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Articles

The Role of Prior Family Business Background on
Entrepreneurial Intentions
Akinbode M. Oluwafunmilayo, Maxwell A. Olokundun,
Chinonye Love Moses & Adeniji C. Grace **1**

Green Entrepreneurship: Why now and what next?
Sub Theme: Entrepreneurship and sustainability
Ogunlela G. Oyebanjo **15**

Family Business and Innovation in Nigeria: Problems and Prospects
Ayodele Olubayode Ayobami, Oko Dominic Odey
Ayodele Margaret Olanireti & Kayode Philip Babarinde **26**

A Systematic Review of the Field of Debt Financing
Omoshagba T.P & Zubairu U. M **34**

Creativity and Innovation Culture: A Prerequisite for Sustaining
Competitive Advantage in SMES
Obiri James, Iwara Nancy, Kalu Jane Chinazam,
Ezebor Ogheneovie & Alabi Israel **50**

Technology Entrepreneurship: Pathway to Industry-University
Engagement
Mercy Ejovwokeoghene Ogbari, Eberhibhekhole Esho,
Maxwell Ayodele Olokundun, Oluseye Olaleke Ogunnaike
& Tolulope Morenike Atolagbe **59**

Understanding Survival Strategies in Micro and Small Enterprises
In Nigeria: A Brief Review of the Literature
Bamidele A. Wale-Oshinowo, Sorbarikor Lebura,
Ayodotun S. Ibidunni & Helen Jevwegaga **72**

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The Role of Prior Family Business Background on Entrepreneurial Intentions

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***Abstract*:** Family experiences constitute a strategic force of social influence on the values, attitude, and behaviour of individual over the course of their live and it also serve as a powerful source of finance, human capital development and role model in the career choice of the individual. While studies have shown that family background is one of the numerous determinants of occupational choice of an individual, there is need to assess the role of family business experience in the drive towards entrepreneurship. The aim of this study is to assess the role of Prior family business background on entrepreneurial intention through the mediating effect of entrepreneurial self-efficacy, desirability, feasibility and attitudes towards business start-ups. The study used a survey of 450 University students to gather the data for this study. Structural equation modeling was used to validate the proposed model while multiple regression was used test the hypothesis raised in the study. The results revealed significant effects of prior family business background on entrepreneurial intention, through the mediation variables of entrepreneurial self-efficacy, desirability, feasibility and attitudes towards business start-ups. This study contributes to the body of knowledge in theory building in entrepreneurship and recommendations were made for policy and decision makers in entrepreneurship.

Introduction

The family as a social system constitute a significant influence on the decisions of individuals who are members of such social unit. Studies in the literature as affirmed that the influence of family occupation on the career choice of an individual can be explained from the social perspective (Aldrich & Cliff, 2003; Altinay, 2006; Turkur & Selcuk, 2008). This emphasis that the decision of an individual to start a business is often derived from his constant interactions and consultations with his social environment. An individual who belong to an entrepreneur-family has a greater chance to choose an entrepreneurial career than one hailing from non-entrepreneurial background.

Studies in family business have shown different roles family play in decision making towards venture creation in form of source; information, finance, human resource, technology, role models, raw materials and supplies (Krueger, 1993; Zhang, Wong, & Soh , 2003). This makes the role of the family strategic in influential, most importantly in the early stages of the business venture (Klyver, 2007). However, earlier literatures have argued that the role of prior family background in business extends beyond the family members involvement in the decision making process of a new venture creation (Moore & Unwalla, 1964; Shapero, 1982; Scott and Twomey, 1988; Scherer, Carley & Weibe, 1989; Katz, 1992) or family-owned businesses handling succession (Stavrou and Swiercz, 1999).

Review of studies in recent times have also shown that research into the role of family in new venture creation decision making have gained greater attention on a broader scope to include issues relating to; family business exposure, family support services, family prior business experience, family ownership, business transition and family occupation (Altinay, 2006; Klyver, 2007; Carr & Sequeira, 2007; Turkur & Selcuk, 2008). Yet, scholars are calling for more empirical research into this area as a result of the strategic role prior family background has as an intergenerational influence on entrepreneurial activity.

The family plays a fundamental role in creating entrepreneurship consciousness, by exercising great influence over the desirability and feasibility for entrepreneurial intention, for the creation of an entrepreneurial business (Shapero & Sokol, 1982). Studies have shown that childhood socialization impacts on an individual's thoughts process and feelings towards entrepreneurship (Dyer &Handler, 1994; Jackson & Rodkey, 1994) as family members' engagement in entrepreneurial tasks creates opportunity for the individual /child to develop similar perceptions (Chrisman, Chua & Sterier, 2003). Family business experiences have powerful and lasting impacts on the social interactions and psychological development of the family in business (Aldrich and Cliff, 2003). Hence, Individuals who come from families who own businesses are likely to be aware of these impacts (Fairlie & Robb, 2005; Carr & Sequeira, 2007). As a result, individuals with prior family business experience may incorporate their experiences, such that their attitudes and intentions can be either positively or negatively shaped towards entrepreneurial action (Carr & Sequeira, 2007). This emphasis that family business is the prominent factor that nurtures the attitude towards entrepreneurship. Thus, this study seeks to examine empirically the influence of prior exposure to family business on entrepreneurial intention, mediated through the individual's attitude towards business start-up, their perceived feasibility and desirability, and entrepreneurial self-efficacy (ESE).

Literature Review

Family experience

Previous research on the role of family in entrepreneurship, concentrate on various components targeted at defining the term ‘family business’. Such components incorporate issues such as the level of majority ownership, family control and the probability of family succession (Carr & Sequeira, 2007). It is important to state that these elements do not envelop the extent to which norms, values, and even skills may be transferred from generation to generation through family business ownership.

There is no all-inclusive meaning to a family business; however the definition presented by Chua, Chrisman and Sharma (1999) gives credence to the role of the family in venture creation and business start-ups. According to Chua et al., (1999) a family business is one managed with the goal to refine and pursue the business' vision conceived by a coalition controlled by individuals from the same family or a number of families in a way that is conceivably maintainable across generations of the family or families. This definition suggests that family business may play an awesome role in the career decisions of individual family members, and specifically the offspring of family or families connected with the business. This creates a foundation for the place of family experience in entrepreneurship development.

Entrepreneurial Intentions

Entrepreneurship involves a process that unravels over time; consequently entrepreneurial intention is viewed as the initial phase of the process (Kautonen, 2010; Lee et al, 2011). An individual's entrepreneurial intention is viewed as an impression of enthusiasm for setting up a business or creating a venture. Research in entrepreneurship has concentrated on entrepreneurial intentions especially in light of the fact that intentions represents one of the few quantifiable results of entrepreneurship education programs (Franke & Luthje,2004; Fitzsimmons and Douglas, 2011; Dirk, Benson, & Bruce 2013). Motivation researchers consider intentions as great predictors of behaviours thus a decent comprehension of the factors of entrepreneurial intention is still viewed as a strong basis for determining entrepreneurial behaviour (Dirk, et al., 2013; Armitage & Conner, 2001). Therefore the more grounded an individual's entrepreneurial intention the more probable it is for him/her to engage in entrepreneurial behaviour.

Conceptual Linkages: Family Experiences and Entrepreneurial Intentions

Researchers such as Stavrou and Swiercz, (1999) have examined the strategies by which family-owned businesses tackle the issue of succession, however the role of prior family business in motivating future entrepreneurial tendencies is largely understudied. It is pertinent to state that family business ownership influences future generations in diverse ways apart from succession which is the popular aspect of discussion.

The definition of family business given by Chua et al. (1999) provides supports for the influence of family business experience on individuals career choice. Individuals who come from families with a history of entrepreneurship are likely to be aware of these impacts of family business ownership (Fairlie & Robb, 2005). Consequently individuals with prior family business experience may incorporate their experiences, such that their attitudes and behaviors towards entrepreneurial actions are either shaped favourably or unfavourably towards entrepreneurial intentions for business ownership (Ajen & fishbein, 1980). Social learning theory (Bandura, 1977) emphasizes the value and significance of observing and modeling the behaviours, attitudes, and emotional reactions of others, hence individuals who perceive their family business and the entrepreneurs in their families as successful may express a greater preference for an entrepreneurial career than those who have never had the experience of the effect of family business (Brennan Morris & Schindehutte, 2003).

Attitudes are majorly influenced by external factors and the close tie of social interactions an individual has with its environment. This was reinforced by the work of (Dick & Rallis', 1991) who emphasize that the career choice chosen by an individual is dependent on the interpretation of external experiences which influences individuals' belief on the career, attitude and increases their expectations of the career choice. These experiences vary from family background to childhood experiences, exposure to family business and business of other people, experiences from previous job and entrepreneurship education which influences the developmental process of belief (Morris & Lewis, 1995). All of these interactions both external experiences and social influences affects attitude towards entrepreneurial career and entrepreneurial intentions (Pruett et al, 2009; Nicolaou and Shane, 2010; Laspita, Breugst, Heblichand, & Patzelt, 2012). The study of Fairlie and Robb (2005) found a direct effect of prior family experience on self employment and this was supported by the empirical finding of Carr and Sequeira (2007) who found that family background plays significant role in developing the entrepreneurial intentions of individuals.

Theoretical Framework

The theory of Entrepreneurial Event Model (EEM) was developed by Shapero and Sokol (1982). The model suggests that intention formation is a result of interactions among contextual factors which influences individuals' perceptions. Entrepreneurial Event Model (EEM) contends that entrepreneurial intentions is motivated by perceived desirability which connotes the attractiveness for an individual to start up his/her own business, and perceived feasibility which connotes the extent to which individuals perceive that they are capable to start their own business (Krueger, Reilly & Carsrud, 2000). This motivates a proclivity to act in the face of opportunities (Krueger, et al., 2000). It is based on the assumption that inertia or inaction in human behaviour is influenced by a negative or positive external event, the "trigger event" that changes an individual's situation or future plans such as career options.

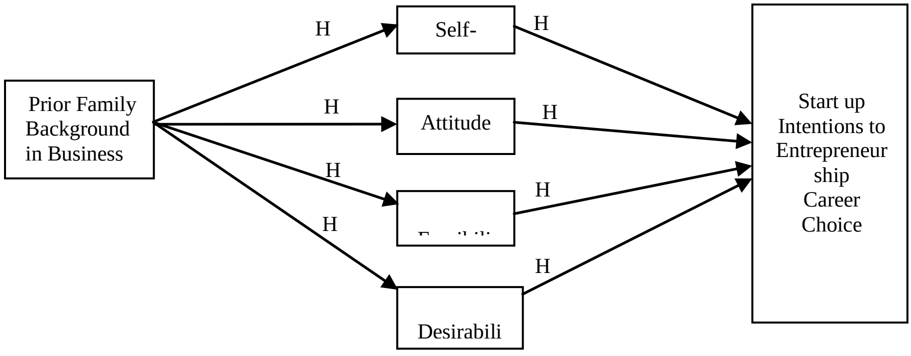
According to the theory, perceptions of desirability are fashioned through culture, family, peers, colleagues and role models. The theory also suggests that family play a vital role in the process of establishing desirability especially noting that the authors cited various statistical evidences showing that the percentage of entrepreneurs show a higher value among individuals whose parents are also entrepreneurs. The theory argues that entrepreneurs among peers, classmates, and colleagues can also affect perceived desirability.

Research Framework and Hypothesis Development

The model in Figure 1 depicts the intervention influence of family background of business experience on students' entrepreneurial intentions through entrepreneurial self-efficacy, attitude, feasibility and desirability. This study hinges on the Theory of Planned Behaviour (Ajzen, 1991) which provides rich addition to the Shapero's (1982) Entrepreneurial Event model in the context of entrepreneurship education. Both theories has gained acceptance in research studies and has been validated through empirical research by various scholars such as (Krueger et al., 2000; Audet, 2004; Fayolle et al., 2006; Gelderen et al., 2008; Fitzsimmons and Douglas, 2010, Singh, Prasad & raut, 2012, Shittu & Ayodele, 2014). The combination of both theories in this study provides strong foundation for the measurement of the development of entrepreneurial intentions through entrepreneurship education programmes (Fayolle et al., 2006) and family background in business experience, influencing perceived entrepreneurial self-efficacy; perceived attitude towards entrepreneurial business, perceived desirability and feasibility of entrepreneurial venture.

Perception of venture feasibility which is the likely possibility of starting a new business based on possession of certain capabilities, resources or skills and perception of venture desirability which is the extent of attraction an individual has in entrepreneurial business has been postulated to have significant effect on entrepreneurial intention (Krueger, et al., 2000; Peterman and Kennedy, 2003; Graevenitz, Harhoff & Weber, 2010; Wang, Lu, & Millington, 2011; Nimalathasan & Achchuthan, 2012).

Figure 1 Conceptual Framework



Research Hypotheses

H1a: Background in family business experience is positively related to entrepreneurial self-efficacy.

H1b: Background in family business experience is positively related to entrepreneurial attitude.

H1c: Background in family business experience is positively related to perceived venture feasibility.

H1d: Background in family business experience is positively related to perceived venture desirability.

H2: Entrepreneurial self-efficacy is positively related to entrepreneurial intentions

H3: Attitude towards starting a business is positively related to entrepreneurial intentions

H4: Perception of venture feasibility has significant positive effect on entrepreneurial

H5: intention Perception of venture desirability has significant positive effect on entrepreneurial intention

Methodology

The target population of the study was Covenant University students. The study population (Covenant University) was found suitable for the study because it was the first institution to commence the teaching of entrepreneurship study to students across all levels. The study adopted a cross sectional descriptive design in which students responded to a set of structured questionnaire at one time period. A total of 600 questionnaires were distributed across all levels and only 400 were found usable after sorting and cleaning the retrieved questionnaires.

In developing the survey questionnaire instrument, questions were adapted from existing instruments of similar research to suit this study. Composite reliability, convergent and discriminant validity was used in validating and testing the reliability and validity of the research instrument used in collecting data for the study. Convergent and discriminant validity was used to measure how the variables for this study relate to one another. Regression analysis was used in validating the hypothesis raised in the study.

Results

Frequency distribution of sampled respondents in table 1, showed both gender was represented in the study with the female gender having the highest percentage of 56.25% and male respondents comprise of 43.75% respectively. The analysis on respondent's age indicates that majority of the respondents (66.25%), are between the ages of 15-20years. Analysis of respondent's educational background reveals that majority of the respondent (40.5%) were from the college of Business and Social Sciences, 25.9% from the college of Sciences and Technology and 21.75% from the college of Engineering.

Analysis on respondents' family business experience reveals that 44.5% of the respondents have parent who currently own a business, 46.25% have close family members who own a business while 9.25% have a distance family member other your parent own a business. This finding indicates that sampled respondents have background in family business experience.

Table 1: Frequency Distribution of Respondents

Demographic Categories		Frequency	Percent	Cumulative Percent
Gender	Male	175	43.75	43.75
	Female	225	56.25	100
	Total	400	100	
Age	15-20yrs	265	66.25	66.25
	21-26yrs	121	30.25	96.50
	26-above	14	3.5	100
	Total	400	100	
Educational Colleges	Sciences and Technology	102	25.5	21.5
	Engineering	87	21.75	43.25
	Social Sciences	162	40.5	83.75
	Leadership	49	12.25	100
	Total	400	100	
Family business experience	Parent currently own a business	178	44.50	44.5
	A close family member other your parent own a business	185	46.25	90.75
	A distance family member other your parent own a business	37	9.25	100
	Total	400	100	

Measurement Model

Confirmatory Factor Analysis (CFA) was used to test discriminant and convergent validity of the study constructs. The goodness of fit indices help to determine if the theoretical model is backed by the data collected for study (Byrne 2001). The results of goodness of fit indices for CFA are presented in Tables 2 below. The fit of the six factor measurement model consisting of study constructs shows an acceptable fit indices as they all exceeded the recommended threshold (Hair et al. 2010) with normed chi-square ($\chi 2/df$) χ= 2.65 ($p < 0.000$); CFI = 0.931; NFI = 0.840; GFI= 0.938; AGFI= 0.878; RMSEA = 0.070 satisfied the recommended cut-off criterion.

Based on result of the goodness-of-fit indices, it is considered that measurement model demonstrates adequate fitness, and that the data used for this study supports the theoretical model which provides a platform for the assessment of the structural model.

Table 2 Fitness Measure for Measurement Model

Fit indices	Criteria	Result
x^2/df	<3	2.65
GFI	0.90	0.938
AGFI	0.85	0.879
CFI	0.90	0.931
NFI	0.80	0.840
RMSEA	<0.08	0.070

Convergent validity of the constructs is assessed by examining the standardized factor loadings of measurement variables and average variance extracted (AVEs) of the constructs which should exceed the recommended value of 0.5 for satisfactory convergent validity for a construct (Hair et al. 2010). The values of average variance extracted (AVEs) for the constructs in this study has shown in table 3, exceeds the recommended threshold and range from 0.659 to 0.832. Convergent validity can also be assessed by calculating the composite reliability (CR) which should exceed the recommended cut-off of 0.7 (Hair et al. 2010). The composite reliability (CR) for the constructs in this study has shown in table 3 exceeds the threshold of 0.7 ranging from 0.872 to 0.928. All of the composite reliability CR values were greater than the average variance extracted AVE values (Byrne 2010) in this study. To achieve satisfactory discriminant validity, the square root of the average variance extraction (AVE) for a particular construct (shown on the diagonal of each constructs) should be larger than the correlations between it and the other constructs (Hair et al. 2010). This was achieved as all values on the diagonal constructs in table 4 is higher than the correlations between it and the other constructs. And also the values for MSV and ASV were lower than the AVE values, thus confirming the discriminant validity of the model as recommended by Hair et al. (2010). It suffices to say that the theoretical constructs in this research study have demonstrated adequate convergent and discriminant validity based on the above criteria as shown in table 4. Findings from table 4 showed adequate psychometric properties in reliability and validity of the study constructs and displayed meaningful relationships with relevant variables.

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Table 3. Composite Reliability, Convergent and Discriminant Validity

	CR	AVE	MSV	ASV	PD	PF	PSE	ATTD	EI	PFBE
PD	0.928	0.723	0.719	0.493	0.850					
PF	0.931	0.629	0.398	0.273	0.631	0.793				
PSE	0.912	0.776	0.524	0.381	0.652	0.466	0.881			
ATTD	0.905	0.761	0.709	0.477	0.772	0.500	0.724	0.873		
EI	0.905	0.719	0.705	0.512	0.840	0.545	0.694	0.842	0.848	
PFBE	0.900	0.643	0.354	0.288	0.572	0.450	0.505	0.551	0.595	0.802

FBBE= Family Background in Business Experience, PSE= Perceived Self-efficacy, ATTD= Attitude, PF= Perceived Feasibility, PD= Perceived Desirability, EI = Entrepreneurial Intention

Note: The square root of the average variance extracted (AVE) are represented on the diagonal of the constructs

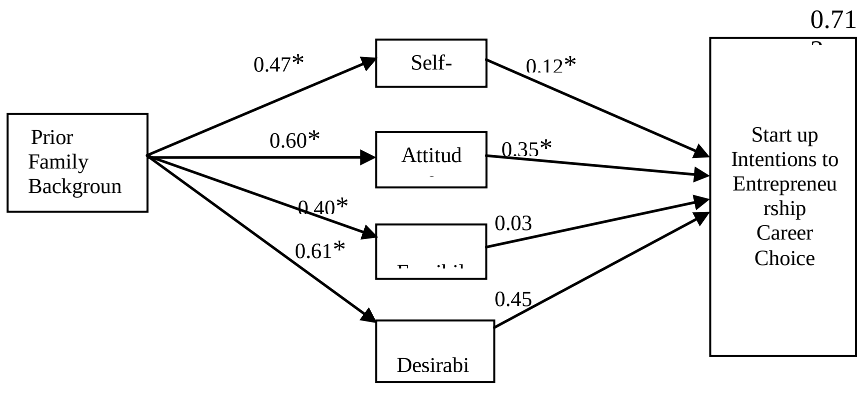
Test of Research Hypothesis

After achieving a satisfactory fit in the measurement model, the structural model was estimated using Structural equation model AMOS 18. The goodness of fit indices was evaluated to determine if the model could be considered reliable in testing the hypotheses. The result showed that normed chi-square ($\chi2/df$) = 3.32 ($p < 0.001$); CFI = 0.994; NFI = 0.993; GFI= 0.992; AGFI= 0.876; RMSEA = 0.051 satisfied the recommended cut-off criterion and yielded a reasonable fit to the data. Although the chi-square statistics are significant ($p < 0.001$), the other goodness-of-fit indices also indicated a good fit. Therefore, the model was considered fit enough to proceed with the test of research hypothesis.

The results from the structural path using the standardized coefficient estimate (S.E) and p-value (significance) are shown in Figure 2 indicate that background in family business experience is a positive predictor of perceived self-efficacy (S.E= 0.052, $p < 0.001$), entrepreneurial attitude (S.E= 0.053, $p < 0.001$), perceived feasibility (S.E= 0.055, $p < 0.001$) and perceived desirability (S.E = 0.054, $p < 0.001$). In addition,

perceived self-efficacy (S.E= 0.044, $p < 0.001$), entrepreneurial attitude (S.E= 0.047 $p < 0.05$) and perceived desirability (S.E= 0.044, $p< 0.001$) was found to have a significant positive effect on entrepreneurial intention while perceived feasibility (S.E= 0.036, $p > 0.05$) was found not to have a significant effect. Thus, all the hypothesis were supported except for H4 which was not supported.

Figure 2 Structural Path Model



Discussion, Conclusion and Recommendations

Finding of this study reveals that background in family business experience has significant influence on self-efficacy, attitude, perceived venture feasibility and desirability which supports the finding of Shittu and Dosunmu (2014), Carr and Sequeira (2007) and Fairlie and Robb (2005). This finding reveals the significant role of prior family business experience in influencing perceived positive entrepreneurial self-efficacy, attitude, perceived venture feasibility and desirability. This implies that family business provides platform for the acquisitions of business skills through constant interaction and exposure to entrepreneurial activities. This finding also reveals the strategic role of family system in the development of the self and in socializing through the transmission of values which helps in creating individual belief system. This suggests that family business is synonymous to business incubation centers which serve as a training platform for the acquisition of entrepreneurial skills for future business start-ups.

The findings of this study also indicate significant positive effect of entrepreneurial self-efficacy, attitude and perceived venture desirability on entrepreneurial intentions. This finding is consistent with other studies (Sesen 2013; Kickul et al. 2008; Wilson et al. 2007; Kickul & D'Intino 2005; Zhao et al. 2005) who found that entrepreneurial self-efficacy, attitude towards entrepreneurship and perceived venture desirability is positively related and are important predictors of entrepreneurial intention to new venture creation. The findings of this study indicate that prior family business background have the capacity to stimulates intention for venture creation through impacts on entrepreneurial self-efficacy, attitudes toward entrepreneurial acts and perceived venture feasibility (Gerba, 2012; Matlay, 2008; Dickson, Solomon &Weaver, 2008; Muofhe & Du Toit 2011). This finding indicates the important role of early exposure to training and business activities which helps in equipping an individual with the needed entrepreneurial mindset and capability that will initiate positive intentions to new venture creation.

Also, findings from this study revealed a non-significant effect of perceptions of feasibility on entrepreneurship startup intention of students. This finding was supported by the study of Shittu and Dosunmu (2014) but contrary to the findings of Fitzsimmons and Douglas (2011), who found a positive and significant relationship between perceptions of feasibility on the entrepreneurship startup intention of students. This finding reveals that perceptions of venture feasibility cannot on its own positively influence entrepreneurial intention but with the inclusion of other internal and external factors acting as support facilities either from the government, society, environment and internal sources could influence entrepreneurial startup intentions.

The findings of this study contribute to the body of knowledge by validating the applicability of prior family background in enhancing entrepreneurial self-efficacy, perceived desirability, attitude and its influence on entrepreneurial startup intentions in the Nigerian context. This study concludes that exposure to family business background serves as the platform for the development of mentor– mentee interaction and apprenticeship program that specify the actual work experience in small business operation and could serve as a means to develop the general and specific human capital skills necessary to become a future entrepreneur.

The study findings further demonstrated the significance of the family Business as a source of entrepreneurial role model for venture creation as exposure and experience from family business background have a significant impact on the perceived desirability, feasibility and entrepreneurial self-efficacy of intending entrepreneurs.

The findings of this study have established the significance of family business in human capital enhancement and development as it serves as "business incubation platform" for future business start-ups by serving as a training ground for those moulding intending entrepreneurs.

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Green Entrepreneurship: Why now and what next? Sub Theme: Entrepreneurship and sustainability

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Abstract: The increased quest to utilize resources efficiently, in a manner that will have minimal impact on the environment and thereby improve sustainability, has led to the sustained relevance of green entrepreneurship in both developed and developing countries the world over, including Nigeria.
The issue of global warming and the destruction of aquatic live and natural inhabitants, water pollution, as well as increased loss of diversity, have imposed much pressure on policy-makers globally, thus propelling them to advocate for a more sustainable production and consumption pattern and innovative technologies by entrepreneurs.
Questions pertaining to environmental degradation, economic improvement and growth, carbon footprint reduction, along with pollution control and waste management, remain mostly unanswered or addressed, in the case of Nigeria. Closer examination of development, economic growth, non-compliance to policy or poor policy, and corrupt practices by environmental and other government official has become critical. Inadequate infrastructure should also be queried, along with an unconducive business environment, unreliable institutions and regulations, and unfriendly consumption of natural resources, in addition to a lack of access to finance, and many others.
There is an urgent need to address these challenges faced by society, due to unethical and non-compliance with environmental sustainability by business operators, specifically entrepreneurs, in order to foster green initiatives that can assist in stemming the tide of this environmental degradation.

This paper examines the concept of green entrepreneurship and provides guidelines for environmental sustainability through improved decision-making by government and other relevant stakeholders, while encouraging entrepreneurs to incorporate green initiatives into their overall strategy and entrepreneurial practices.

Keywords: Green Entrepreneurship, Sustainability, Policy, Nigeria

1.0 Introduction

Environmental issues have been on the increase globally, as a result of production and consumption patterns, leading to great concern by all stakeholders (Yatish & Zillur 2015). There is thus an urgent need to reduce the impact, without which adverse environmental degradation will result, to a point where the available but finite resources may not be adequate to meet the needs of society; and subsequently, having a substantial impact on the ability of meeting the needs of future generations (Yatish & Zillur 2015).

The issue of climatic change and environmental degradation cannot be solved by one country; it requires a joint and concerted effort by all stakeholders globally. To address this, initiatives and cooperation are being put forward globally, for example the ‘Paris agreement’ at the ‘COP21’, championed by the United Nations (UN) in Paris on 12 December 2015. The agreement mandates all countries to work towards a drive to ensure global temperature does not exceed 2 degrees Celsius annually and to focus on the achievement of sustainable development goals (SDGs), as well as helping in developing a process on how to reduce emissions and increase climatic sustainability (UN COP21, 2015).

Part of the causes of environmental pollution - degradation and emission - have been attributed to the activities of entrepreneurs, due to their unsustainable production practices and non-incorporation of environmental sustainability initiatives into their corporate strategy (Sharma and Kushwaha, 2015). To reduce the rate of pollution and its effect on the environment, stakeholders are now developing and adopting policies that will encourage entrepreneurs to adopt green initiatives in their production and business practices; part of this move is the UN’s SDGs, Promotion of green growth and introduction of green curricula in higher institutions of learning (Mader and Rammell, 2014).

The importance of going green in all facets of production and manufacturing activities by the entrepreneurs has gained considerable attention by many international organisations including, but not limited to, the World Bank, UN, United Nations Educational, Scientific and Cultural Organization (UNESCO), United Nations Conference on Trade and Development (UNCTAD), United Nations Industrial Development Organization (UNIDO), World Trade Organization (WTO), Food and Agricultural Organisation (FAO) and other stakeholders in the various Non-Governmental organisations (NGOs), in both developing and developed countries (Farinelli, Bottini, Akkonyulu and Aerni, 2011)

Environmental degradation and natural resource depletion is a global issue, to which Nigeria is no exception, and should these problems not be properly addressed promptly, it could lead to severe natural disasters (Chen and Chai, 2010). The subsequent impact on citizens will be severe, as will the depletion of scarce resources, (Riti, Dankumo, and Gubak, 2015). This paper examines the concept of green entrepreneurship and provides guidelines that will improve decision-making by the government and other relevant stakeholders, which will encourage entrepreneurs to incorporate green initiatives in their overall strategy and entrepreneurial practices, in order to achieve environmental sustainability.

The remaining part of the paper is structured in six sections, as follows: after this introductory section, the second section discusses the concept of green entrepreneurship, its emergence and how it can assist organisations to be more environmentally friendly in their production process. The third section iterates the effect of climatic change and its impact on the environment in the country and why green entrepreneurship needs to be encouraged. The fourth section offers suggestions on stakeholders' responsibilities and policy interventions that could promote green entrepreneurship. The concluding part makes a case why Nigeria needs to implement policies that will create a conducive environment for business, in order to encourage investment in green initiatives.

2.0 The Concept of Green Entrepreneurship

The risk involved in economic transformation and green growth is high (Brahmbhatt, Haddaoui and Page, 2017). Green entrepreneurs are those individuals and organisations who take risk in developing new products and business models, making economic and green growth a reality. They are organisations who come up with new innovations, new market development and also, ensure efficient use of natural resources with due consideration to the environment (Brahmbhatt et al. 2017). The motive of green entrepreneurships is the inclusion of green initiatives into the organisation's strategy (Blue, 1990).

Green entrepreneurship is at the forefront of innovation in production and the business environment; it is assumed the green entrepreneurs are supposed to be the ones advocating for the importance of green initiatives. The effect of business activities on the environment, as well as the involvement of policy makers and economists to foster the introduction of green products to the market they serve globally, has to also be considered by green entrepreneurship (Farinelli, Bottini, Akkoyunlu, and Aerni. 2011). Entrepreneurship has been practised in Nigeria for a long time; farmers historically practised 'trade by barter' in their localities or nearby communities. At that time, wealth creation was not the motive, but the farmers derived confidence in their ability to produce more of a product, thereby making them specialise in such, rather than having to grow all types of crops, since what they could not produce could be obtained from others through exchange (Fems, Onu and Poaze, 2016).

After the civil war, entrepreneurial activities improved over the years in Nigeria, leading to a substantial number of the population being employed in Small and Medium sized enterprises (SMEs), acting as a catalyst to economic growth and development. In the process, the sector contributes tremendously to the country's economy, through the activities of individuals involved and the economic programmes put in place by the government to foster entrepreneurship (Kabiamaowei, Jimi-Oni, Essien and Ajibola, 2018).

Although Nigerian entrepreneurial activities have not been encouraging when compared with global economics, due to various challenges ranging from regulatory policy changes and lack of infrastructure, to poor finance and the mind-set of the entrepreneurs (Fems, et al., 2016).

Some of the government initiatives aimed at encouraging entrepreneurship, according to Kabiamaowei et al. (2018), include; the national directorate of employment (NDE), National Open Apprentice Scheme (NAOS), and the small and medium enterprise association of Nigeria (SMEDAN). Similarly, the government has mandated institutions to incorporate entrepreneurial courses in their curricula, in order to encourage the development of requisite skills needed to assist entrepreneurs to become more innovative, through the centre for entrepreneurial development (Kabiamaowei et al. 2018). However, most of the entrepreneurial activities in the country do not incorporate sustainability or 'green entrepreneurship' into their production and consumption processes. This is cause for concern, considering the impact of their activities on the environment, leading to environmental degradation (Riti et al. 2015).

In the quest by organisations to improve their process through green innovation and providing green products to the ultimate end-user, the customer, they continually develop sustainability initiations on a long-term basis, incorporating these into their business strategy, therefore taking how they use available natural resources in an effective manner for sustainability into consideration (Farinelli et al. 2011). Recently, the emergence of green entrepreneurs has been on the increase in emerging markets such as BRICS (Brazil, Russia, India, China, and South Africa) nations (Farinelli et al. 2011). However, many challenges abound that could limit the survival of green entrepreneurship, such as lack of adequate infrastructure, unreliable supply chain, unreliable institutions and regulations, as well as poor policy, and lack of access to finance. Despite all of these obstacles, many organisations still strive to ensure that their activities are environmentally friendly, through efficient consumption of natural resources, encouraging them to be more focused on green initiatives, as for corporations in developed countries, thereby making them to more competitive (Farinelli et al. 2011).

According to Mahalia von Wallenberg Pachaly (2012: 8), "Green entrepreneurship concerns individuals and organisations engaged in entrepreneurial activities that create environmental benefits by offering green final products or services".

Similarly, Brahmbhatt et al. (2017) describe green entrepreneurship as efforts by entrepreneurs to develop and exploit markets for new processes, technologies, and products that make the economy more efficient in its use of the natural environment.

However, this paper adopted the definition by the GREENT and Erasmus+ (2017:1) as:

> *"…the activity of consciously addressing an environmental/social problem/ need, through realisation of entrepreneurial ideas with high level of risk, which has a net positive effect on the natural environment and at the same time financially sustainable…"*

This is chosen because it entails a holistic approach in describing the various aspects of green entrepreneurship and sustainability, bearing in mind that green initiatives cannot be sustainable without considering the socio-economic impact. Lenox and York (2011) mention the major cause of pollution and environmental degradation, as having been attributed to the issue of global warming and climatic change. Literature indicates that most of the previous sustainability research was mainly focused on large corporations (Schaper, 2002; Lenox and York, 2011). Nevertheless, this has changed recently, with research on green entrepreneurship now considering the effect of how smaller organisations conduct their business operations, and whether environmental sustainability is built into their organisational culture in a way that it is not only focused on how to improve economic growth, but also how to be more environmentally friendly (Hall, Daneke and Lenox, 2010, Lenox and York, 2011).

3.0 Green Entrepreneurship: Why Now?

The matters of climatic change and natural resource depletion are global issues, they thus also affect Nigeria (Ritti, Dankuma and Gubak, 2015). It is a phenomenon that cannot be overlooked by any nation due to its effect on the environment; climatic change is no longer a thing of the future, it is right here with us. The consequences are evident, with examples such as, incessant rain in several parts of the world, rising ocean tide, and drought in many parts of the country (Ritti, et al. 2015). Increased deforestation, melting of glacial ice resulting in increased ocean volume, and the high intensity of the sun leading to heat waves; these are just a few of the effects of this phenomenon - some of which are due to entrepreneurial activities and their impact on the environment (Chen and Chai, 2010).

The Rio+20 (2012) declaration is a move by world leaders towards environmental sustainability. Nigeria being an oil producing nation, has been faced with much environmental pollution due to its use of large volumes of fossil fuel, and this has adversely affected climatic conditions, contributing to a high degree of global warming, as a result of entrepreneurial activities (Ritti, et al. 2015). In a global survey by the United Nations Development Programme (UNDP) on the environmental performance index, it was confirmed that Nigeria has poor environmental indices (UNDP, 2012), with the result showing that, out of 132 countries sampled, Nigeria was ranked 119. Furthermore, the International Human Index (HDI), in terms of sustainability, is adjudged *not encouraging* (UNDP, 2012), with continued inconsiderate practices and operations potentially having an adverse effect on the environment, biodiversity, flooding and subsequently, on the economy.

It is important to note that no one country can tackle the green growth issues, because no one has all the expertise in terms of technology, scientific, financial and other resources required for implementation (OECD, 2011).

The need for green growth is on the increase as a result of the perceived risk that could affect development and subsequently affect natural resources, and if this menace is not urgently addressed, could lead to the depletion of natural resources, such as water, pollution; aquatic lives and climatic change (OECD, 2011), due to environmental pollution. It is becoming increasingly difficult to provide good water in some communities globally because the natural water has been polluted, as such, more money is needed to provide basic infrastructure that will enable the supply of portable (drinking) water. Part of the UN's SDGs, is to encourage responsible consumption and production patterns (SGD goal 12), facilitate and ensure protection of the environment, and combat climatic change and its impact (SDG goal 13); these are directly related to the activities of entrepreneurs (UN, 2015).

According to Khor (2012), in his study on how sustainability development relates to green economy, it was argued that both have the same motive and that sustainable development should not only include ecological practices that will enable meeting the needs of future generations, but also fair production and consumption patterns. This ought to ensure that present resources being wasted are saved and re-directed towards meeting the needs of everyone today and that of future generations.

Ritti, et al. (2015) highlight that the manner in which entrepreneurship activities are carried out in Nigeria often have a negative impact on the environment, people and natural resources. They go further in their findings to iterate that the impact of entrepreneurial activities in Nigeria and their sustainability, are clearly underscored in that, "in [the] year 2000, 2.10 square kilometres of forest land was depleted due to entrepreneurial activities". Market failures and the economic impact of entrepreneurial activities in Nigeria could therefore act as a source of motivation in the promotion of green initiatives, leading to sustainable development (Ritti et al. 2015).

Therefore, to achieve these goals, compliance with agreements by all nations and stakeholders is vitally important (UN, 2015).

4.0 Green Entrepreneurship: What next?

There has to be a general shift away from 'business as usual' by entrepreneurs, through innovation and technology, increased awareness among stakeholders on the importance of going green and the benefits to organisations, as well as what people tend to gain through implementation and adoption of green initiatives. This should be promoted among stakeholders at various level in Nigeria.

Similarly, the move away from the focus on Gross Domestic Product (GDP) as an indicator of economic progress should be supported, as not doing so neglects to consider that natural assets to wealth, health and well-being also contribute towards economic progress; in the way it affects wealth and people's welfare in a positive manner (Ritti, et al., 2015). It can, therefore, be assumed that the main motive of going green, is shifting the focus from being resource intensive, to resource efficient and to be more environmentally friendly.

Entrepreneurs are very important in the process of achieving sustainable and environmentally friendly production. They develop strategies within their various organisations that could lead to innovation and technology advancement (Brahmbhatt et al. 2017). As such, various governments globally are taking decisions that will help to shape the activities of the entrepreneurs to promote sustainability, through measures that will aid in mitigating the negative impact of their production practices, leading to climatic change through low carbon policies (Brahmbhatt et al. 2017).

While entrepreneurs form a smaller part of the Nigerian population, their activities contribute substantially to GHG emissions, resulting in global warming and climatic change, causing flooding, droughts, afforestation and melting of the glacial ice, which lead to lose of diversity and life (Ritti, et al., 2015). Promotion of a green economy and growth are therefore very crucial and compulsory for both the government and entrepreneurs, to reduce the effect of their production on the environment. A major question that comes to mind on sustainability is: To what extent have entrepreneurs, globally and in Nigeria specifically, engaged in the transition to a green agenda? This question is very important, considering that most of the activities of entrepreneurs takes place at various levels of government, national, state and the local (Fems, et al. 2016).

Arising from this, another important question on the issue of green economy is: What is different now in the global space that is prompting governments to advocate for green practices among entrepreneurs? Answers to this question will help to unearth the next line of action by the Nigerian government on how to engage stakeholders on the importance of green entrepreneurship. A probable answer to this question is that, production and consumption patterns, pollution and greenhouse gas emissions have changed globally, and the impact on the environment is enormous, leading to natural resource depletion, climatic change, and increased temperature and flooding (UNEP, 2015). These are a few of the reasons why all countries and stakeholders need to ensure production and consumption patterns have a minimal effect on the environment, thus ensuring environmental sustainability.

According to Adusei (2016), who conducted a study on 12 African countries on entrepreneurship, including Nigeria, confirms entrepreneurship has a positive impact on economic growth and that non-performance of entrepreneurs in developing countries, including Africa and Nigeria in particular, has been attributed to many constraints. Some of these have been identified as, inadequate or lack of infrastructure, lack of funding, inadequate management of human resources, and hostile government policies, along with poor quality standards and trade policies (Adusei 2016).

Green entrepreneurship can only be encouraged when there are suitable government policies that provide a conducive environment in which to conduct business in a manner that will be profitable (Brahmbhatt et al. 2017). In addition, policy should give due consideration to the relationship between green growth and poverty reduction. It is worth noting that, in developing countries, these policies can assist in the reduction of environmental risk and thus increase sustainability (Brahmbhatt et al. 2017). To achieve this, there is a need to develop and encourage the use of the policy recommendations that will empower and provide adequate support for green. It will also offer protection of intellectual property to encourage corporation's investment in green initiatives (OECD, 2011)

Brahmbhatt et al. (2017), in their report on green industrialisation and entrepreneurship, argue that policies must be developed that will help to support organisations' capacity, performance and entrepreneurship; giving due consideration to different characteristics that exist within each organisation, in a prioritised manner to foster competition. This concerted effort is required at the various levels of government (national, state and local), for the development of a given market, green growth and entrepreneurship, as well as encouragement of strong partnerships between government ministries, for example; planning, environment, power, and environmental protection agency, as well as foreign direct investment (FDI) agency (Brahmbhatt et al. 2017). These institutions must be strengthened to promote a conducive business environment and implementation of economic policies (Sanusi, 2001)

Most African governments in general and particularly Nigeria, are faced with challenges of policy development and implementation; this is the key message in a study conducted by (Brahmbhatt et al. 2017), on green industrialisation in Africa. They go further to mention that policies that will advance economic and green growth are highly recommended, with adequate management and carrying adjustments wherever necessary, (Brahmbhatt et al. 2017). These policies should be broad enough to include macroeconomic management, infrastructure, and private investment. It should, moreover, provide opportunity for incentives to promote green growth. This includes the removal of fossil fuel incentives and those that perpetrate high environmental degradation.

Green entrepreneurship is new and gradually developing in Africa (Brahmbhatt et al. 2017). Therefore, for this to increase and be sustained, Governments in Africa in general and in particular Nigeria, need to develop and implement policies at two major levels: First, policy that will encourage green initiatives and products, for example (Brahmbhatt et al. (2017) argue that this should look at energy consumption and water usage, as failure to do this could lead to less demand and subsequent market failures; Secondly, policy that will enhance organisational capacity, performance and entrepreneurship, with due consideration of various characteristics of the organisations within their environment.

Furthermore, lack of entrepreneurial activities to foster economic growth has been attributed to lack of basic infrastructure by government at the various levels (Economic Watch, 2010). Therefore, to promote green entrepreneurship in Nigeria, the provision of sustainable infrastructure, such as steady power supply, solar, and the reduction of radiation at power generating plants, becomes crucial.

Since part of the causes of environmental degradation and climatic change has been attributed to GHG emissions from homes (King, 2010), a move towards the reduction of these effects could mean that government at the various levels should begin to make changes to the building laws. This will encourage green building, most especially in the urban areas, to ensure the building of sustainable homes. Added to this, while eco-homes awards will encourage builders, policies are needed that will encourage entrepreneurs to engage in renewable energy projects at small scale (Gibbs and O'Neill, 2012).

To foster innovation and technology, the role of human resources through adequate skills acquisition and training is vital to green entrepreneurship. As such, capacity building through formal and informal training is important, thus, government should develop policy that will mandate the incorporation of entrepreneurship courses at higher institutions of learning (Fems et al. 2016). Furthermore, partnerships between higher institutions and industry practitioners (business) should be encouraged to promote research and development in green entrepreneurship, through the introduction of case studies showcasing 'true life' scenarios, thus exposing students to actual business situations (Fems et al. 2016). Additionally, partnering with NGOs is vital to continue advocating for green initiatives through innovation and technology.

5.0 Conclusion

This paper offered insight into the increased environmental issues globally, as a result of production and consumption patterns leading to adverse environmental degradation and its impact. Furthermore, the risk involved in economic transformation and green growth was discussed, along with the involvement of green entrepreneurs in new product development and business models.

To address the question on 'what has changed in the way business is being conducted globally by entrepreneurs and what needs to be done to improve on production and consumption patterns', government in general, and in particular the Nigerian government, should promote a general shift from 'business as usual' by entrepreneurs, through innovation and technology. This move away from utilizing GDP as indicator of economic progress is necessary as it neglects the contribution that natural assets bring to wealth, health and well-being, affecting people's welfare in a positive manner. Increased awareness is needed among stakeholders on the importance of going green and the potential benefits gained by organisations and people through implementation and adoption of green initiatives.

Most African governments, in general, and particularly Nigeria, are faced with challenges of policy development and implementation. The Nigerian government ought, therefore, to develop policies that will advance economic and green growth, with adequate management structure and framework, with adjustments made where and whenever necessary. These policies should be broad enough to include and accommodate macroeconomic management and infrastructure, while encouraging private investment in green entrepreneurship, in addition to making provision for opportunities to incentivise the promotion of green growth.

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Family Business and Innovation in Nigeria: Problems and Prospects

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Abstract: Family business has attracted more attention in recent times, as a result of its immense contribution to entrepreneurship and national development. Several Nigerian businesses have grown from single ownership (sole proprietor) into fully fleshed family owned businesses with more personnel, better decision making, management style and resources to effectively carry out business activities. Most family businesses adopt innovation as a competitive strategy in the marketplace. Today's business environment is highly dynamic, complex and fiercely competitive, it is therefore of great importance for family businesses to be innovative, wiling to adapt to change, creative and ready to employ strategies that will position the business at a competitive advantage in the marketplace. The focus of this paper is to examine the concept of family business and innovation, role of innovation in building a successful family business, factors inhibiting the growth of family business and prospect of family business. This paper concludes by recommending ways to tackle problems faced by family businesses and how these businesses can be improved upon.

***Keywords*:** Family Business, Innovation, marketplace, problem, prospect.

Introduction

The concept of family business in Nigeria has become significantly attractive, its root in sole proprietorship form of business; however the realisation of the full potential of the prevailing opportunities associated with family business depends on a variety of factors. Family business in most instances grows from a one man business into a business controlled, managed and operated by two or more family members. Active participation of more than one member of a family which result in controlling above 50% of the total assets of the company/ business is what makes the business a family owned business. Family business is predominately grounded on the idea of ensuring the business ownership remains within the close control of family members over a successive generations (Chua, Chrisman, & Sharma 1999). The acceptability of family business as a culture across the globe is the outcome of dominating role of family members play in the daily running and operations of various businesses, thereby leading to a leadership system proposed by family members.

Innovation is catalyst for business survival, growth and development. Micro, Small and medium scale as well as large scale businesses leverage on innovation to remain competitive in the marketplace. Family businesses recognise the necessity for innovation in their product development, service offering and marketing (Katila, 2002; Nerkar, 2003). Innovation makes it possible for family businesses to flourish despite fierce competition from large businesses, dynamic business environment and complexity. Family business and innovation has a close relationship, however, there is a debate concerning family business and innovation (Mori, 2014) and without innovation most family businesses would not outperform expectation; without innovation, family business cannot be sustained over time (Carnes & Ireland, 2013; Zahra, 2005).

In spite of the benefits family business play in economic development and nation building, Nigeria family businesses continue to experience several challenges that prevent the steady growth of several innovative businesses across the country. A large number of family business owners in Nigeria do not understand the role of innovation on their family businesses, therefore this businesses fail to take full advantage of the benefits innovation brings to family businesses. In the US for example, where family business comprises of 40- 60 percent of her Gross domestic product, this is still farfetched in Nigeria as a result of a combination of factors including enabling environment for family business to thrive, funding, and policy summersault among others.

The research question is what are the roles of innovation in family business? Matz and Duane (2013) believed that innovation plays crucial role in breakthrough of family business.

Literature Review

There has been an extensive number research in the area of family business, majorly focusing on what makes family business different from other forms of businesses. The nature and structure of these family owned businesses create a unique system which is individual family can suit into based on the culture of this distinct families. Family business pays less attention in investing in innovation especially radical innovation (Rod, 2016), these businesses prefer to incremental innovation other than ploughing a large chunk of their resources in disruptive innovation. Rapid death of family business is common in Nigeria as well as other

African countries, in some instances, the business goes into extinction few years into the death of the visionary as a result of combination of factors, ranging from succession planning, management style, misappropriation of funds, embezzlement, lack of competent top management among others. These factors inhibit the growth and long-term objective of the business, making a reasonable percentage not living beyond the second generation. Wilier (1996) in her study discovered that most family businesses in Nigeria, do not outlive their founders, she associated this fact with lack of succession planning which is an innovative strategy to ensure continuity of the business.

Innovation has been proven to be relevant to family business for business progress, growth and survival (Pindado & Requejo, 2015). Tidd, Bessant and Pavitt, (2005) was of the opinion that innovation refers to creating, renewal, changing product or ways of doing things. Innovation is the sensed creation of ideas from individual's perspectives resulting into his or her responds to it (Robertson and Yu 2001). Innovation is made up of technical know-how of objects which can be performed in much better ways other than previous states (Tyler, 2001). Without innovation, family business would not be able to compete both at local and global frontiers, the innovativeness of family business is responsible growth and survival of the business. Innovation is something new or novel, a business cannot grow effectively amidst this competitive environment without firms coming up with innovative strategies that will give such organisations the competitive edge. Calantone, Cavusgil, and Zhoa (2002), observed that innovation includes processes which acquires, disseminates and utilizes knowledge that has not been implemented before and this results into organisational success. Although this businesses are diverse in performance and behaviour (age, family size, family culture, generation, country's environment, succession plan etc.) yet they this factors is important in having a grasp of their entrepreneurial performance and behavioural outcome.

Role of innovation in building a successful family business

Innovation plays a very germane role in building a successful family business anywhere around the world. The roles of innovation in building successful family business includes:

a. Succession plan:

Innovation has made it possible for several family businesses to embark on long term planning. Succession planning is a major concern for most family businesses, as such, these businesses employ innovation in planning the organisational hierarchy and who takes over from member/s of top management in case of death or incapability. In a study of 10 Zimbabwean family businesses, it shows that 6 out of ten businesses do not have a succession plan, while only 3 of the ten business owners engaged their successor in activities that would prepare them for the forthcoming responsibilities (Maphosa, 1996). Innovation within family business, enables the business owner and other members of management prepare effectively for unforeseen events and also train successor in line with the demands of the business.

b. Build competitive advantage

Innovation is a vital instrument in developing competitive advantage over other businesses within the same industry and outside industries. Innovation is a catalyst that drives business to achieve long-term objectives. Innovation makes businesses more attractive, drives organisational change as well as builds competitive advantage of the business. Innovation affects the culture of the business which in turns puts the business at a competitive position.

c. It promotes Product Innovation

Family businesses sometimes uses product innovation as competitive strategy to gain an advantage. Businesses which fail to innovate their individual products will in no time discover those products have become obsolete. Family businesses makes use of new products with different technologies, methods and offer greater customer benefits than existing products (Khaled, Aboulnasr, Om, Edward & Rajesh 2008). Product innovation includes tangible produced goods or intangible services that have an impact on the quality of lives people live. The perspective of product innovation is that the uniqueness of the new product will persuade prospective customers to purchase it, and this will in turn achieve organisational goals.

Product innovation occurs regularly in environment characterised by high level of uncertainty and competition. The dynamism of the business environment is reducing the life cycle of products gradually; mangers now need to respond through product innovation in other to sustain such product in the market. Incremental product innovation focus is improving the features of an existing product, while radical product innovation is aimed at creating an entirely new product.

Factors inhibiting family business

Family business and Innovation in Nigeria, face several factors which inhibits there growth and steady development, Adedeji, (1981) asserts that the challenges inhibiting family business are both internal and external.

(a) Lack of infrastructural facilities

Infrastructural facilities has over the years played a huge role in preventing the growth of family business in Nigeria. A significant number of family businesses have collapsed as a result of lack/poor infrastructural facilities which has impacted there business activities negatively. Oraka, (2013) suggest that deficiency in infrastructural facilities obstruct the growth of innovation in family business. This factor makes large percentage of family businesses to focus less on innovation in their business pursuit. The state of power supply, road network, water supply etc hamper family businesses generally in Nigeria. Infrastructural facilities can break or make a family business irrespective of the size, structure or location of the business. Family businesses requires facilities which in most cases can only be provided by government as a result of the capital intensity of the facilities.

(b) Poor Financial management

Financial management is very common in Nigeria, despite this, family businesses in some instances fail to keep proper financial records. Family business can only focus on innovation when such business is keeps proper financial record and as such it reflect in the growth and progress of the business. Most family businesses do not make financial management a priority especially when the family business is at a micro level or it’s a small scale business. Ejemobi (2013) argued that family business owners need to properly manage the financial record of their businesses if they want to be innovative while carrying out business activities.

(c) Funding

Despite the increase in number of family businesses in Nigeria, funding still remains a key setback facing family businesses generally. Several family businesses have gone into extinction as a result of lack of funds to ensure their continuity. He business of Nigeria has recorded underperformance in its contribution to economic growth and development as a result of lack of funds available to family businesses across the country (Adisa, Abdulraheem, & Mordi, (2014). Government and her parastatals over the years have failed to make available fund in form of grants, loans with very single digits to family businesses. Kliein (2014) in his findings explained that most family business are started with personal saving or loans from friends.

(d) Competition

Family business in most cases face fierce competition from foreign companies. Nigeria family businesses are thrown into unhealthy competition with foreign product which in most cases the goods are produced in countries where they have low cost of production advantage (Onuoha, 2013). Unhealthy Competition inhibits the growth and development of family business in Nigeria by resulting into decline in sales of domestic products.

Methodology

Sampling Techniques

As a result of lack of inclusive list of family business in the Nigeria Bureau of statistics or other related government agencies, it is difficult to carry out a study on family business, however the researchers employed the use of convenient sampling method for this research work.

Research Design

The researchers employed a multi-case study using a semi structured interviews, observation. An in-depth study of four family businesses were randomly selected in four of the six geopolitical zones in Nigeria. The names of the firms were not disclosed as a result of the agreement between the researchers and the businesses. Jukka, Chetty, and Arto (2014) stated that case-study can be selected in instances where the phenomenon under study is clearly noticeable.

Data Collection

The qualitative data collection method was used (semi structured interviews and observations). The CEO’s and management team of the four businesses where interviewed. The semi structured guild consist of 26 questions. Secondary data such as trade journals, past records, articles and textbooks were collected.

Data Analysis

The data analysis was based on the title of the study (family business and innovation; problems and prospects). The interviews were tape recorded and transcribed. Role of innovation in family business, factors preventing growth of family business were discussed to arrive at the study objective of this study.

Results

The research was analysed using a qualitative data analysis. The following were responses from the four founders on the question major factors inhibiting family business.

‘Government policy is a major setback for family business in Nigeria” one of the interviewees expressed her concern for family business, she made the researchers understand that government

policies do not favour family business rather this policies are in favour of foreign products that flood the Nigerian market.

'Innovation is important for family business, but in most cases, we do not have the resources to be innovative as such' 'Innovation cost huge money which we don't have'. Two family business founders made emphasis to lack of finance to carryout most indigenous innovative ideas that can change a lot in the business sector. They both expressed the importance of finance to the growth of any venture.

'Competition from foreign products prevent the growth of family business' one of the founders stressed that competition from foreign products is a major setback confronting family business in Nigeria, He went further to state that this competition is made possible as a result of lack of government interest in growing the Nigeria family business.

Discussions

Evidence from this study revealed that innovation makes it possible for family businesses to engage in succession planning, innovation leads to competitive advantage as well as it promotes product innovation in manufacturing industries. Although most family businesses in Nigeria do not take full advantage of the accrued benefits innovation brings to family-owned businesses, this is as a result of combination of factors which impedes family business success story within the country. Government policy do not fully support the existence of family business, empirical evidence shows that government rather support importation of foreign products via their policies that favours foreign products as against locally made products. Funding, poor financial management and infrastructural facilities stands as forces preventing the growth of family business in Nigeria. Ejemobi (2013) stressed the importance of up to-date record keeping in family business and how it has a way of elongating the lifespan of the business, also the findings in this work resonates with Oraka (2013) argument that insufficient infrastructural facilities curtail the success of Nigeria businesses. The authors of this study identified Succession plan, building a competitive advantage, and it promotes product innovation as role innovation in building successful family business and on the other hand, identified lack of infrastructural facilities, funding, competition and financial management as factors that inhibits family business in Nigeria.

Conclusion and Recommendation

Despite awakening of Nigerian towards family business, innovation is important to the growth and development of family business, in support, Olaore, Oyeleke, & Oluwafemi, (2014) used 5 family firms as a case-study, they came to a conclusion that successful performance of family businesses is as a direct product of firms innovativeness.

Government should provide infrastructural facilities so as to enable family businesses thrive in the complex and competitive global market. These facilities can serve as a catalyst for innovation for family business, this was in line with Onuoha, (2013) in his research work covering 5 South-eastern states in Nigeria, scientific evidence shows that government do not provide adequate infrastructure for family business to compete with foreign products. Once there are available facilities to accommodate family businesses in Nigeria, these businesses will be able to compete favourably with other businesses in the global frontiers. This will also reduce the rate of dumping foreign products in Nigeria.

Financial management is key to every organisational success. It is therefore of great necessity for family business owners to employ the services of a financial manager/ accountant or auditor to regularly check the financial status of the business and also manage the accounting department. This is in association with Adedayo, Olanipekun,& Ojo (2016) study that asserts that that family business owners should acquire finance knowledge if necessary as well as succession planning if they desire to survive the next generation.

Government and financial agencies should also provide start-up capital, loans, grants as well as other financial assistance needed to successfully operate a family business. This was in line with Bewayo, (2009), he stated that government and its agencies should also be on the look for strategies to reduce competition from foreign goods on our domestic product, through barriers to entry for certain products, and other tariff platforms.

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A Systematic Review of the Field of Debt Financing

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***Abstract*:** The provision of debt finance has a long history that continues to be transformed as technology develops, keeping it an all-time viable and popular option for business owners. Financing through debts has asserted itself over time as an important source of capital and sustenance funds for both new and existing ventures as, compared to equity financing (selling the shares or ownership interests of a business to raise capital), debt financing lowers the probability of leaking value-creating intellectual property to competition and does not require giving up ownership or control. Considering the significance of debt financing to business and invariably countries, as well the fact that there are problems that need to be curbed for debt financing to be a good rather a bad phenomenon, it is necessary that the field of debt financing be thoroughly explored so as to make informed decisions. This study thus systematically reviews existing literature on the field of debt financing with a view to identify gaps and recommend areas for future research in the field. The Systematic Quantitative Assessment Technique (SQAT), introduced by Pickering and Byrne (2013), was used to examine trends and gaps in the time dispersions, geographical distributions, article types, research methodologies, themes of focus, and theories of 75 gotten from 6 high quality academic databases. Most of the articles reviewed were empirical in nature, utilizing mainly panel data analysis for collection of data. Furthermore, the role of government and effect of corruption were least discussed. Agency, Pecking-order and Trade-off theories were predominant. The findings thus provide researchers, prospective and existing, with a deep view into the discourse on Debt Financing, exposing researchable gaps.

Keywords: Debt Financing, SQAT, Financial Crises, Firm Performance

Introduction

The origin of debt financing can be dated as far back as the middle ages when money lending services were made accessible to traders from the city of Venice (Sluga, 2017). This was followed by the emergence of international banking in the 18th century, led by the Rothschild family (Chaldeos, A. 2016). Fast forward to the 1980s, the internet was introduced into debt financing procedures, with Quicken Loans processing loan applications online for the first time (Turvey, 2017). Debt financing refers to the act of borrowing funds from companies and investors through the use of bonds, banks, or financial institutions, in order to support a business's operations (Fong, 2015; Ključnikov & Belás, 2016; Kraemer-Eis & Lang, 2017). The lender of such fund is repaid the total amount borrowed, plus the interest accumulated on it, at a later point in time (Bratton, 2016).

At the onset, many businesses do not have sufficient funds to operate, let alone sustain their operations. Hence, they decide to borrow, either from personal sources such as family and friends, as is common to small and medium scale enterprises (SMEs), or impersonal sources such as banks and other financial institutions, as is common with large firms (Coleman et al., 2016). Several means of external financing exist, however, certain reasons exist which compel business owners to opt for debt financing. Funding through debts proves to be critical to business success (Plummer et al., 2016) as it ensures that the business owner is constantly conscious of running the business well so as to be able to pay back such debts (Ding et al., 2016). Also it can be less costly as interest paid on money borrowed for business activities are tax deductible (De Mooij & Keen, 2016; Collard et al., 2017).

Debt financing instruments like bonds ease the pressure on bank lending, particularly longer-term lending, and allows a wider range of corporate credits to access investment markets and seek more finance than the banks or government agencies could provide (Véron & Wolff, 2016). In contrast, there are some challenges associated with debt financing such as obligations to make payment even if your business fails, high-interest rate which will vary with macroeconomic conditions, history with the banks, business credit rating and your personal credit history and collateral (Allen, 2018). Secondly, there are risks associated with debt financing such as country's stability, concession period of the funds and financial crisis (De Marco & Mangano, 2017). In addition, there is the challenge of government policies (monetary policies), and the capital market (Massa and Zhang, 2013; Du et al., 2017).

More and improved research in the field will enable business owners as well as the government to make policies and regulations favourable to businesses that intend to finance through debt. In light of these, this paper conducts a systematic quantitative review of relevant articles on debt financing, with the view to identity gaps and trends that will inform future researchers of the areas to focus on. The next section provides a discussion of methodology used in this study, the findings, discussions and directions for future research based on these findings.

Finally, the conclusion is provided with the limitations and additional suggestions for future research based on these limitations.

Systematic Review

This study is a conceptual analysis of the field of debt financing, structured as a review, as this approach was found by the researchers to be reasonable and easily replicated. The research method used was a systematic review which employed the Systematic Quantitative Assessment Technique (SQAT) developed by Pickering and Byrne (2013). This was deemed appropriate as it enables the researcher to easily spot important opportunities for further research from the geographic distribution, time dispersion, focus areas, article types, theories and research methodologies of the journal articles assessed.

Articles on debt financing were collected from 6 electronic databases: Emerald, Elsevier, Springer, Wiley, Sage, and, Taylor and Francis, using "All in title" search of a single combination "Debt" + "Financing", on Google Scholar advanced search. This process ensured that only 75 English scholarly papers which were relevant to the review topic were selected, as the abstracts of the papers were read to ensure that they were focused on debt financing, particularly in business organizations. The extent of inclusion or exclusion of each paper in the research process was thus determined.

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Findings And Results

Time distribution of debt financing articles

In the year 2009, which was the beginning year specified for this study (2009-2018), not many articles were recorded as only 3 publications were discovered. However, publications remained steady and increased to 5 articles in 2010 and 7 articles in 2011. In the next two years however, there was a decline in the number of articles as the year 2012 and 2013 each recorded only 5 articles. Nevertheless, publications again shot up to 7 articles in 2014, immediately followed by an even sharper rise to 13 articles in 2015. There was a slight decrease in 2016 to 10 articles; however, 2017 recorded an upsurge to 19 articles (see Figure 1.). In 2018 though, only 1 debt financing journal article has been published so far: note that the papers were collected in January 2018

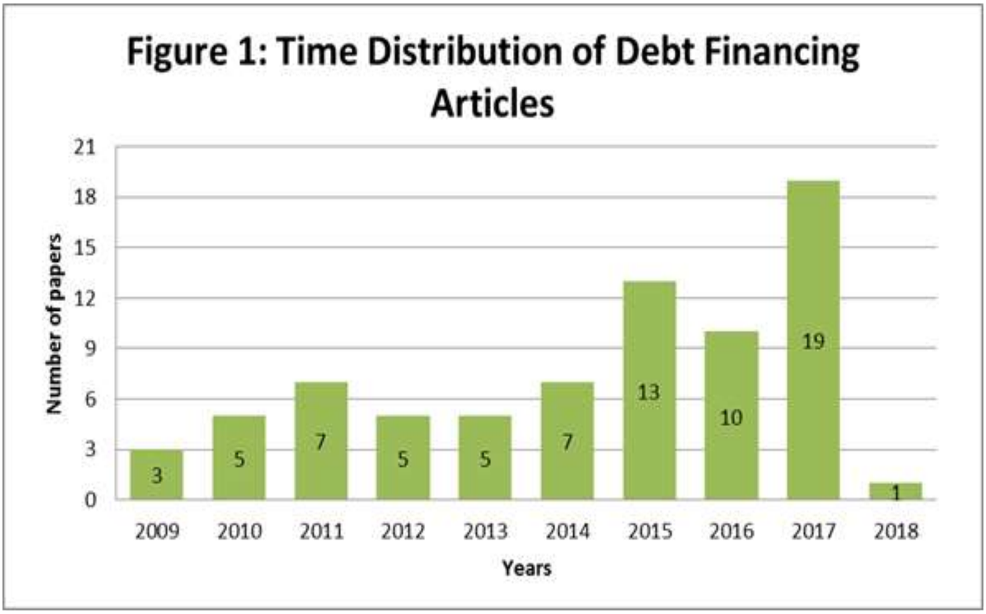


Figure 1: Time Distribution of Debt Financing Articles

Geographical Distribution of Debt financing Articles

Figure 2 shows the geographical distribution (continent-wise) of the debt financing articles reviewed in this study. From figure 2, we observe that Asia has the greatest number of articles published (30) which is closely followed by North America (29), Europe published (13), Africa (2), and Australia (1).

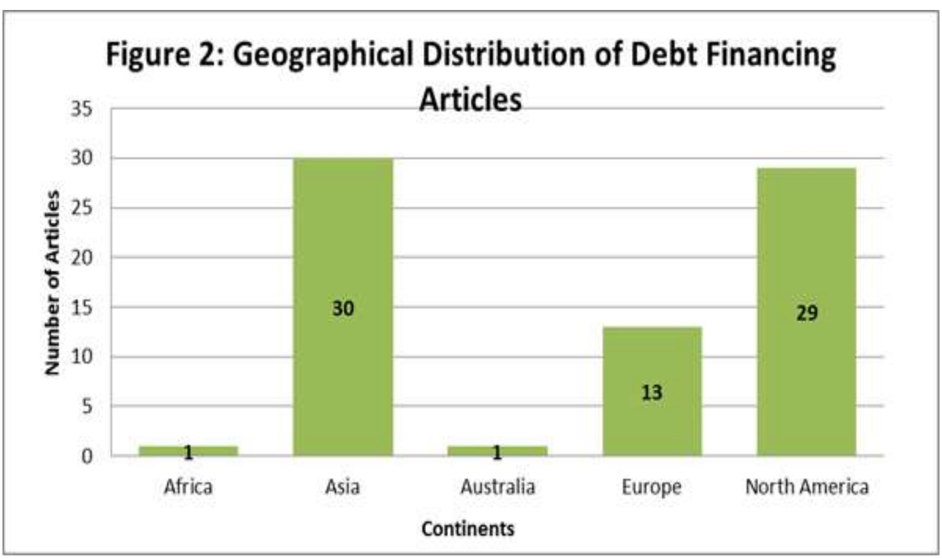
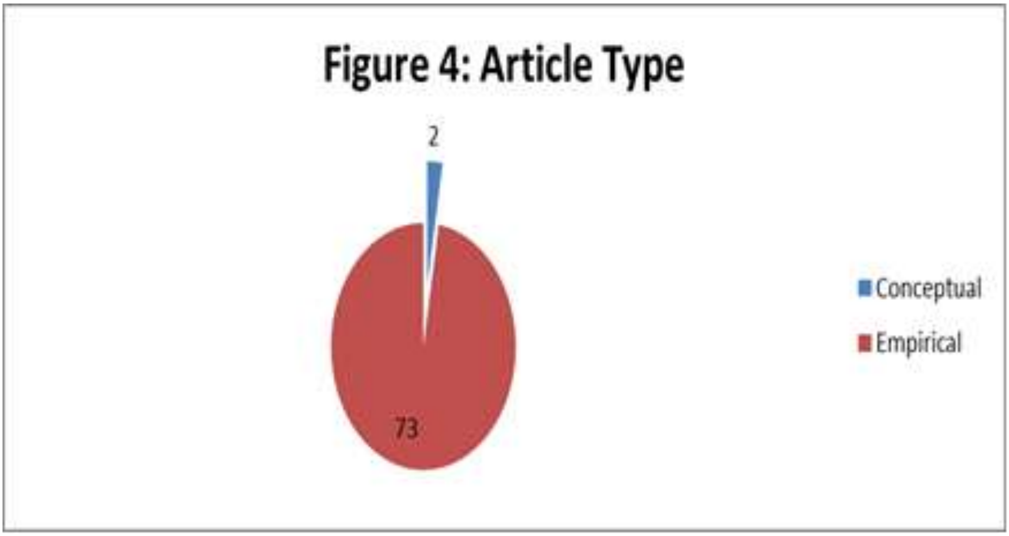


Figure 2: Geographical Distribution of Debt Financing Articles

From the geographical distribution of the countries reviewed, 34 countries were represented in the study. It is shown from figure 3 that although Asia as a continent has the highest number of articles, USA actually has the highest number of articles (26), followed by China (10), Korea (7), Germany (6), Taiwan (3) and Japan (3). The remaining countries have one or two articles representing them.

Article type

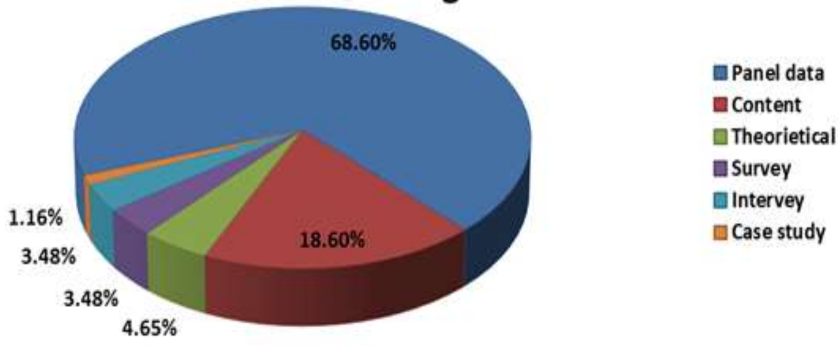
The articles reviewed in this study were divided along two main categories: conceptual and empirical. The articles that were conceptual in nature focused on concepts and theories that explain factors that pertain to the topic of debt financing, alongside the relationships that exist between them. On the other hand, those articles that were empirical in nature used experiments and other practical means to collect the data that formed their concluding stances, providing the basis for new theories (Thapliya, 2016). See Figure 4.



Research Methods

In this part of the study, the researchers identified the primary research methods that were used by the articles that were reviewed; Panel data (68.60%), content analysis (18.60%), theoretical (4.65%), survey (3.48), interview (3.48) and case study (1.16).

Figure 5: Research methods of articles on debt financing

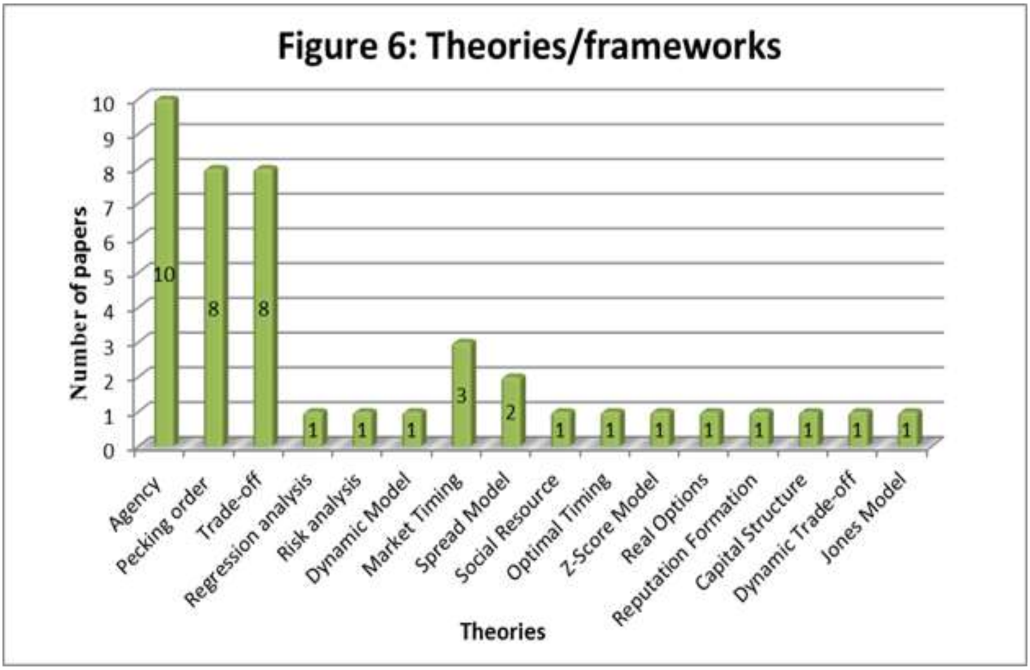


The panel data analysis represents about 68.60% of the articles reviewed dealth with the considerations or specific factors that is taken into account when making debt financing decisions (Minnis, 2011; Ghosh and Moon, 2010; Coleman et al., 2016). The use of panel data is relevant as it provides information in data bases that could be access by researchers for the study of debt financing.

Content analysis took up 18.60% of the articles (De Marco and Mangano, 2017), and the theoretical analysis took up 4.65% (Mun and Jang, 2017; Zhang, 2016). The interview of debt financing stakeholders (Singh and Kalidindi, 2009; Chowdhury and Maung, 2013) and the use of survey (Chua et al., 2011; Rassenfosse and Fischer, 2016; Baber et al., 2013) were methods utilized equally by 3.48% of the articles reviewed. One article adopted case study.

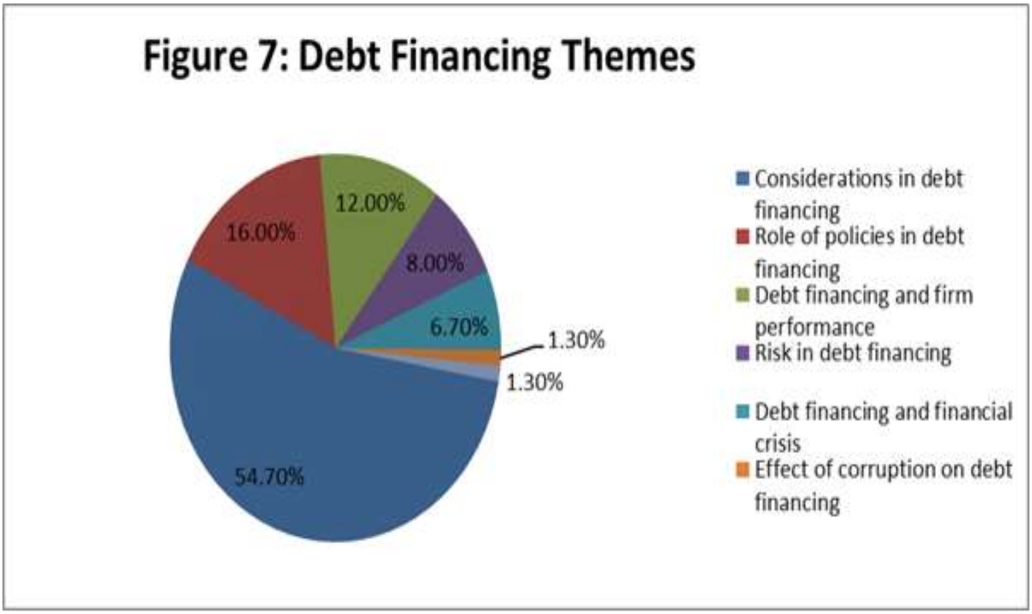
Theories/frameworks for debt financing articles

For the purpose of this study, 16 theories were utilized in the articles reviewed. In all of the 16 theories utilized there were 3 prominent theories: Agency theory which was used by 10 of the articles reviewed, followed by Pecking order theory and Trade-off theory which had 8 articles each. The remaining 13 theories only had one, two or three articles in which they were represented. It is to be noted that only 29 of the 75 articles reviewed used theories/ framework, the other 46 articles reviewed used neither theories nor framework (Yazdanfar, 2015; Chua et al., 2011; Munir et al.,2017; Metamilola and Ahmed,2015; Denison et al.,2014; Freund et al.,2017).



Debt Financing Research Themes

Figure 7 reveals the seven debt financing themes that were explored by the 75 articles reviewed in this study. The themes includes considerations in debt financing 54.70%, role of policies in debt financing 16.00%, debt finance and firm performance 12%, risks in debt financings 8%, debt financing and financial crisis 6.70%, effect of corruption on debt financing 1.3% and lastly means to debt finance 1.3%. The top five themes were discussed.



Discussion of Findings

A continuous, though unsteady growth trend in research was observed between 2009 and 2013. However, from 2014 there seemed to be an upsurge in interest of scholars on the topic, though still fluctuating. As for 2018, it is quite understandable that it is still early in the year; therefore it is possible that more researchers will take interest in the field of debt financing as the year runs along.

Asian counties are seen to have dominated the attention of researchers, whereas, Africa and Australia have been scarcely researched. Meanwhile, African countries for one have lingering debt financing issues. Also, South America was not even represented at all. This is quite surprising, as corporate debt in the region has been on the high side, especially in the private sector (14.3%) in recent years. In 2016, statistics show that South America's ratio of external debt to Gross Domestic Product was 48% and this increase in demand for debt finance could be attributed to low cost of credit in recent years, which has caused companies and governments in emerging market to increase their debt issues ("corporate debt a ticking time bomb in Latin America", 2016).

As observed in Figure 4, majority of the articles reviewed (73 out of the 75) were empirical in nature (which entails adopting practical measures to know the issues prevalent in the field of debt financing , issues associated with debt financing and issues relating to debt financing), this is commendable though as it gives the researches the opportunity to actually understand and explore the activities in the field and also help them to get a first-hand knowledge on business reaction to the field of debt financing (De Marco & Mangano, 2017; Yazdanfar & Ohman , 2015; 2013; Honghai et al., 2011; Lemma, 2015; Khasawneh & Dasouqi, 2017).

Articles that used Agency theory developed by Jensen & Meckling (1976) discussed problems such as unaligned goals, as well as differences in risk taking decisions (particularly when it comes to deciding whether to finance a business through debt or equity), that occur between shareholders and management (Lioa, 2015; Yazdanfar & Ohman, 2015; Jung et al., 2016; Isin, 2018), while some discussed agency theory as relationship existing between debt holders and the business owners (Chau et al., 2011). It was also integrated with the Pecking Order theory, which predicts that the higher a firm's profitability, the lower its need for debt, and as such, its total debt level (Myers & Maluf, 1984), and Trade-off theory which posits that firms with higher profitability will use more debt in anticipation of greater tax savings resulting from its usage of debt (Wu & Yue, 2009).

Over half of the articles reviewed (54.7%) dealt with the considerations in debt financing. Typically the authors empirically analysed the factors which business consider in making financing decisions, either in start-ups (Chau et al., 2011; Coleman et al., 2016), in growth and expansion (Egami, 2010; Zhang,2015), corporate governance (Tanaka,2014; Kim et al.,2015; Ghouma et al.,2017; Mande et al.,2012), in SMEs (Du et al., 2017) and shareholders (Honghai et al.,2011) among others. The authors would analyze the roles that the factors in consideration play in debt financing and conclude by making recommendations that will help in the considerations in debt financing decisions (Metamilola and Ahmed, 2015; Godlewski et al.,2011).

Secondly is the role of policies in debt financing decisions, which is about 16% of the articles that were reviewed by this study. The articles in this category described the function policies play in firm's debt financing decisions. Such policies include government intervention and bank competition (Du et al., 2017; Dawachter and Toffano), monetary policies affecting business decisions (Massa and Zhang, 2013; Hebous and Ruf, 2017), management arrangements that are put in place that are likely to affect business decisions (Zhang, 2016; Ghouma, 2017; Wang and Lin, 2013) and creditors protection laws/ credit ratings among others (Qi et al., 2017; Chong et al., 2015).

The third theme described debt financing with respect to firm performance (12%). The articles explain the effect debt finance has on firm performance as regards to their profitability, firm value, competitive, innovativeness to meet up with demands of customers and growth (Yazdanfar, 2015; Czarnitzki and Kraft, 2009; Haw et al., 2014).

The fourth theme of focus deal with the role of risk in debt financing (8%), it explored the part risk play in debt financing as regards to country instability index, (De Marco and Magano, 2017; Lung, 2014) concession period, asymmetric loss (one party has loss while the other gains i.e. a win loss situation) and the biases of debt holders (Aglardi et al., 2015; Bae et al., 2017).

The fifth most common theme was debt financing and financial crisis (6.7%). It explored the assessment of debt financing in period of currency crisis, recession and periods preceding the financial crises (Zhang, 2015; Pianeselli and Zaghini, 2014; Ko and Yoon, 2011) and also debt financing in a period of currency depreciation (Vanacker and Manigart, 2010).

Recommendation and Implications

Considering that most business owners find financing their businesses via debt acquisition more probable at the end of the day, though stressful, than via any other means, especially when they are limited in knowledge about alternative options, more research should be conducted on the topic. (Chau et al., 2011, Ding et al., 2016). Also, it is pertinent and recommended that more studies, especially inclined towards Africa, Australia, and South Africa, be carried out, so as to have all-inclusive results in the debt financing research field.

Despite the advantages, goodness and merits found in going into the field for data collection, collating and evaluating of variables/ facts directly from principals in firms concerning issues that are linked to financing businesses through debt, there are numerous gaps to be filled from looking into extant literatures. Theories and concepts are significant to ensure their continuous relevance to the field of the study as it ensures the use of accurate variables to measure the accuracy of the results and provide strong backing. Thus the use of conceptual methods could be adopted by future researchers.

Two opportunities for further research on debt financing can be gleaned from the research methods that have been utilized in the articles reviewed. It can be seen from the figure 5, that many of the previous researches adopted the panel data analysis. Firstly from figure 5, it can be clearly seen that a lot of prior studies have adopted the panel data analysis. Although this method is valuable for understanding debt financing, there is a need for future studies to explore the concept of debt financing using interviews, survey and case study the research, the reason been that panel data has to do with stored up data over a specific time period and so it will be more effective if interviews, surveys and case studies are used to get new and recent information.

Secondly, future research could adopt one than one research method, the combination of two or more research methods, seeing that the studies reviewed adopted one single method. This approach will enable future research to gain a greater understanding of the debt financing field and also help to understand the field of debt financing from different dimension.

The top three theories used in the debt financing articles reviewed have been observed over time to be relevant to the field. This is observed in the way their constructs help business owners and economies make better and more informed decisions when it come to the issues associated with external financing choice. They have also been instrumental in helping to solve problems that arise in the process of debt financing. Therefore it is creditable that these theories have been mostly used by researchers in the field. However, other theories such as capital structure, optimal timing, real options, dynamic options and theory of reputation could be suggested for more use in future research.

From the various themes identified in this study, it can be observed that most of the researchers focused on the considerations in debt financing decisions in order to understand the factors that are considered by businesses in making decisions. Whilst this considerations are necessary it also important for businesses to understand the role debt financing play on firm's performance as it enables the business owners, lenders and the government to understand the effect debt finance has on growth, expansion and profits of the firm and also on the economy at large. Hence, it is necessary for future researches to focus on the role debt financing play in firm's performance.

Another gap that has been identified is the effect of corruption on debt financing as only one of the 75 articles reviewed explored discussed this issue, it is therefore necessary that future researches focus on this aspect because corruption hampers the maturity structure of debt. It also affects the asset prices and also reduces the profitability of a business thereby retarding the business growth and the economy at large.

Conclusion

This paper reviewed 75 peer-reviewed journal articles dealing with debt financing. The research explores the time dispersions in the articles, geographical distributions of the countries where the researches took place, nature of the articles (conceptual or empirical), research methodologies, and theories on which the papers that are assessed were based and the various themes explored. The results of the review were discussed in the study, gaps and directions for future research were provided.

Although, a fair number of studies have reviewed the field of debt financing, there is still a wide aspect to be considered such as the effect of corruption on debt financing, policies that hinders debt financing and the means to debt financing, especially because of the important relevance the field has on the business environment and also on the economy a nation at large.

However, some limitations exist in the study, which serve as an opportunity for future researchers on the field to explore. The major limitation of the study is the methodology used, which is the use of title search in six databases for 10years. While the databases contain high quality, peer-reviewed articles, they do not contain all peer-reviewed debt financing articles. As such, future systematic reviews can use a wider scope of the databases in order to have a greater view of the topic.

Secondly, the study only used journal articles in the review, whilst excluding books and conference proceedings. This is as a result of the SQAT methodology used in the review of the articles to obtain high quality articles. Notwithstanding, there are very useful information that can be gotten from text books and conference procedures that could be used by future researchers.

Lastly, the fact that a title word search was utilized rather than a key word search. A title word search gives a more concise search of articles that are dealing with debt financing. Nevertheless, a key word search would have produced a greater number of articles for the review. Some of the papers might not have been directly addressing debt financing, but might have provided an extra insight on the field.

However, despite these limitations, this study is relevant as it provides an understanding on debt financing for businesses, lenders and government, and gives direction for future researchers that will want to venture into the field.

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Creativity and Innovation Culture: A Prerequisite for Sustaining Competitive Advantage in SMES

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***Abstract*:** Creativity and innovation are rudiments for an improvement in both new processes and ideas in an organisation. These attributes emanate from good management, a culture that encourages creativity and innovation, and recruiting creative individuals to enhance competitiveness. SMEs that are determined to compete with larger organisations are expected to be more innovative and creative than these organisations are. Many SMEs do not perceive that the promising future of SMEs is illustrated by the aptness to implant creativity and innovation in their organisational culture which has the tendency to develop the human capital as well as the total performance of the organisation. This paper is aimed at guiding SMEs on how to espouse creativity and innovation culture in their operations, and also prompt an agenda for researchers to attain a more definitive affirmation about the application of creativity and innovation as a culture to gain a sustainable competitive edge over larger organisations. This paper also points out innovation and creativity opportunities in common SMEs like fashion SMEs, e-commerce businesses and agricultural SMEs, etc. It makes use of secondary sources of data collection from libraries, journal publications, and internet sources. It recommends that Innovation and creativity should be co-created alongside stakeholders with the support of the government as well. This can provide valuable information that may eventually result into a value-creating idea and give the enterprise competitive advantage and in the long-run boost the economy. Barriers identified include financial base, managerial issues and technological issues. Thorough attention should be paid to these issues to foster creative and innovative practices in SMEs

***Keywords*:** Creativity and Innovation Culture, Organisational Culture, Sustainable Competitive Advantage, Small and Medium-Scale Enterprises.

1.0 Introduction

Businesses, including small and medium scale enterprises often, if not always evolve from singular or multiple ideas. Thinking up an idea is usually the most difficult and important phase starting a business and it requires the entrepreneur to exhibit a degree of creativity. Entrepreneurial creativity is the foundation of any enterprise. According to (Anastasia, 2016), It popularly is referred to as "the process of coming up with innovative ideas and turning these ideas into value-creating business activities which are ultimately profitable". An entrepreneur is any individual that can spot an opportunity within his/her environment and is able to use his/her "innate abilities" or imaginative skill and vision to exploit these opportunities while creating value by producing or inventing and sustaining their product or service by innovating. This means that beyond being creative in thinking, a true entrepreneur is concerned about remaining relevant in this current knowledge, information and technology-based business environment by sustaining innovative habits in general business practices. According to (Anastasia, 2016), creativity is a precursor to innovation.

The entrepreneur first forms an idea, secures the resources to act on the idea, and must also have the drive and desire to see the idea materialize. Then, it becomes time to innovate. The major reason why any SME will fail would be because of its inability to be profitable. Business are profitable only when they can maintain a significant market share against competitors. To do this, they must possess something that attracts and maintains their customers, something that will give them an edge over all other competitors and make their product or service more attractive than others in the market. This will be their competitive advantage. SMEs must maintain innovative and creative practices on an ongoing basis if they hope to capture a segment of any market at any given point in time within today's highly competitive environment. The goal of every SME should be to get ahead of the competition. Be it with the development of new products, ideas, recipes or techniques, innovation should ensure that the products or services change to keep up with the changing preferences of the customers. This paper thoroughly explores the interrelationships between culture, creativity, and innovation, and how well they can influence the existence of SMEs in gaining a competitive edge.

Objectives of the study

The following objectives were articulated while undertaking this study:

1. To investigate what is needed to build a culture of innovation and creativity in SMEs, and how it the culture can be strategically implemented.
2. To determine the importance of creativity and innovation culture in SMEs
3. To determine the factors influencing the adoption of a creative and innovative culture in SMEs.

4. To analyse the roles managers and employees in SMEs play in achieving a culture that encourages innovation and creativity.

Conceptual Framework

Organisational Culture

Culture entails the forms and ways of discerning, sensitivity, also response, contracted and communicated primarily via signs or codes, instituting the typical achievements of employees, as well as the embodiment in artefacts. The essential part of culture is made up of traditional concepts also their trailed principles. Kroeber & Kluckhohn, (1952). Hofstede, (1981) also emphasises that culture is the co-operative organisation of exclusivelya person'sperception that disarticulates individuals in a group from another group. In the light of this, it is therefore decoded as a technique of a unanimous ethics. Organizational culture is an arrangement of shared assumptions, quality and convictions, which administers how employees operate in the organization.An organisational culture forms a basic part of the general operations of the organisation. Robbins, (1996) asserts that a solid culture gives shared qualities that guarantees that everybody in the organisation is on a similar track. As stated by Lock and Kirkpatrick, (1995) a culture that bolsters creativity empowers innovative methods for dealingwith issues and discovering solutions, sees creativity as both attractive and typical, and favours innovators as models to be imitated. Becks, (2004) asserts that, for SMEs to foster and sustain a culture that enhances creativity and innovation, first, SMEs need to develop a conductive working environment where workers feel free to contribute and generate thoughts that will help solve pressing issues and also make the organisation differ positively in their mode of operations. By this, employees in these growing organisations need to be open to each other, trust each other's judgement, ready to learn from the opinion of others, create an atmosphere of competition within themselves in terms of generating helpful ideas. Thus, cultivation of this culture is a basic factor for sustaining a competitive advantage in SMEs.

Creativity

Creativity is the mental ability to conceptualise helpful opinions in any area of interest. Creativity is considered an advantage for SMEs, and it is recommended that these growing organisations espouse this culture to enable them gain a sustainable advantage over large organisations. Most large companies that are dominating today are now being eclipsed by SMEs who have the ability to initiate new concepts through making creativity and innovation a culture in the organisation. The concept initiated must not be quite the same as what has been done previously and creativity is the base for innovation (Amabile, 1996). In an organisational setting, in any case, the attention is more on taking a creative thought and applying it to genuine issues and circumstances. This procedure is alluded to as innovation. It has been indicated that creativity without innovation is of little significance to an organization. The opposite is additionally valid: creative thoughts are a pre-imperative to innovation. They are both viewed as coinciding concepts between two phases of the creative technique namely, idea generation and idea execution. (Hellriegell, Slocum, & Woodman, 1998). Creativity must not be unheeded especially in SMEs. (Sternberg & Lubart, 1999).

Innovation

Amabalie, (1996) characterized innovation as the victorious application of creative thoughts in an organisation. Following Martins, (2000) innovation is the usage of a different and conceivably critical thinking idea, practice or artefacts which is viewed as new by the appropriate unit of adoption and through which change and progress is achieved. Innovation includes different exercises aimedat offering some benefits to employees who can strategically conceptualise and generate creative solutions to organisational issues to make them remain in the organisation, this in turn gives the organisation an upper-hand in the competitive business environment. (Ahmed, 1998). Some large organisations are made up individuals who experts in diverse field, and their affluence and existence rely immensely upon their ability to generate thoughts that leads to a global change in operations. Therefore, small and medium-sized organisations should endeavour to make an institutional structure to encourage innovation. In this present highly competitive business environment, organisations see innovation as a way to accomplishing and gaining a sustainable competitive edge. (Martins & Terblanche, 2003; Marques &Ferreira, 2009; Özgenc, 2006; Salaman& Storey, 2002; Unsworth & Parker, 2003). Following Drucker's opinion," innovation is a specific tool for SMEs, this is seen as the means by which they exploit changes as an opportunity for a different business or service to gain and maintain a competitive edge" (Drucker, 2006).

Building a Culture OF Innovation AND Creativity in SME'S

The business world of this modern age is advancing at a very lightening pace globally; organizations potential to create and develop its environment and techniques of executing business has become paramount in achieving success in this 21st century. Midgley (2010), highlighted key activities, that has to be managed well in building a successful culture of creativity and innovation. These activities are:

1. **Chartering creativity and innovation within an enterprise:** This is aimed at directing creative and innovative activities to important aspects of an organization.
2. **Appointing, developing and supporting the qualified team:** For creativity and innovation to become successful, effective and efficient project teams are required. They should understand consumer needs, design solutions, propose strategies, generate ideas and brainstorm.
3. **Co-creating innovation with consumers:** Prior to launching an innovation, various views and opinions are required, and consumers create an important rational viewpoint. Innovation without any eventual benefits for consumers does not increase profits for SMEs.
4. **Restructuring the organization to accomplish the innovation:** For innovations to emerge, organizations need to review and make some changes to training techniques for employees, working practices, and the overall organizational culture.

Importance of Creativity and Innovation in SMESIt has been clearly stated that creativity deals with the ability to form new ideas and to discover new methods to critically access problems and opportunities. Innovation is the application of creative thinking or solutions to those problems and opportunities to develop a better standard of living. In light of the above statement, creativity and innovation creates business success by keeping the business running even after the owner is gone. An organization must be able to set up not just one idea or solution but multiple ideas or solutions.

Also, Employees in SMEs should be encouraged to come up with creative and innovative solutions which will lead to financial gains. Employees can be encouraged with the use of trainings and seminar's. Creativity and innovation also enhances healthy competition among SMEs. Employees in various SMEs can come up with a better improved product or a better and faster way to render services than their competitors for a higher market share. It is also important for SMEs to get acquainted with modern trends that can help entrepreneurs fuel their creativity and innovations. Manufacturers are always coming up with efficient ways to produce without losing quality.

Roles of Managers in Creating a Culture of Creativity and Innovation

An environment that encourages creativity and innovation should be nurtured by the manager of that organization. An SME that employs very creative people at recruitment stage will definitely have very creative people within its environment. The environment determines if creative talents will be attracted and retained.

1. Managers should create an enhanced physical workplace and routine that encourages creativity and innovation: According to Serrat, (2009) there should be room for reflective practice which can be brainstorming sessions, problem solving groups and discussion forums.
2. Managers should create an environment of freedom: An inventive environment has managers who allow their employees to be creative and question the reason an SME is doing things in a particular way and offer better alternatives.
3. Managers should ensure that trainings are done regularly: According to Agbor, (2008) the best way to build an innovative, creative, and resourceful organization is to diffuse leadership and empower everyone through training and mentoring so it can result in creative and effective leaders.

Factors Influencing Creativity and Innovation Culture in SMEs

SMEs are the engine for any economy. These SMEs face a number of challenges which on a short or long run affect their ability to play the central key roles expected of them.

The analysis of barriers to innovation in SMEs will be based on the barriers identified by Kacker (2005) & John Stark Associates (2006). These barriers include:

1. **Financial Base**: This could be a problem if the SME's have low start-up capital which leads to low productivity as the cost of innovation is very high. Lack of finance does not only affect the productivity of the business but also the survival of the business. For this reason, some institutions are set up to help SMEs generate finances. For instance, there are some institutions which support SMEs to generate finance in Nigeria. They are mainly

commercial banks, National Association of Small and Medium Enterprise (NASME), Small and Medium Enterprise Development Agency of Nigeria (SMADAN), etc.

2. **Managerial issues:** Most SMEs are family based and this does not always promote creativity and innovation, they go into business operating with traditional strategies and are often resistant in change. Sometimes, traditional ways of thinking, inflexibility of the organization and people make SMEs less creative. Improper or no form of accounting records also leads to uncontrolled or no creativity and innovation.
3. **Technology:** SMEs have no or outdated technology compared to large enterprises in the country. The use of outdated technology causes a series of problems ranging from low productivity to high rate of rejection and wastage or raw materials all resulting to high cost of production and reduce market competitiveness. SMEs are expected to enhance and put into practice technological strategies in addition to financial, the promotion, distribution and selling of product and services and functional strategies to make them innovative.

Creativity and Innovation Opportunities for Common SME's

Fashion and High-End Industries SME's

Literature suggests that Fashion, textiles, footwear and makeup businesses are one of the most engaged SMEs' in a lot of countries and because the resulting products are a necessity satisfying man's physiological need for clothing the demand is relatively high. In many ways Fashion businesses have found ways to be creative and innovative by operating at the crossroads between arts, business, and technology. These businesses can take advantage of the tastes of different market segments to strengthen their brands, they could also make use of cost-reduction strategies to maintain market share and use high level technology to ensure customers get the best quality and value for their money.

E-Service SME's

Owing to the generality of e-services, SME's are widely turning to the internet, deliveries of products and services are a lot easier to their customers, also newer methods of producing and distributing already existing or new products and services to newer or existing segments. Unlike the traditional method, a particular market segment can be innovatively exploited and attended to over the internet and their needs are met on-time and effortlessly.

Manufacturing SME's

Manufacturers are increasing productivity through Research and Development to develop better and cheaper products. In production, manufacturers are now implementing programs that increase capital productivity and labour through operational excellence which includes changing product designs. Manufacturing SME's now collaborate with suppliers for product design, customers for customized product design which has led to changes in product that could eventually result in recycling and reusing materials at the end of a product's life cycle.

Agricultural SME's

Agriculture is the refinement of land, which involves planting, animal farming to provide food, medicine and other products to sustain human life. In recent years SME's have been able to adapt and shift from traditional ways of farming or agriculture to modern ways. For example, the use of hoe's and cutlass in farming has gone obsolete as small businesses can now acquire machinery which will help in making the farming process faster. Agriculture could include fishery, cash crop farming: cash crop farming includes beans, natural rubber maize, cocoa, cassava, yam, etc piggery or poultry farming.

Methodology

This study engages a secondary data. This included the use of data assembled from journal articles, conference papers, internet and review of literature on creativity and innovation in SME's and internet resources as well as other theoretical work to understand the roles of creativity and innovation in SME's and the challenges SME's face in adopting a creative and innovative culture.

Discussion

SME's are the life blood of any country's economy most especially in the African and Middle-Eastern regions of the world and even in Northern and Southern America. In a country like Nigeria as a result of the nations over-dependence on oil, its economic growth has been stagnated and investors are continually withdrawing. More than ever the rates of entrepreneurship have risen and the number of privately owned establishments are at their peak truly representing a capitalist economic system. Creativity and innovation is the required and necessary tool entrepreneurs must engage to stay in business in this environment.

Recommendation

Creative thinking is something that should be cultivated from the early stages of any individual's life and should be encouraged and supported by the government both within and outside of any countries academic system and institutions. This is very important as these individuals will, in the future, be able to think in inventive and innovative ways. SMEs encourage and maintain free flowing communication channels with all stakeholders, suppliers, customers, staff, government, and possibly shareholders all of whom can provide valuable information that may prove to eventually result into a value-creating idea and give the enterprise the needed edge required to take control over competitive advantage. Also, SMEs should consider restructuring to ensure that internally, their structure is designed to support innovation and creative thinking. The idea that being innovative is restricted to specialists and scientists or even market researchers alone should be discarded, and employers should invest more in their subordinates by conducting regular trainings and development programmes which will ignite their creative spirits and make them experts.

Conclusion

This explorative paper has toured all the concepts related to the topic under observation. We can deduce that innovation is identically important to all kinds of organizations and not just SMEs. We can also see how important creative and innovative business habits are to maintain competitive advantage. Innovation and creativity are about the only existing way to capture and sustain market share. In today's turbulent business environment, these tools are indispensable, and their importance should not be underestimated. If SMEs are to stay ahead of the competition, then innovation is a must. A creative culture and a strategy that will keep your business at the forefront of innovation, as well as an internal structure that provides the perfect platform for innovation to blossom are of utmost importance.

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Technology Entrepreneurship: Pathway to Industry-University Engagement

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Abstract: Technology entrepreneurship is a concept that describes technology-driven entrepreneurship whereby technology is leveraged upon on to achieve entrepreneurial success. The countries called ASIAN tigers emerged on the platform of technology entrepreneurship. This study attempted the use of case studies to describe University- Industry transformation on society drawing strength from the theory of planned behaviour. It is premised upon the belief that universities can facilitate their partnerships with industry by developing competencies in the area of technology. Renowned world economies revolutionized on the bases of technology entrepreneurship. The current statistics in turn revealed that nine out of top ten firms in the world are technology-based. The study proposes that universities should embark on planned behaviour towards developmentdriven research in the area of technology. It further recommends that innovation culture should be strategically integrated into the university system for enhanced societal and economic impact.

Keywords; Technology Entrepreneurship, Entrepreneurial success, Competencies, Research, and Universities

Introduction

In recent times, there has been an increase in the number of collaborations between the academia and industry. Although the reasons and motivations behind universities and industries entering University-Industry collaboration are both manifold and multi-faced, and may differ for both parties, the benefits of such collaborations are numerous. University-industry collaborations help to increase the practical relevance of academic research carried out within the walls of ivory towers, foster the commercialization of the results and outcomes of research and development, and help stimulate further research and development (Guimon, 2013). Indeed, both the university and the industry partner stand to derive numerous benefits from such collaborations. In addition to the benefits derived by both parties to the collaboration, the benefits extend to the wider economy.

Developed economies in the western world such as the United States (US) have long benefitted from university-industry collaborations. For example, many of the innovations from biotechnology that have benefitted the agricultural and health sectors in the US economy are products from research and development that began in the laboratories of many universities (Mowery et`al, 2015 Geiger; 2017). Similarly, Calvert and Patel (2003) and Tijssen, Lamers, and Yegros (2017) present rich accounts of fruitful collaborations between industry and universities in the Uniked Kingdom (UK) many of which have led to product licensing and profitable commercialization of proprietary technology. Though the UK and the US are developed nations, University-industry collaborations can also serve as a platform that can help alleviate some of the challenges faced by many in developing economies (Guerrero et`al, 2015; Gustafsson & Jarvenpaa, 2018). A study of Chile and Columbia by Marotta, Blom, and Thorn (2007) found that university-industry collaboration helped to increase product and other forms of innovations as evidenced by increased number of patent applications; thus making a case for the merits and usefulness of University-industry collaborations in emerging economies and developing nations.

An area that promises immense benefits for universities, industries, and the general economy at large for collaborations is technology entrepreneurship (Ajagbe et`al, 2015a). The rapid industrialization and economic growth of the four Asian tigers, Hong Kong, Singapore, South Korea, and Taiwan, and the rise of China as an emerging economy can be attributed to their leverage of technology for entrepreneurial success (Ogbari et`al, 2016). In addition, the successful launch and rapid growth of start-up companies such as Uber and Airbnb are all traceable to the use of technology as a leverage to offering solutions to common problems that had hitherto depended on solutions provided by traditional business models without any technological base. Indeed in an era of fast pace technological changes, technology entrepreneurship can be the source of innovation that will be mutually beneficial to universities and industries Ajagbe et`al, 2015b).

Using the theory of planned behavior as a bedrock, this paper proposes that universities have to not only be willing to collaborate with industry, they also need to build the requisite capacity to attract firms in the industry for collaboration (Oztekin et`al, 2017). Consequently, this study aims to make two contributions to the literature and practice of university-industry collaboration. First, the paper contributes by applying the theory of planned behavior to an institutional body rather than to a person's behaviour by presenting a simultaneous multi-action application of the theory of planned behaviour. Secondly, the paper also contributes by presenting an exemplary case study of a university in Africa involved in productive industry partnerships. In the remaining sections of this paper, first an overview of the concept of technology entrepreneurship is presented with the aim of clarifying the definition of the concept. Second, the theory of planned behavior is presented. This is immediately followed by the conceptual model of the study. A case study of an effective university-industry collaboration based on the conceptual model developed is then presented. The paper concludes with a section on the policy implications of the conceptual model and recommendations for effective university and industry collaborations.

2. Literature Review

2.1 Technology Entrepreneurship

Technology entrepreneurship has various definitions both in the academic and practice-oriented literatures. Consequently, there is no universally accepted definition of the concept of technology entrepreneurship (Ogbari et`al, 2017). From table 1 below, the definitions of technology entrepreneurship are not only very diverse, they are also very different from one another. For example, while Jones-Evans (1995)'s popular research work on the typology of technology-based entrepreneurs defines it simply as the creation of a new technological enterprise.

Table 1

Study	Definition of Technology Entrepreneurship
Nicholas and Armstrong (2003)	Organization, management, and risk bearing of a technology based business
Venkataraman and Sarasvathy (2000)	Solutions in search of problems
Jones-Evans (1995)	The creation of a new technological enterprise
Liu *et al*. (2005)	Ways in which entrepreneurs draw on resources and structures to exploit emerging technology opportunities
Jelinek (1996)	Joint efforts to interpret ambiguous data, joint understanding to sustain technology efforts, and persistent, coordinated endeavor to accomplish technological change
Garud and Karnoe (2003)	An agency that is distributed across different kinds of actors, each of which becomes involved with a technology and, in the process, generates inputs that

	result in the transformation of an emerging technological path
Bailetti (2012)	An investment in a project that assembles and deploys specialized individuals and heterogeneous assets that are intricately related to advances in scientific and technological knowledge for the purpose of creating and capturing value for a firm.

Source: This Study

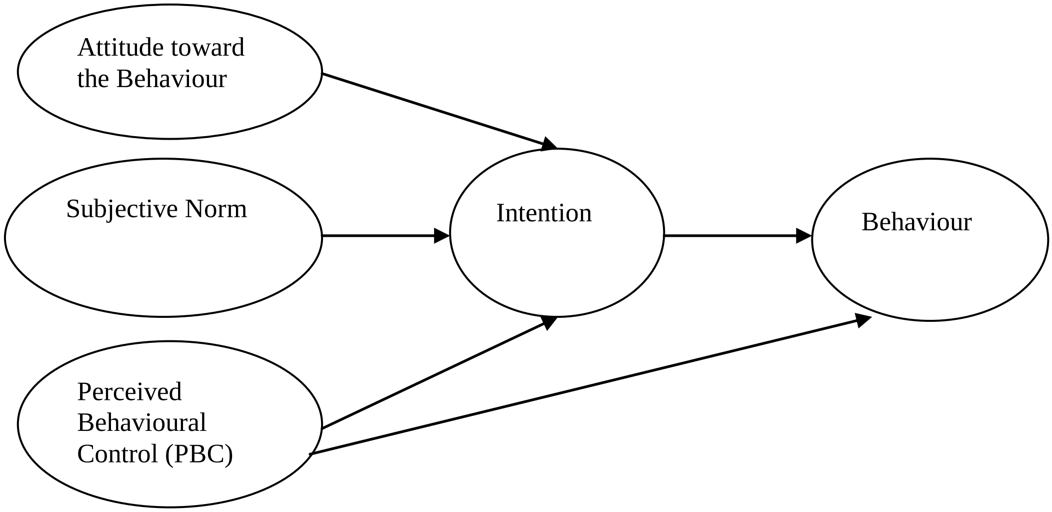
Garud and Karnoe (2003) gives a more complex definition. They define technology entrepreneurship from a socialized perspective that goes beyond the actors that use skills and resources to create a technological business as “an agency that is distributed across different kinds of actors. Each actor becomes involved with a technology and, in the process, generates inputs that result in the transformation of an emerging technological path” (Jones-Evans, 1995: pp 277). In other words, technology entrepreneurship is a process that results in innovation.

Despite the variations and differences in definition, a running thread in all the definitions is that technology entrepreneurship involves the use of technology. Summarily, in simple terms, technology entrepreneurship is the leverage of technology in creating new enterprises. The fulcrum of entrepreneurship technology is the use of technology to exploit new business opportunities. Consequently, all solutions to problems that involve the use of technology can be termed technology entrepreneurship Venkataraman and Sarasvathy (2000). This is especially so when such solutions will lead to the creation of new business enterprises. Therefore, technology entrepreneurship inadvertently leads to innovation. Universities and companies desirous of innovation can go through the route of partnerships in different areas of technology entrepreneurship. Based on the Theory of Planned Behaviour, this study reiterates that universities have to deliberately embark on technology-based research in collaboration with industry partners (Bowen, 2018).

2.2 Theoretical Framework: Theory of Planned Bahaviour (TPB)

The Theory of Planned Behaviour (TBP) (Ajzen, 1991) is an attempt at explaining the factors that explain human behavior. TBP postulates that human behavior is always preceded and influenced by the intention to engage in behaviour. The intention to engage in a certain behaviour is in turn influenced by attitudes, subjective norms, and Perceived Behavioural Control (PBC). TPB also posits that PBC not only influences behaviour through intention, it also directly influences behaviour (Figure 1 presents the relationships between the different factors in TPB).

Figure 1: Schematic Representation of TBP



Adapted from Ajzen (1991)

TPB postulates that before someone carries out any behavioural action, there must have been an intention to perform the act. In other word, individuals always have motivations for carrying out an act and these motivations are captured as intentions that influence the act. The strength of individuals' intention determines the likelihood that individuals will carry out a behavior (Ajzen, 1991). The theory of planned behavior assumes that for individuals' intention to influence their behavioural acts, such acts must be under the volitional control of the individual. These are called motivational factors. Thus, motivational factors influence individuals' behaviours. Non-motivational factors, on the other hand, are outside the volitional control of an individual, are not captured by intentions and consequently do not influence individuals' behaviour (Oztekin et`al, 2017).

In TPB, there are three determinants of intentions to perform an act. These are an individual's attitude towards the behaviour, subjective norm, and perceived behavioural control. Attitude towards the behaviour refers to an individual's personal evaluation of the behaviour (Ajzen, 1991). Subjective norm refers to pressure an individual's perception of the opinions of the wider society that facilitates or hinders the performance of the behaviour (Ajzen, 1991; Esposito *et al*, 2016). The final construct, perceived behavioural control refers to a person's perception of the ease or difficulty of performing a behaviour which usually is a result of experience (Ajzen, 1991; Esposito *et al*, 2016; Greene, 2017; Rosenberg, 2018).

TPB is an expansion of the theory of reasoned action, a similar story that preceded TPB. By adding the concept of perceived behavioural control, Ajzen (1991) TPB expanded the theory of reasoned action. TPB has been used severally as the theoretical lens in research on health behaviour. Specifically, TBP has been used in explaining physical exercise activity and support for TPB has been established by several research such as Armitage and Conner (2001), Conner & Sparks

(1996), Esposito *et al*, 2016, and McEachan *et al* (2011). However, TPB has not been without its criticisms. For example, Sniehotta, Presseau, & Arau Jo-Soares (2014) have suggested that TPB should be retired as it has outlived its usefulness. Nevertheless, some research have sought to extend and improve on the perceived shortcomings of TPB. TPB failed to capture the effect that affect and other emotions may have on intent and behaviour. To account for this shortcoming, Esposito *et al* (2016) added three new constructs, desire, positive anticipated emotions, and negative anticipated emotions, to TPB and derived a new model which they called the model of goal directed behavior. Despite the shortcomings of TPB, a meta-analysis by McEachan *et al* (2011) found that TBP was able to predict and explain 23.9% of the variance in physical activity as a health behaviour.

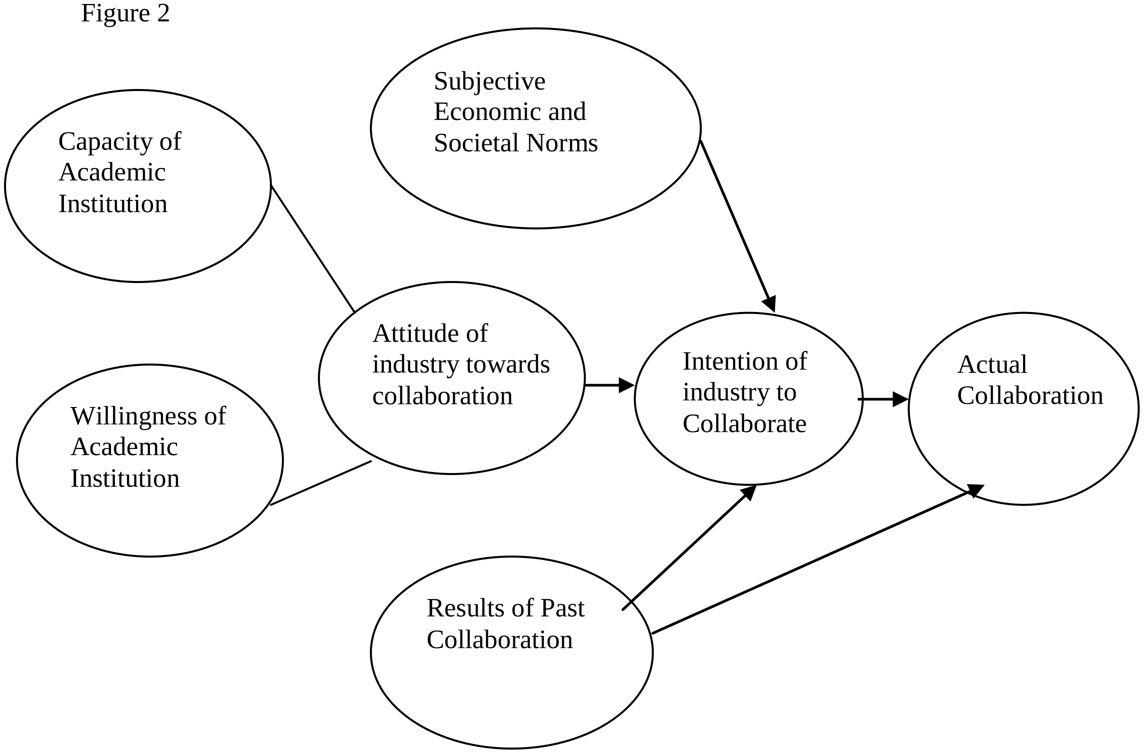
TPB aims to explain, rather than merely predict, behavior (Ajzen, 1991). Consequently, the conceptual model presented in this paper aims to explain the determinants of successful collaborations and partnerships between universities and industry. It will also explain other collaborative partnerships that universities may enter into with government and policy makers.

2.3 Conceptual Model: TPB and Effective University-Industry Collaborations

Before briefly describing the tenets of the conceptual model, it is pertinent to clarify any doubts and provide answers to criticisms that may arise in response to the use of TPB to derive a model of effective university-industry collaboration. A major probable criticism is that TPB is a theory that predicts human behaviour at the individual or personal level and not human behaviour at the institutional level. However, this study makes two arguments in support of the use of TPB to predict and explain institutional behaviour. First, institutional bodies consist of various individuals whose joint efforts are geared towards the attainment of a common objective- the objective of the institution. Second, institutional bodies are managed by individuals and it is individuals that constitute its decision making tool (Bell & Adams, 2016). Consequently, any theory that explains human behaviour at the individual level can be applied to institutional behaviour (Bowen, 2018).

In other words, the behaviour of any institutional body will be derived from the agreed joint behaviour of certain groups of individuals responsible for decision making (Greene, 2017; Rosenberg, 2018). A second probable criticism is that TPB may be more suited to predicting and explaining health behaviours. However, this study argues that although the utility of TPB has been explored and used mostly to predict health behaviours, it nonetheless is capable of explaining and predicting all human behaviour (Oztekin et`al, 2017). Moreover, TPB has been used by some research in marketing to predict consumer behaviour (e.g. Jain, Khan, & Mishra, 2015; Jin & Kang, 2011; Ling, 2009; Son & Jin, 2013). Jain, Khan, & Mishra (2015), for example, developed a conceptual framework based on TPB to explain consumers purchase intentions of luxury products.

Figure 2



Source: This Study

The conceptual model presented here (See Figure 2 above) postulates that collaboration between universities and industries is influenced by the intentions of organizations in the industry to enter into collaborative agreements and partnerships with academia. Intention to collaborate is postulated to depend on three independent constructs: attitude of the organization towards collaboration, economic and societal considerations, and results of past collaboration.

Similar to perceived behavioural control in TPB which captures how an individual perceives the ease or difficulty in carrying out a behaviour, the construct, results of past collaboration, influences both intention to collaborate and actual collaboration. The inclusion of results of past collaboration as a construct is apt not only because of sound logical reasons but also because empirical tests of TPB have shown the efficacy of the construct. Although past behavior did not constitute a part of the original TPB in Ajzen (1985), Ajzen (1991)'s review of past empirical research confirms that including past behavior in empirical models substantially increased explained variance in the models studied by as much as 13% in some studies. The final construct in the conceptual model is subjective economic and societal. This construct consists of industry perceptions to economic and societal pressures that affect collaborations with industry. This also includes how organizations in the industry perceive government policies and regulations that aim to facilitate university-industry collaboration.

The attitude of an organization in the industry to collaborate with universities refers to the organization's evaluation of an academic institution. This evaluation is captured by two constructs: capacity of the academic institution and the willingness of the academic institution to collaborate with industry. The importance of this aspect cannot be overemphasized as it is the aspect that directly concerns universities. It is not enough for universities to merely seek after industry collaboration. Universities have to be both willing and perceived by organizations in the industry to be worthy of collaborations with industry. For organizations to agree to enter into collaborative relationships with the academia, universities have to prove themselves worthy of such collaborations by developing their internal capacity to carry out research and development.

It is pertinent to note that although the conceptual model presented here is aims to explain and predict university-industry collaboration behaviour of organizations in the industry, the attitude of industry towards collaboration is influenced by universities. The attitude of industry towards university-industry collaboration is influenced by their perceptions of the university's capacity and willingness of the university to collaborate. Consequently, a university's capacity and willingness have to be visible to industry for a positive attitude towards collaboration to be created and one area that enhances visibility is technology entrepreneurship. Developing competencies and capacity in technology is one of the ways that universities can create visibility. In the following section, a case study of a university in a Sub-Saharan African country, Nigeria that has been able to create this visibility is presented.

3. Materials and Method

The study employed the review research design. It explored several works (McEachan et al (2011; Sniehotta, Presseau, & Arau Jo-Soares , 2014; Oztekin et`al, 2017; Bowen, 2018) associated with the theme of the study. It applied the analysis of case studies from Universities in the US and Europe and the success of the ASIAN TIGER countries to project the strengths of theory of planned behaviour to validate the impact of university-industry engagement on societal and economic transformation. The study used one University in Nigeria to showcase the extent such engagement can foster the desired change expected both in the immediate society and economy at large.

4. The Case of Covenant University.

Covenant University is a private faith-based university located in Nigeria. Its motto of "raising a new generation of leaders" adequately captures the university's mission. A relatively young university, Covenant University was founded in 2002. However, in a little over fourteen years, the university has risen to become one of the leading university in Nigeria, surpassing counterpart universities that have been in existence for decades. The university ranked top in the first position as the best university in Nigeria in 2015 (Webometrics, 2015) and second best in the latest rankings released for 2017 (Webometrics, 2017).

In support of innovation and technology entrepreneurship, Covenant University has entered into a partnership with one of the leading Information Technology (IT) companies in Nigeria, AZ

Company. The collaboration will see Covenant University faculty and students develop software for onward commercialization by AZ Company. It is worthy of note that the AZ company took the initiative in this collaboration, confirming the prediction of the conceptual model presented in this paper that the attitude of industry towards collaboration is influenced by the capacity and willingness of academic institutions.

Covenant University showed willingness by a successful prior collaboration that saw the university become the first university to adopt a software solution provided by AZ Company. The university became the first university to be on the "confirm me" platform, an online verification system that provides online and real-time validation of certificates issued by academic and professional institutions, credit, and marriage registry. "Confirm me" will enable these certificate issuing institutions validate and confirm the authenticity of their certificates held by individuals thus eliminating the long and tedious process that was hitherto associated with such verifications. Covenant University was able to quickly adopt the validation service because it already had the required IT capacity. The successful implementation of this prior collaboration between Covenant University and the AZ Company has led to the new collaboration between the two parties.

In the new partnership arrangement, Covenant University is expected to develop software solutions that will be commercialized by AZ Company. With its vast experience in taking ideas to the market, AZ Company will bring in its expertise in marketing software solutions. Students from the university will also be provided the opportunity to gain industrial experience in AZ Company during their internship programme that is undertaken by students as part of their undergraduate studies.

Although this collaboration between Covenant university and the company is relatively new, the willingness of AZ Company to initiate the collaboration is evidence that industry considers the results of past university-industry collaboration before embarking on future collaborations. As postulated in the model in Figure 2, results of past collaborations influence future collaborations through "intention to collaborate".

5. Implications and Recommendations

An understanding of the constructs in the model and the relationships between them has implications for universities, organizations in the industry, government and regulatory agencies. In this section, three major implications and recommendations are presented. First, as shown in the case study above and the conceptual model, attitude of organizations in the industry towards collaboration with universities is influenced by both willingness and capacity of the academia. Therefore, the first recommendation is that universities concentrate on building the requisite capacity. Universities need to build the physical and intellectual capacity as evidenced in physical infrastructure and research and development output. Universities are advised to ensure that their faculty and students are actively engaged in research on technology entrepreneurship. However, research in technology entrepreneurship should not be limited to information technology or related units and departments. Indeed, all facets of the university have to actively research, develop, and promote the use of technology in creating new enterprises. In so doing, universities will be able to innovate and create the necessary visibility to attract collaboration from industry irrespective of whether the university is classified using Guimon (2013)'s distinction between teaching, research and entrepreneurial universities.

In the conceptual model presented, results of prior university-industry affects collaboration behaviour of industry both directly and indirectly through its effects on intention. Consequently, how universities handle all collaborations with industry is important. This study recommends that universities should prioritize all industry collaborations to ensure that such collaborations are successful. Unsuccessful collaborations may not only hamper future collaborations with an organization in the industry. It may also hinder future prospective collaborations with other organizations.

Empirical evidence from Marotta, Blom, and Thorn (2007) shows that universities are quite adapt at creating and patenting inventions. However, the rate at which such patented inventions are commercialized is far below the rate at which they are created. Of the 2.5 million patents that were created in the US as at 2014, Forbes (2014) reports that about 95% of them have not been commercialized; only about 5% were commercialized. On the global stage, Lee (2016) reports that only 0.3% of patents in the world are ever commercialized. The rate of commercialization of university patents is not much better as Wu, Welch, and Huang (2012) also present evidence that only a very small percentage of patents originating from universities are ever commercialized. With the rapid rate of change in technology, it is particularly important that technological innovations are not only patented but commercialized as soon as possible. From the case study of Covenant University, it is recommended that one route through which universities can explore commercialization of their patented inventions is by partnering with industry players who have vast experience with taking products to market. Such industry players would be willing to partner with universities if universities can show evidence of past successful collaborations.

Similar to Guimon (2013)'s recommendation, and based on the conceptual model, this study also recommends that universities should look for ways of rewarding faculty and staff who are able to successfully initiate and develop industry linkages. This will aid in ensuring that university-industry collaboration becomes mainstream rather than a mere sideline activity of universities.

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Understanding Survival Strategies in Micro and Small Enterprises In Nigeria: A Brief Review of the Literature

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Abstract: Empirical evidence overtime shows that micro and small enterprises are more susceptible to changes in their external environment due to their smallness and other peculiarities associated with them such as inadequate skill sets/manpower, lack of financial capacity, short-term orientation and necessity-entrepreneurial approach to business activities. In order to answer the question of how some MSEs survive the harsh economic environment in some developing African economies, we conducted a brief review of the literature to increase our understanding their approach to surviving difficult times. This article presents a brief review of the literature using the Sarasvathy's Theory of Effectuation to create an understanding of the survival strategies of micro and small -scale enterprises (MSEs) during turbulent times. The article recommends that managers of MSEs are required to develop a problem-solving intuition that helps to either avoid, be passive or active towards business challenges. Moreover, the aid of strategic alliances and industrial clusters, can also be very beneficial in surviving environmental turbulence and uncertainties.

Keywords: Survival Strategy, MSEs, Business Environment, Developing Economy

Introduction

The business environment in any country across the globe is usually deemed dynamic and difficult, especially for Micro and Small Enterprises (MSEs) and there are various reasons adduced for this. These MSEs that contribute to their national economies constitute a large number of businesses in existence in developing countries, but do not seem to grow at the rate they should especially because of three main factors, which are poor infrastructure, corruption and insecurity (Kauffmann, 2005). In the Nigerian business environment, MSEs face a plethora of challenges in addition to the earlier listed three that hamper their growth such as lack of patronage from clients and customers, lack of favourable government policies, lack of the requisite managerial skill sets, lack of access to funds, amongst others (Okpara & Wynn, 2007; Ibidunni, Olokundun, Oke & Nwaomonoh, 2017). Just as these MSEs are struggling to cope with these different issues that they have to surmount in order to grow their businesses to global or at the least national brands, they are faced with extremely difficult business environment to navigate. This is important because MSEs play a significant role in the economic development of most global economies. They are pivotal to increasing entrepreneurial activities, though, mostly in the informal sector of developing economies in Africa and beyond (Babajide, Olokoyo & Taiwo, 2016; Wale-Oshinowo & Lebura, 2017). However, despite the incessant records of their positive contribution to economic growth through increasing the number of start-ups and employment creation, they remain vulnerable to the economic instability of most developing economies.

To overcome the challenges faced during such turbulent times, these businesses have to craft strategies that would help them survive and achieve their set goals of becoming successful enterprises that would further contribute to national development. As a result, this paper explores the literature with the aim of giving a brief exposition of some strategies used by MSEs to overcome the challenges that stand as a barrier between them and their set targets.

Concept of Survival Strategies

Nowadays, ventures are hugely managed with the hope to either survive or die while ensuring to make ends meet. However, the need to survive also comes with certain survival strategies which entrepreneurs engage with, pending the successful amelioration of any trying circumstance or season.

According to Sahler and Carr (2009); Stroe, Parida and Wincent (2018) survival strategies refer to some distinct efforts, both psychological and behavioural that are often introduced by individuals or organisations to tolerate, reduce, master, minimize stressful events or manoeuvre their ways out of trying periods. In addition, the survival strategies are not fixated as it were, just like it is for individual personality traits (Marina, Antonio & Jose, 2018), but can be explicitly taught or learnt via modeling.

While micro and small enterprises (MSEs) are faced with limited access to financial resources, strong managerial capabilities, technology, specialized skills and the basic infrastructures, etc they somehow create several opportunities arising from diverse ideas and the available information (Read, Song & Smit, 2009), in order to accommodate and or deal with their challenges as a form of survival strategies during such hard times (Brettel, Mauer, Engelen & Kupper, 2012).

Sahler and Carr (2009) classified the survival strategies into three categories, namely avoidance (trying to be less emotionally attached to a challenge), passive survival technique (partly sensitive to a challenging occurrence) and active survival technique (totally and emotionally attached to a challenging period). Howbeit, Sarasvathy (2001) described the survival strategies focusing on problem-solving and emotion-focused approaches. In this case, the problem-solving strategy ensures that the entrepreneur becomes actively responsible to allay the challenging situations while the emotion-focused survival strategy involves the effort to regulate emotional consequences of stressful or potentially stressful occurrences.

Theoretical Framework

The theoretical underpinning of the study is based on Sarasvathy's theory of effectuation. The theory gave a scientific solution to an age-long question of what entrepreneurial activities entail, by creating a distinction between managerial activities and entrepreneurship processes.

Effectuation thus, refers to the ability for an entrepreneur to reason out solutions for solving problems with the assumption that the future cannot be predicted but can be controlled through human actions (Parida, George, Lahti & Wincent, 2016). On the other hand, the concept of causality however, believes that the future can be theoretically determined based on past events.

Meanwhile, Welter and Kim (2018) found out from a research conducted that beyond the conditions of uncertainty, an application of effectuation is effectively relative to causation in certain risky contexts, until the entrepreneur is able to correctly predict the future and get properly positioned for the same. In the argument of Sarasvathy (2001), casual thoughts first begin with an end in mind which the individual tries to translate into reality using various means. The researcher also believed that majority of the contemporary managers are not entrepreneurs but are just causal thinkers who strive to ensure that their thoughts come to fruition by all means. In other words, managerial thinking (causal) is based on a given goal through a given means but entrepreneurial thinking (effectual) is based on an imagined end through a given means. Stuart *et al* (2009) and Brettel, Bendig, Keller, Friederichsen and Rosenberg (2014) added that even though the entrepreneur had access to a wide range of means, only the ones relevant to his business can be regarded as the effectual means to the desired end. Therefore, entrepreneurs must ensure to make do with the available resources as much as possible while forging ahead through the various learning processes.

Sarasvathy (2008) in Chandler, DeTienne, McKelvie, and Mumford, (2011) further noted that with the an effectuation process, entrepreneurs often experiment with various alternatives in which potential losses in the worst-case scenario are affordable, they use pre-commitments and strategic alliances in an attempt to control an unpredictable future, and they remain flexible so as to take full advantage of the changing environmental contingencies. Meanwhile, the causation process according to the researchers, and based on Sarasvathy (2001 & 2004) in Dave (2015), description include envisioning the end from the beginning, maximizing expected returns, business planning and competitive analyses to predict an uncertain future, and exploiting pre-existing knowledge.

The theory has four major guiding blocks for the survival of micro and small firms which include the need for businesses to be kick started with the available resources rather than having to wait for a perfect condition, the idea of affordable loss that is, the ability of an entrepreneur to properly measure the upside opportunities against worst cases, leveraging contingencies, and building strong partnerships through networking (Villani, Linder & Grimaldi, 2018: Marina *et al*, (2018).

The effectuation theory has been applied to explain internationalization decision of micro and small firms (Kalinic, Sarasvathy & Forza, 2014). Internationalizing entrepreneurs can reduce the possibilities of business failure and the risk of losing huge financial and non-financial investments by adopting the affordable loss principle of the effectuation theory. Effective firms are regarded as those that plan new investments based on resources available and predetermining the limited amount of loss that they can afford in an unpredictable business environment, rather than simply following a causal decision making process. Thus, this notion is consistent with the reasoning of Sahler and Carr (2009), that under cetain conditions where micro and small entrepreneurial firm managers are not well knowledgeable about the surrounding business situations, an avoidance strategy might be a best alternative. Moreover, Dew, Read, Sarasvathy, and Wiltbank (2008) have argued that effectual firms are more likely to discern opportunities out of their capacities to experiment with the usage of resources in many different ways.

Some Empirical Evidences

The works of Fadahunsi and Peter (2002) flagged off some illegal business activities commonly engaged world over, and with particular emphasis on the Nigerian cross-border trade. The authors referred to such illegal business activities as the darkest part of entrepreneurship, which is associated with the dearth of proper orientation on the purpose of entrepreneurship coupled with the challenge of age-long illegality and a corrupt society. The amount of illegal practices ranges from evading of duties in the form of bribery thereby heightening the risks of law enforcement to negligible levels. By this practice, even the distinction between legal and illegal goods appears blurred and irrelevant. Entrepreneurs in such situations become more ardent about their targets of high profit margins regardless of their legal status. Fadahunsi and Peter (2002) also noted that the illegal trade in a way opened up new platforms for the creation of more businesses and job opportunities, which enabled the traders to also carry out their activities 'successfully' in the climate of corruption, harassment, and uncertainty.

From the foregoing, knowing that a turbulent period is often associated with situations of extreme uncertainties, one should ordinarily expect that majority of entrepreneurs would adopt various legal and illegal survival strategies and by whatever means to keep afloat (Akanji, 2012).

Managerial Implications

This research work focused on discussing the survival strategies of micro and small enterprises. The study was deeply rooted in Sarasvathy's (2001) theory of effectuation. Considering the global economic challenges coupled with the though competitiveness and volatility that are associated with most economies of the world, micro and small enterprises' chances for growth and survival are greatly threatened. This informs the need to adopt strategies that ensure their survival. Consequently, managers of such firms are required to develop a problem-solving intuition that helps to either avoid, be passive or active towards business challenges (Sahler and Carr, 2009; Chetty, Ojala & Leppäaho, 2015). Moreover, the aid of strategic alliances and industrial clusters, can also be very beneficial in surviving environmental turbulence and uncertainties (Jevwegaga *et al*, 2018).

Conclusion

This study contributed to knowledge by elaborating the survival strategies of micro and small enterprises. The study established arguments based on a review of Sarasvathy's theory of effectuation. Following the findings from literature, the study concludes that micro and small enterprises are generally confronted with uncertainties and slimmer opportunities for survival and growth in the present business economy. Therefore, strategies such as strategic alliances and industrial clustering are essential to enhance their chances of survival. Moreover, entrepreneurs must be disposed to intuitive decision making that help them either to avoid, be passive or active towards business situations.

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