

TRANSFORMATIONAL LEADERSHIP, ENTREPRENEURIAL CITY DEVELOPMENT AND THE ATTAINMENT OF SUSTAINABLE DEVELOPMENT GOALS IN NIGERIA

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Abstract

The actualization of the Sustainable Development Goals requires deliberate actions of managers of the public sector. This theoretical review paper examines extant literature to determine how the right actions of the public sector can facilitate these transformative goals. The study identifies the entrepreneurial city model as a strategic option for driving the sustainable development goals but argues that this can be made possible when leaders in the public sector adopt the tenets of transformational leadership. The study consequently recommends that leadership and entrepreneurship education should be given priority attention in Nigeria with the focus on building competition among the States on the implementation of the Sustainable Development Goals.

Keywords: Transformational Leadership, Entrepreneurial city, Sustainable Development Goals, Entrepreneurial Education

Introduction

In the Declaration of the General Assembly of the United Nations during its seventieth anniversary held in New York in September 2015, seventeen cardinal transformative objectives were activated as Sustainable Development Goals in furtherance of the United Nations agenda for “transforming our world” (UN, nd.), through the promotion of people, planet and prosperity. The attainment of these Sustainable Development Goals has been a major concern for nations across the globe especially with the heightening impact of the Covid 19 Pandemic in 2019. According to Antonio Guterres, Secretary-General of the United Nations in the 2021 Sustainable Development Goals Report (2021, 2), “the global community is at a critical moment in its pursuit of the Sustainable Development Goals (SDGs)”

because “more than a year into the global pandemic, millions of lives have been lost, the human and economic toll has been unprecedented, and recovery efforts so far have been uneven, inequitable and insufficiently geared towards achieving sustainable development.” With a target date of 2030, how much of the SDGs can nations, especially African nations like Nigeria accomplish in less than ten years. To properly address the Sustainable Goals (SDGs), there is an increasing need to create models of governance that supports the implementation of SDGs. One approach that can be considered in Nigeria is a governance structure that brings a sense of competition among the various States and Local Government Areas around the SDGs. The governance model that fits the bill is the Entrepreneurial Cities model. This underscores the need for the emergence of Entrepreneurial cities in Nigeria otherwise known as competitive cities.

Trainer (2011, 125) argued that “in recent times, politics and public policy in western democracies have been shaped by a number of trends and influences including the emergence of the ‘competition state’” as “the idea of ‘territorial competition’ both within and across national boundaries is now widely accepted in academic literature, as well as in the language of policymakers and politicians”. But this is a transformation that can best be steered by transformational leaders who are transformative in their approach to leadership. This paper therefore theoretically examines the role of transformational leadership in the public sector in the development of entrepreneurial cities that can facilitate inter regional competition around the SDGs in Nigeria.

The purpose of the study is illustrated by the conceptual framework in figure 1.

Conceptual Framework



Figure 1: Transformational Leadership, Entrepreneurial Cities and SDGs Accomplishment
Source: Desk Research

The study is guided by the following research question:

1. What is the role of transformational leadership in the development of entrepreneurial cities in Nigeria?
2. How can the existence of entrepreneurial cities facilitate the accomplishment of the Sustainable Development Goals in Nigeria?

Literature Review

Theoretical Review

Traditional Leadership Theories

Leadership has been variously applied by different scholars and disciplines. Several definitions, theories and principles have been developed by several scholars, and as stated by Hughes et al. (2012:4), “definitions of leadership differ in many ways, and these differences have resulted in various researchers exploring disparate aspects of leadership”. The variegated nature of leadership is confirmed by the several theories of leadership that exist in literature. The early theories, initially developed from the experimentation of psychologists and behavioural scientists, focused on people’s influence in social organisations from the rational human experience that is built on human cognition. This earlier conception of leadership has evolved over time and the current understanding of leadership, which is a progression, focuses in varying degrees “on one or more aspects of the physical, mental, or emotional elements of human interaction in organisations” (Fry, 2003:694). Consequently, Hughes et al. (2012:6) recognizes that “leadership involves, both the rational and emotional sides of human experience”.

Leadership within the formal organisation has been conceptualized by scholars and practitioners as a social influence process (Steers et al., 1996) in which leaders and followers relate such that the leader influences the actions of the followers towards the attainment of goals (Rollinson et al.,

1998). This view is corroborated by Ivancevich et al., (1997:341) who posit that leadership is “the process of influencing other people to attain organisational goals”. Katz and Kahn (1978:528) explain further that “the influence increment over and above mechanical compliance with the routine directives of the organisation”. Leadership is thus the ability to persuade others readily to behave differently (Armstrong, 2003). The implication of these definitions is that leadership elicits voluntary response from subordinates and this can only happen where the leader is able to expand the range of acceptance of subordinates. This has made leadership effectiveness to remain in the front burner of most leadership discourses as it is a central feature of achieving organisational success (Stewart and McGoldrick, 1996). Certain classifications representing the different views of leadership have dominated organisational studies literature. The three traditional approaches are the traits approach, behavioural approach, and the situational approach (Bateman and Snell, 1999).

But recent research efforts have gone beyond these traditional theories of leadership, and Matteson and Irving (2006) iterate that the last quarter of the last century has produced several leadership theories, which represent a general movement toward follower-oriented models as opposed to the leader-oriented models represented by the traditional theories. About the three traditional frameworks of leadership Steers et al. (1996:179) posit that: the trait, behaviour, and contingency frameworks, or theories, of leadership have all come in for serious criticism. These, as well as most other leadership theories, are subject to conceptual and methodological shortcomings, and they all currently lack strongly consistent empirical support. Speaking about the traits and behavioural theories, Fernando (2007:20) argued that “these theories could not always account for leadership in different situations”. Conversely, speaking about

situational theories, Politis (2002) argued that by the early 1980's, these theories suffered considerable disillusionment which gave rise to new leadership approaches. Reinforcing both views, Boyett (2006) argues that regardless of traits, behaviours or situations, leadership at the most fundamental level is about an exchange in which both leaders and followers get something they want and need. Consequently, the contemporary leadership theories that have emerged are revolutionizing people's understanding of leadership, beginning with, but not limited to the transactional, transformational and servant leadership models. The current study focuses on transformational leadership.

Entrepreneurship and Entrepreneurship Education

Drucker (1985: 23), argued that "Entrepreneurship rests on a theory of economy and society", meaning that it is socially constructed. Entrepreneurship has had a long history from the actions of Marco Polo in the early ages to the contributions of the French Physiocrats in the Middle ages. Stokes and Wilson (2010) for instance, state that Richard Cantillon (1734) defined entrepreneurship in economic terms from the view of Agency Theory and Ivancevich *et al.* (1997) added that this French economist of Irish descent, popularized the concept of entrepreneurship in economics through his writing in 1755. Other notable contributors to the conceptual clarification of entrepreneurship according to Stokes and Wilson (2010) are J. B. Say (1800s) who viewed it from the resource based perspective, and Joseph Schumpeter (1934) who introduced the perspective of innovation.

Although there has been several definitions of entrepreneurship, Barringer and Ireland (2013: 32) gave an apt definition by stating that entrepreneurship is "the process by which individuals pursue opportunity without regard to resources they currently control". This definition and most others are focused on the behavior and activities of the entrepreneur. Comparing entrepreneurs to men in general, Gannon (1988: 595) states that "entrepreneurs scored significantly higher on scales measuring their need to achieve, their independence, and the effectiveness of their leadership".

According to Bateman and Snell (1999: 260), independent action, innovativeness, risk taking,

being proactive and, competitive aggressiveness are evident traits associated with the entrepreneur. These attributes can be learned and/or enhanced by entrepreneurship education. Gautam and Singh (2015: 23) state that entrepreneurship education is viewed as "a process of providing individuals with the ability to recognize commercial opportunities and the insight, self-esteem, knowledge and skills to act on them". The manifestation of entrepreneurial traits is the evidence of the entrepreneurial orientation and entrepreneurial environment within a given society. Entrepreneurial orientation is the central ideology held in an enterprise or society that determines their involvement in activities that seek to explore and exploit avenues to launch new ventures and in new ways. This determines to a large extent the level of entrepreneurship in any given society and this has accounted for the emergence of entrepreneurial cities such as Hong Kong, Silicon Valley, etc. The current study focuses on entrepreneurial cities.

Conceptual Review

Transformational Leadership

Transformational leadership cannot be discussed in isolation of transactional leadership. Fernando (2007) states that by the 1970s and 1980s it had become imperative to, in the development of leadership approaches, closely examine the nature and dynamism of the relationship between leaders and followers and to specifically understand the reason why followers follow leaders. These approaches included transactional leadership, in which leaders and followers are viewed as parties to an economic transaction; transformational leadership, where leadership is conceived as a process of transformation of followers; and servant leadership, which emphasizes the attitude of service in the relationship" (Fernando, 2007:20). Burns (1978) and Bass (1985) are noted to have pioneered the development of the transactional-transformational leadership paradigm (Matteson and Irving, 2006; Bugenhagen 2006; Stone et al., 2003; Fry, 2003; Politis, 2002; Pounder and Coleman, 2002; Steers et al., 1996).

Subsequent studies identify the two behavioural components associated with transactional leadership as contingent reward and management-by exception (Bugenhagen, 2006; Pounder and Coleman, 2002; Politis, 2002). These behavioural attributes do not require the emotional engagement of the leader and thus makes the

leader psychologically detached from the followers. The Transactional leader merely appeals to workers' rational motive (Ivancevich et al., 1997) and Politis (2002) argues that most of the traditional leadership theories presented in literature addressed transactional leadership. Assenting this view Fry (2003:701) argues that transactional leadership, which underlies most leadership models, "is an extrinsic-based motivation process whereby leaders achieve their goals while followers receive external rewards for job performance". Bugenhagen (2006:23) adds that "the leader contracts with the follower for services or goods and once the transaction is complete, the two go their separate ways". Transactional leadership according to Bateman and Snell (1999) is therefore dispassionate and it is based on a rather ordinary and mundane instrumental exchange of value (Boyett, 2006). For this reason, it is difficult for the transactional leader to appeal to the followers beyond their self-interest and as noted by Bateman and Snell (1999) transactional leadership does not excite, transform, empower, or inspire people. With the several inadequacies of the theory, Bass (1996) concludes that it is a prescription for mediocrity.

In contrast, transformational leadership, which is built on transactional leadership and is generally held to be a superior form of leadership (Pounder and Coleman, 2002; Bass, 1996), describes "an inspirational form of leaders' behaviour based on modifying followers' beliefs, values, and ultimately their behaviour" (Ivancevich et al., 1997). Fry (2003:702) explains that it is "an intrinsically based motivational process whereby leaders engage followers to create a connection that raises the level of effort and moral aspiration in both". This makes it different from transactional leadership, and as pointed out by Boyett (2006:2): Here the exchange involves something that rises very much above the common place. Transformational leaders and followers engage in an interaction that leads to a heightened sense of purpose, mission and understanding. Both leader and the led are aroused and ultimately transformed; thus the name transforming leadership. This interactive engagement between the leader and the followers mutually stimulates and elevates both parties (Bugenhagen, 2006) to higher levels of morality and motivation (Burns, 1978). Accordingly, four behavioural components have been associated with a transformational leader and they include charisma or idealized influence, inspirational

motivation, intellectual stimulation and individualized consideration (Bugenhagen, 2006; Stone et al., 2003; Pounder and Coleman, 2002; Steers et al., 1996; Bass, 1996). It has been argued (Bugenhagen, 2006; Fry 2003) that leadership effectiveness requires the progressive application of both transactional leadership, which is an extrinsic motivational process, and transformational leadership, which is an intrinsic motivational process.

The Concept of Entrepreneurial Cities

Recently, the idea of entrepreneurial orientation tendencies, which focused on individuals, have now been extended to include whole cities, which Trainer (2011) says are variously referred to as 'competitive cities', 'urban entrepreneurialism' and 'entrepreneurial cities', or "territorial competitiveness". According to Lyons (n.d.), entrepreneurial cities are "urban areas that intentionally create an ecosystem of support for entrepreneurship activities with a goal of fostering the city's economic and social transformation" and that "these cities integrate the work of business, civic and social entrepreneurs and support the startup and sustainability of their efforts".

Jessop and Sum (2000) gave the following conditions to qualify as an entrepreneurial city: (1) the city pursues innovative strategies intended to maintain or enhance its economic competitiveness vis-à-vis other cities and economic spaces, (2) the innovative strategies must be active and explicit, and (3) the promoters of entrepreneurial cities adopt an entrepreneurial discourse that narrate their cities as entrepreneurial and market them as entrepreneurial. Dannestam (n.d.) argues that the "last criterion is important, since it emphasizes that questions of ideology as well as the power of representation are a central part of entrepreneurial practices".

Empirical Review

Transformational leadership, Entrepreneurial Cities and SDGs Accomplishment in Nigeria

It has become a cliché in Nigeria to say Leadership is the greatest problem of Nigeria. Nevertheless, it is a widely held view among citizens of the country. Leadership, or the lack of it, has slowed the country's development or worse still, set it aback. The pace of development has been relatively slow when compared with other

nations that hitherto shared the common identity of the 'developing nations' such as India, Malaysia, Singapore, etc. A good number of these nations have since transformed themselves to developed nations. The question is, how is it that a country that prides itself as one of the most endowed countries with great development potentials struggles to translate its potentials into concrete development? Even though Nigeria has had military incursions into leadership with the dominant leadership style adopted by the military administrations being largely authoritarian leadership, the twenty-three years of unbroken democratic governance since 1999 is enough for the nation to overcome its leadership challenges. There is empirical evidence to support the argument made in this paper that transformational leadership can advance the course of development in Nigeria. As the name implies, transformational leadership brings transformation to the system where it is applied. True transformation can be attained in Nigeria if leaders in the public sector adopt the transformational leadership style that will help them develop the States and cities in the country into truly competitive entities along the various lines of the seventeen SDGs.

With particular reference to the requirements for building an entrepreneurial city, Lyons (2014) argues that "the government usually plays a major role in this effort, particularly the local government, as a convener, coordinator and provider of material support". The public sector therefore has a significant role to play in developing entrepreneurial cities in Nigeria. This role can be played in synergy with the private sector. Government, as a convener, is the driver of development, and can along with other stakeholders set the agenda for development in terms of harnessing human and material resources, articulating and entrenching a core entrepreneurial ideology, securing the buy-in of all shades of opinion, and galvanize the private sector through a partnership relationship to provide the technical and capital support. This is a paradigm shift from the traditional ways of building and executing development plans that rarely works in Nigeria, and leaving States solely dependent on oil revenue rather than being competitive. These traditional models have largely been fruitless because they are done in isolation of any known binding entrepreneurial ideology. Consequently, States are not able to identify their areas of competitive advantage to compete with other States. The way to go

therefore is to benchmark Nigerian Cities with other entrepreneurial cities and set development targets with realistic timelines. Jessop (1997) argues that the distinctive feature of 'entrepreneurial cities' is their self-image as being proactive in promoting the competitiveness of their respective economic spaces in the face of intensified inter- and intra-regional competition.

One gain of entrepreneurial cities is the widespread promotion of entrepreneurship education, which can lead to the pursuit of the SDGs. For there is already established empirical evidence to support the line of argument that entrepreneurial education will facilitate the actualization of the SDGs in Nigeria. For instance, Efe's (2014) theoretical review on "Entrepreneurship education: A Panacea for unemployment, poverty reduction and national insecurity in developing and underdeveloped countries" established a nexus between entrepreneurship education and poverty reduction and insecurity which are cardinal SDGs. Similarly, Egbefo (2017) wrote on "Entrepreneurship education: A vital instrument for youth empowerment, industrial development and consolidation of national integration in Nigeria" and argued that entrepreneurship education is a potent tool for industrial development.

Conclusion and Recommendations

The review of literature suggests that transformational leadership has an important role to play if Nigeria will develop entrepreneurial cities, and the existence of entrepreneurial cities in the country will facilitate the accomplishment of the Sustainable Development Goals in Nigeria. Nigeria is in dire need of transformation. The national psyche is at a record low and this is traceable to leadership. There is no gain saying that the country needs transformational leaders both at the local government, state and federal levels of governance who can give policy direction that can make States and Cities in Nigeria more competitive along the lines of the SDGs. Glaeser and Keer (2010) identified the crucial role of policy direction in the attainment of entrepreneurship city status when they stated that "unsurprisingly, local policy makers who are looking for ways to rejig the economic engines of their cities are interested in policies that can generate more entrepreneurship. Therefore, understanding the determinants of entrepreneurship can help guide the development

of more effective economic development policies, both locally and nationally”. One notable determinant of entrepreneurship is entrepreneurship education, which can raise transformational leaders to ensure that Nigerian States function as entrepreneurial cities that function with entrepreneurial identities, ideologies, and policies that reflect the SDGs. This study thus recommends that:

1. Leadership and entrepreneurship education should be given priority attention in Nigeria with the focus on building competition among the States on the implementation of the Sustainable Development Goals (SDGs).

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