the other hand, Zambian agriculture is characterised by using low productivity, flood, and exposure for vagaries of nature like drought, different natural disasters and weaknesses like mismatch between agricultural and cash vegetation, insufficient infrastructure to offer for price addition, wide disparity which exists among public non-public partnership in agricultural development. Land being restrained is not able to soak up the entire labour pressure throughout the yr main to big scale underemployment and unemployment. Rural people, searching for jobs and higher livelihood opportunities frequently migrate to urban facilities growing unwanted slums and also stay in unhygienic conditions of dwelling. Inside the above noted trend if employment possibilities are made available in rural areas in conjunction with primary services of life.

# Qualities of a successful entrepreneur

Being a business person isn't just means a business endeavour, it's far around having mentality and the strain to accomplish business. Every enormous business visionary have a tantamount way of reasoning and gangs a few key individual characteristics that make them so an achievement in big business. A fruitful business people like the driven Richard Branson have an internal influence to be triumphant and develop their business undertaking, as opposed to having a Harvard business degree or specialized ability in a particular subject. Business enterprise is an outlook more noteworthy than anything, beneath are a few attributes that make a business person a win one:

- Dreamer: A substantial idea of how something might be better and extraordinary
- Internal power to be effective: advertisers are headed to be triumphant and expand their business endeavour. They see the master plan and are frequently extremely considerable. Advertisers set gigantic dreams for themselves and live dedicated to achieving them paying little respect to the limits that get inside the way.
- *Innovator:* All business visionaries have an enthusiastic decision to improve and to upgrade their items or administration. They are always searching out ways to deal with move forward. They are imaginative, dynamic and shrewd.
- *Potential to organize*: He should have the capacity to orchestrate diverse factors strongly. He needs to perceive every one of the parts of the business
- Passionate: Expressive so the idea makes quality and reverberation with others
- *Hazard Taker*: Pursues the fantasy without the majority of the assets concealed on the beginning and appropriates the danger over a system of capacities.
- *Selection Making*: One needs to take right choice at a legitimate time by showing his immediacy. Brief choices are foreseen yet hurried choices shouldn't be taken. Put off in choices may likewise blast cost of wander and lessen the benefits.
- Continuous Learner and Openness to exchange: constantly investigating and developing to do charming practice. On the off chance that something isn't continually working for them they genuinely exchange. Business visionaries understand the hugeness of safeguarding on zenith of their venture and the least complex approach to being essential is to adjust and trade with the examples. They fully informed regarding the spic and span innovation or supplier systems and are persistently prepared to exchange the occasion that they see another plausibility emerge.
- *Negotiation capacities*: Businessman every now and again comes into touch with various people like customers, specialists, government officers, et cetera. So he ought to impart thoughtfully.

# Specific entrepreneurship challenges in Zambia

- Own family demanding situations: Convincing to opt for commercial enterprise over process is straightforward is not an easy venture for any personality. The first element as compared is Will you make extra cash in business of your choice or as a successor of circle of relative's commercial enterprise. That is in which it becomes almost not possible to persuade that you may generate extra coins with your ardour than doing what your Dad is doing.
- Social demanding situations: Family challenges are constantly on the pinnacle due to the fact that is what rely the most but at instances social challenges also are very critical. Let us say you and your buddy graduated on the identical time. You opted for entrepreneurship and your buddy opted for a task. He now has a flat, car and what now not due to the fact he should easily get those with a financial institution loan but you continue to have nothing to reveal off and that is in which undertaking comes.
- *Technological demanding situations*: Indian training device lags an excessive amount of from the activity industry as a whole however then it lags even greater on the subject of on line entrepreneurship. What generation would be perfect and how to use that generation correctly?
- *Economic challenges*: economic challenges are plenty special in India particularly for on line entrepreneurs. While you are starting out as an entrepreneur you don't choose undertaking investment however try to go together with funding from small to medium business human beings.

Many such non-technical enterprise humans don't apprehend the net enterprise models as a whole and so getting a preliminary commercial enterprise investment from them will become tough.

### 2. FINDINGS

The section of the report presents the findings from the field study, analysis and discussion. The data presented is both qualitative and quantitative and is discussed based on the three research questions. The results are based on the study which was conducted in Mumbwa district trading area.

#### Types of Micro Enterprises Operating in Mumbwa Area

In terms of the type of business, the result shows that the majority of the people who participated in the study owned the business of hardware and agro- business. The figure below shows the main types of microenterprises operating in Mumbwa.

In terms of the nature of business, the sample studied was dominated by sole proprietors (63%) followed by company (17%), family businesses (13%) and partnership (7%). Furthermore it was established that apart from the aforementioned business, micro enterprises owners were involved in other business ventures. A total of 21 SMEs representing 70% were involved in other business ventures. The business which they involved were agriculture (68%) while others were Timber related business (12%) while 10% were involved in general trading.

#### The findings are clear that most the people doing business prefer working alone as sole traders.

#### The role of rural entrepreneurship to employment creation

The findings from the field showed that the rural entrepreneurship in the district had contributed to employment in the areas both on permanent basis and casual basis.

In probing further, the micro enterprises owners were asked if at all they engaged relatives and friends in business. A total of 28 representing 35% of the micro enterprises had engaged relatives and friends in business operations with only two who had not actively involved relatives in the business operations. Interesting is that of the 28 (35% who involved friends and relatives in running the business, 20 of them representing 25% were of the view that the relatives were entitled to monetary ad non-monetary benefits as way of appreciations.

This clearly entails that though they may not being counted as employees, the fact that they work in the same business and entitled to benefits is evidences that they were indirectly employed. Thus the rural entrepreneurship contributes to job creation in Mumbwa. Therefore it is clear that with regards to employment opportunities, most of the business entities play a crucial role in creating employment opportunities among the local people in Mumbwa.

At least an average of even people is employed in micro enterprise on a permanent basis while twenty employed on a temporal or seasonal basis. Furthermore micro enterprises also appointed workers by the hour (peace works) to give work to more people. This also entails that unskilled workers are employed once in a while thereby creating employment opportunities for vulnerable people like the youths. For example when offloading stock from vehicles, youths are employed on piece work kind of jobs. Similarly Martinez-Fernandez and Powell (2010) study showed that micro enterprises are an important source of employment, particularly for low-skilled workers, women, youth, and rural families who usually make the greatest proportion of the unemployed in a developing nation, this is also in accordance with Tambunan (2011), who points out that rural micro enterprises play a crucial role in the generation of jobs, use of raw materials, meeting local market, needs, income distribution and in social mobility. They also provide goods and

#### Contribution of rural entrepreneurship to Assets and Wealth Creation

In establishing the how micro enterprises have contributed to the assets and wealth creation among the local people, the starting and current cash capital and assets were assessed. The table below shows how various capitals for micro enterprise had grown from the start of the business to the times of the study.

#### Rural entrepreneurship and improvement of towns:

The findings from the field showed that rural entrepreneurship in the district has contributed to the development of rural industries in the study area. In various words building up the business in rural areas is known as rural entrepreneurship. As a result of this rural entrepreneurship is synonymous with massive rural

industrialization such as cotton ginnery which has created employment and improve the standards of living in rural areas.

Similarly entrepreneurial are new makes utilization of land resources that which allow a diminishment in the power of rural assembling, for instance, common assembling. Some of the central open doors in rural areas are:

• Better distribution of farm produce which ends up in rural prosperity

• Entrepreneurial career for rural teenagers ensuing in discount of disguised employment possibilities and opportunity occupations for rural teens.

It was also found out that rural entrepreneurship leads to the improvement of rural roads to standard gravel roads for easy transportation of products and people to market areas.

The other finding was that rural entrepreneurship has brought about the improvement of infrastructure development in rural areas such as the connecting of the rural areas to the national power grid (electricity) because of the increasing economic activities which has created the opportunity for Zesco to take electricity to rural areas.

• Most excellent usage of neighbourhood resource in entrepreneurial challenge by means of rural adolescents.

Rural people, searching for jobs and higher livelihood opportunities frequently used to migrate to urban areas but because of this rural entrepreneurship, it was noted that employment possibilities are made available in rural areas in conjunction with primary services of life.

It was also found that rural entrepreneurship leads to better infrastructure to offer for price addition, wide disparity which exists among public non-public partnership in agricultural development. Land being restrained is not able to soak up the entire labour pressure throughout the year main to big scale underemployment and unemployment. Rural people, searching for jobs and higher livelihood opportunities frequently migrate to urban facilities growing unwanted slums and also stay in unhygienic conditions of dwelling Brown, D.L & Schafft, K.A (2011). Inside the above noted trend if employment possibilities are made available in rural areas in conjunction with primary services of life.

#### The role of Government and Other stakeholders

Several studies have been conducted with regards to the role of government policies in the development of entrepreneurship generally (Friedman. 2011; Minnit, 2008; Pals, 2006). Their various contributions have been contradictory as well as supporting. For example while some researchers are in support of government policies in encouraging entrepreneurship, others are on the contrary. A case in point was Friedman (2011) argued that perceived government effectiveness was significantly negatively related to entrepreneurship on a national level. On the other hand, Minnit (2008) observed that government policy add vigorously to the development of an institutional setting that encourages productive entrepreneurship. He added that the relationship between policy and entrepreneurial activity varies across countries.

Further, a research conducted by McConnell et al (2011) to find out how government could help stimulate growth in entrepreneurs revealed that instead of protectionism, support could be in the context of liberalization, (which sought to replace protection with competitiveness) to infuse more vitality and growth to entrepreneurships in the face of foreign competition and open market. The report further indicated that supportive measures could concentrate on improving infrastructure, technology and quality. In a nutshell, as was cited by Ducker (1986), government and government related policies had been important factors affecting business growth or failure.

In view of these findings, the National League of Cities of the US conducted research in 2010 and 2011 to help identify key areas for action. The report revealed that in order to support entrepreneurs, governments should first examine the policies and actions that lie squarely within their powers. This could include policies on leadership, communication strategies (that create avenues for local businesses to engage with government) and an efficient regulatory environment.

On the other hand, the research indicated that small business development stakeholders could create programs that could target supporting businesses and entrepreneurs within their various stages of development. For example, support programs could help examine the feasibility of a business idea and provide the resources to legally become an entity in the community; provide mentoring services and activities focused on improving business plans and building local base; provision of targeted resources to help businesses grow; provide research facilities to help them expand into external markets and avenues to network with peers and mentors on common growth issues as well as assistance with expansion financing and new legal and regulatory commitments.

Having highlighted what had been done by other scholars' world over, there was need to conduct an investigation especially in the Zambian context and in this case a rural district which was rapidly transforming. Those investigations should at least provide a framework for organisational strategies so as to enhance entrepreneurial growth.

# 3. CONCLUSION

"Most entrepreneurs simply got tired of working for others, had a great idea they wanted to commercialize, or woke up one day with an urgent desire to build wealth before they retired. So they took the big leap."

The nation's monetary strategy environment should to be great for associations to accomplish effectiveness in the present worldwide market. It should empower the business people to give an enchanted touch to an association, regardless of private or joint segment. They convey another vision to the bleeding edge of monetary development of a nation. The investigation of business enterprise has got lot of importance today, not just on the grounds but it enables business visionaries to satisfy their own needs in best possible manner. More than expanding national income by making new employments, business goes about as a positive power in financial development by filling as link between novel ideas and market place.

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