Establishing, Growing, and Maintaining Small Businesses in Nigeria.

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Abstract- Small businesses are important to the growth of the Nigerian economy by employing more than 80% of the country’s workforce. Despite the importance of small businesses to the Nigerian economy, there is a continuing decline in their establishment, growth, and maintenance. The phenomenological study revealed the interpretations of entrepreneurs of the central phenomenon on establishing, growing, and maintaining small businesses in Nigeria. Using the Moustakas’s (1996) modified van Kaam method, data were collected through the interview with 25 business leaders from Jigawa State – Nigeria. Five leaders of small businesses from each of the following five sectors were interviewed: agricultural, construction, manufacturing, wholesale and retail, and transportation. The participants selected were from the five emirates of Jigawa State. The study revealed entrepreneurship activities including planning and identification of opportunities, appropriate leadership style, establishing and implementation of innovative and creative organizational culture, and constant and continuous learning organizations as major strategies of establishing, growing and maintaining small businesses in Nigeria. The study might help small businesses sustain operations in Nigeria which will result in creating jobs to grow the country’s economy.

Keywords- Entrepreneurship, Small Businesses, Establishing, Growing, Maintaining, Leadership Style, Organizational Culture, Learning Organization, Nigeria.

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I. Introduction

According to International Financial Corporation, SMEs provide 60% of worldwide employment (Du & Banwo, 2015). Small and medium enterprises provide means of livelihood to the poor because they constitute 75% of enterprises worldwide and provide modern economies with growth opportunities (Cull, Davis, Lamoreaux, & Rosenthal, 2006; Lucchetti & Sterlacchini, 2004). In developing economies, small businesses are a catalyst for economic growth due to its peculiar nature of employing the citizens (Ayanda & Laraba, 2011; Schreyer, 1996). Added to that, small businesses offer means of alleviating poverty (Ayyagari DemirgucKunt & Maksimovic, 2014; De Witand De Kok, 2014). Thus, SMEs are powerful instruments of economic growth and stabilization of world economy. One feature of SMEs is their dependence on the capacity of its managers, government support, and environmental influence for success (Porter, 2004).

Like in developed economies, small businesses in Nigeria play the crucial role of economic growth in the provision of employment to the citizens. Small businesses employed 82.02% of the country’s labor force (Adebisi & Gbegi, 2013; Gumel, 2017). Shehu et al. (2013) stressed small businesses contributed with 70% of Nigeria’s job opportunities and provided 97% economic activities of the country. Despite the importance of small businesses in Nigeria, 80% fail within the first five years (Gumel, 2017). The National Population Commission of Nigeria (2016) stated that the failure of small businesses had increased the level of unemployment in the economy which resulted in increased level of poverty in the economy which negatively affects the livelihood of the local population (Gumel, 2017). Notwithstanding the failure of small businesses, Gumel (2017) stated researchers had neglected small business sector. Therefore, there is not enough information for entrepreneurs to develop a plan for establishing, growing, and maintaining small businesses in Nigeria. The study presented information that can be utilized by small business owners and managers to develop strategies that will help establish, grow, and maintain small businesses successively. Establishing, growing, and maintaining small businesses successfully might be because of best business practice develop from the result of this study. Establishing, growing, and sustaining small businesses might result in a reduction of their mortality rate which will result in a reduced level of unemployment rate in the Nigerian economy. Reduce unemployment rate because of employing more citizens will result in reducing the level of poverty and economic development of Nigeria.
II. Purpose of the study

The paper presented the result of a phenomenological study that interpreted the phenomenon of establishing, growing and maintaining small business enterprises in Nigeria. Using the van Kaam method modified by Moustakas (1996) and open-ended interviews, data were collected and interpreted. The study explored factors that might affect the sustainability of small businesses in Nigeria including entrepreneurship, the organizational culture, learning organization, and leadership. The result of the study might help in achieving best business practice. The best business practice might be due to the significance of the result of the investigation in improving the leadership of small businesses and improve policies developed by authorities in the country.

III. Literature Review

The literature review visited essential findings from scholars about concepts covered earlier to avoid duplication. I reviewed literature from peer-reviewed scholarly articles on entrepreneurship, leadership, learning organization, and organizational culture to enable an understanding of the main findings of various scholars regarding establishing growing, and maintaining small business enterprises in Nigeria to ascertaining the views of other scholars regarding the outcome of this study.

3.1 Entrepreneurship and Small Business Enterprises

There are meanings given to entrepreneurship by many scholars. One of the recognized definitions stated, “entrepreneurship is the process of doing something new and something different for creating wealth for the individual and adding value to society” (Kao, 1993, p. 1). An entrepreneur can be defined as someone that accept a problem as an opportunity and act upon it (Popescul, 2017). George and Zahra (2002) also defined entrepreneurship as process and actions of individuals, organizations, societies, and regions to identify and pursue business opportunities with the aim of creating wealth. The theory of entrepreneurship originated from the work of Schumpeter (1982) where an entrepreneur was described as a new entrant into the marketplace with innovation. Entrepreneurship cannot be viewed in isolation of innovation. Innovation has been described as “the act that endows resources with a new capacity to create wealth,” where the entrepreneur strives to manage the innovation successfully (Drucker, 2014, p. VII). For a successful venture, there must be innovation that is purposeful, with entrepreneurial management, and strategies to achieve entrepreneurship (Drucker, 2014). According to Drucker (2014), innovation and entrepreneurship are two distinct disciplines each with distinct fair and straightforward rules. Both innovation and entrepreneurship are work that must be embraced by leaders of businesses to enable growth and sustenance particularly in the 21-st century turbulent business environment (Drucker, 2014). Entrepreneurship is about people and the choices they made when they commence business venture grow the venture and sustain it. The attributes of the enterprise include risk-taking, the autonomy the entrepreneur enjoys, and how entrepreneur become fulfilled with the venture. Size and type of business do not influence the entrepreneurship activities in business because such activities do happen at start-up, growth, expansion, transfer, exit, or regeneration of a venture (Wright, 2012). Therefore, entrepreneurship blend risk-taking, innovation and good business management in new and existing businesses (Wright, 2012).

The spirit of entrepreneurship revolves around the willingness of the entrepreneur to takes the risk and experiment an innovation in the form of new product or service and reap the benefit if the experiment is successful (Buchholz & Rosenthal, 2005). There is no guarantee an experiment will succeed, but the willingness of the organization to adapt to accepting innovation increase the chance of an organization to be a creator of competitive advantage with the flexibility to accepting change and reaping the benefit of change (Buchholz & Rosenthal, 2005). Novelty, creativity, sensitivity, and imaginations are the abilities that are required of an entrepreneurial moral decision maker to enable risk-taking and possible reaping of entrepreneurial benefits (Buchholz & Rosenthal, 2005). Similarly, passion for business, positive thinking, flair for entrepreneurship, skills for problem solving, skills for decision making, personal ethics, trust in people, vision, creativity, knowledge of business field, determination and perseverance, responsibility, and charisma and persuasion skills are qualities for an entrepreneur that succeed (Popescul, 2017). The difficulty to have one person with all the qualities itemized was stressed, but an organization can recruit or train an amalgam of people with the specified qualities for the success of a business idea (Popescul, 2017). Entrepreneurship training enhances the entrepreneur management skills and increases the chances of reaping the entrepreneurial benefit of a venture (Putta, 2014).

Quality of entrepreneur enables successful establishment and sustenance of small businesses. According to Shaoming, Stough, and Jackson (2009), what makes an entrepreneur succeed is his ability to innovate or create and employ people, and the growth and maintenance of small businesses depend on the quality of entrepreneurship. The quality of enterprise is determined by the success of a venture. Though, Shaoming et al. stressed there is the difference between quality and quantity of entrepreneurship. Quality focusses on the overall growth and development of new business, and growth is a product of creation of capital, human resource input, and knowledge conception (Shaoming et al., 2009). The quality of entrepreneurship...
focusses on economic activities leading to rural development which are measured through social and economic policies and guidelines (Shaoming et al., 2009), and the quality of entrepreneurship helps grow an economy through rural development. Entrepreneurship has become relevant to policymakers particularly in developing economies because of a role in growing the economies (Cuevas, Carrasco, & Soriano, 2009). Most of the small businesses that grow ventures with entrepreneurship capacities enhance the generation of affluence (Cuevas et al., 2009).

Entrepreneurs participate in more complex roles and responsibilities than managers of organizations because of involvement in managerial, entrepreneurial, and functional roles. Because of the complexities of the entrepreneurial tasks, the competencies of entrepreneurs need to be investigated to ensure an increased success of small and medium enterprises. In Nigeria, the rate of small businesses is high, because 80% fail within the first five years despite SMEs employed over 80% of the country’s workforce (Adebisi & Gbegi, 2013). Therefore, entrepreneurship is an avenue of equipping the capacities of entrepreneurs with the competencies that will enable them to manage the complex tasks of establishing, growing, and maintaining small and medium enterprises in Nigeria (Ahmad, Halim, & Zainal, 2010).

3.1.1 - Entrepreneurship and Innovation.

In 1942, Schumpeter’s creative destructive theory described entrepreneurship as the process of introducing new production methods and new products into the market which will replace old methods and procedure. The destructive theory makes entrepreneurship as a method of bringing change. Contrary to destructive theory, entrepreneurship is seen by Kirzner (1979) as a way of showcasing a discovery. According to Kirzner, the discovery of a new way of making profits is what is referred to as entrepreneurship. On another hand, Drucker (2014) and Knight (1921) described entrepreneurship as a process where person risk career and capital with the hope of making a profit. While an entrepreneur is a person that is willing to take the risk. The main concern of an entrepreneur is the sustainability of a new venture. According to Bromley (2008), sustainability involves the actions that will be taken presently and maintain the prospects of persons in the future will enjoy levels of wealth, welfare, utility or consumption if compared with present persons. For an organization to create a new market or be competitive with an existing one, originality and innovation play a role (Wright, 2012). A new venture idea becomes successful if there is a sound management practice that blends with the creativity (Wright, 2012). There is no direct relationship between small firms’ success and innovation management, but it was found that innovation management process of small businesses is systematic regardless of the level of the activities involved (Clark, 2010). Hui and Idris (2009) argued innovation is a key factor in business success in the 21st century business environment. It was stressed starts-ups that engaged in innovation have a higher chance of survival than non-innovative start-ups, and they achieve greater survival if they are engaged in both product and process innovations (Colombelli, Krafft, & Vivarelli, 2016). SMEs leaders must innovate to achieve success. Competitive advantages employed by business leaders to make trade-offs include less cost, speed, and quality of product or service (Hitt, 2015). It is imperative for leaders to develop a strategy that will meet the needs of customers which might include structural changes and or process to fit needs (McNamara et al., 2009). The business environments of small businesses are much more conducive to entrepreneurship and innovation that companies involved in the large-scale production, but require the commitment of stakeholders (Sahut & Peris-Ortiz, 2014). For small businesses to be competitive, they must embrace innovation and opt out of obsolete products and service and old processes (Madrid-Guijarro et al., 2009). The task for small businesses is to embrace management of innovation with an increased entrepreneurial climate (Fairoz, Hirobumi, & Tanaka, 2010). The idea is for small business leaders and managers to embrace competition by using innovation as products and processes. Several factors impact positively on entrepreneurship and innovation which include a monetary policy of a country and the social climate (Galindo & Méndez, 2014). It was established that economic activity in a country promotes innovation and entrepreneurship, and both entrepreneurship and innovation enhance the level of economic activities of a country (Galindo & Méndez, 2014).

Leaders of small businesses should embrace developing innovative products and processes and avoid promoting obsolete products and processes to be successful. Because innovation and entrepreneurship will spur survival of small businesses, which will reduce the rate of failure of small businesses in the Nigerian economy. With more successful small businesses, more citizens will be employed which will result in economic activities in the Nigerian economy.

3.1.2 - Contribution of Entrepreneurship to growth of an economy.

The performance and success of small businesses in any economy are demonstrated by the growth of the businesses. Obiwuru et al. (2011) stated its growth measures performance and success of the small business. Storey (1994) identify three factors that influenced the growth of small businesses. The three factors identified include personal resources of the owner which need to be identified before the commencement of the venture,
the aspects of the business (age, size, and legal form), and strategic choices of the owner/entrepreneur (Lappalainen & Niskanen, 2009).

SMEDAN (2013) stressed the existence of SMEs in Nigeria help the economy to be healthy. Cuevas et al., (2009) stated SMEs contributed to an economy in the following ways: export, innovation and creativity, and the recognition of efforts needed to support small business entrepreneurs. Entrepreneurship helps small businesses to make meaningful contributions to an economy through provision of employment and poverty reduction (Ademola & Michael, 2012), innovation and competitiveness (Cuevas et al., 2009). Therefore, entrepreneurship contributed to the economy through provision of employment, reduction of poverty, increases innovation, increases export opportunities, increases competitiveness, and make an economy healthy.

There are four types of entrepreneurship activities measured using the total entrepreneurship activity (TEA): necessity TEA, high growth potential TEA, opportunity TEA, and overall TEA (Wong, Ho, & Autio, 2005). Among the four type of entrepreneurship activities, only high growth potential is believed to have an impact on the economic growth of a country (Wong et al., 2005). Thus, only new small firms that are growing fast create new jobs in an economy (Wong et al., 2005). Another study found when owners/managers and new entrepreneurs of small businesses are engaged in entrepreneurship activities, it affects the economic growth of the country, and the impact depends on per capita income level in the country (Van Stel Carree & Thurik, 2005). Entrepreneurship has varying roles for countries which depend on the economic development stage of a country (Van Stel et al., 2005). In Nigeria, it was found entrepreneurship has been the contributor of balanced regional development, economic growth, and provider of employment to teaming citizens (Oyelola, Ajiboshin, Raimi, Raheem, & Igwe, 2013). Similarly, Adeoye (2015) found entrepreneurship in Nigeria like developed economies contributed to the economic growth of the country through the generation of employment to the citizens.

3.1.3 - Entrepreneurship Challenges in Nigeria

Owners/managers of the new venture and entrepreneurs must strategize and deal with customers, suppliers, employees, competitors, government authorities, and stakeholders within and outside an industry (Ahmed et al., 2010). Researchers, policymakers, and professionals are working round the clock to develop the strategies that will sustain the survival of small businesses (Ahmed et al., 2010). Despite the identified impact of entrepreneurship on the Nigerian economy, there is no enabling business environment for fast new venture growth (Oyelola et al., 2013). Part of the business environment challenges negating entrepreneurship development include multiple taxations, bad roads, frequent power outages, lack of political will to support entrepreneurship growth, and expensive communication and transportation (Oyelola et al., 2013). Similarly, Ofili (2014) itemized the challenges facing entrepreneurship in Nigeria as follows: i) power state of power supply, ii) less availability of skilled labor, iii) multiple taxation, iv) inadequate access to capital, v) inability to practice corporate governance, vi) fluctuation in government policies, vii) high cost of starting a venture, viii) unhealthy competition without government interventions, ix) economic inequality among citizens, x) high level of corruption, xi) bureaucratic bottleneck in government agencies regulating entrepreneurship, and unfavorable government policies (Ofili, 2014). Apart from the need to propagate entrepreneurship and innovation education, Nigerian government needs to do enough in infrastructural improvement to support entrepreneurship drive in the country (Oyelola et al., 2013). Similarly, Ofili (2014) stressed the need to equip the educational system, financial system, judicial system and government institutions toward promoting entrepreneurship in Nigeria. Duru (2011) stated three ingredients that will facilitate entrepreneurship activities and opportunities in Nigeria: focus on creating a vision, an entrepreneur should use strength, and to identify market and what are the needs of the market. Although Nigerian government has created institutions that intervened in providing financing to entrepreneurs, there is still a high rate of failure of entrepreneurial activities (Inyang & Enuoh, 2009). A study confirmed the missing link leading to failure of entrepreneurial activities in Nigeria as lack of entrepreneurial competencies which are those knowledge, skills, and attitudes needed by an entrepreneur to enable successful management of a new venture (Inyang & Enuoh, 2009). Inyang and Enuoh (2009) found the entrepreneurial competencies as the critical success factors of an entrepreneur. Authorities should design policies that will promote entrepreneurship education to enable gaining entrepreneurial competencies that will result in sustained new ventures in Nigeria.

3.1.4 - Entrepreneurial Intention

People do not start new ventures based on their reflex. People usually respond to certain conditions around them to start a new venture like availability of market, competencies, and capital. People convert opportunities around them into a successful new venture (Krueger JR, Reilly, & Carsrud, 2000). According to Krueger JR et al. (2000), the intentions of an entrepreneur have proven to be an excellent way to predict the behavior especially if the behavior is rare, difficult to observe or have time lags that are unpredictable. For the new venture to emerge, it requires careful planning, and Katz and Gartner (1988) found the type of planned behavior is entrepreneurship. A study described personal attitude together with behavioral control as factors that
are relevant when explaining entrepreneurial intentions (Liñán, Rodríguez-Cohard, & Rueda-Cantuche, 2011). Since entrepreneurship education has been described as the factor that increases entrepreneurial attitudes, countries should develop policies that will promote and develop intentions and attitudes towards entrepreneurship (Linan et al., 2011). Therefore, entrepreneurial intentions of citizens of a country can be evaluated based on entrepreneurial education policies and programs (Linan et al., 2011). Another study revealed entrepreneurship education could be promoted in the early life of the citizens (Obschonka, Silbereisen, & Schmitt-Rodermund, 2010). Similarly, a study revealed as the age of employees increases, their entrepreneurial intention decreases, but gender, previous entrepreneurship experience, and entrepreneurial education increases the level of entrepreneurship intentions (Hatak, Harms, & Fink, 2015). There are higher average entrepreneurial intentions in men when compared with women, but cannot explain the difference of starting a business between the two genders (Haus, Steinmetz, Isidor, & Kabst, 2013). It was also revealed leadership and person with parents with entrepreneurial experience has no impact on the entrepreneurial intention (Hatak et al., 2015).

Two types of emotional intelligence affect entrepreneurial intention: regulation and utilization emotions and both positively affect entrepreneurial self-efficacy (Mortan, Ripoll, Carvalho, & Bernal, 2014). The self-efficacy is a mediating factor between emotional intelligence and the intention of a person to become an entrepreneur (Mortan et al., 2014). On risk aversion, a study established no relationship with entrepreneurial intention: risk aversion decreases entrepreneurial intention indirectly via planned behavior determinants (Zhang & Cain, 2017). A study revealed entrepreneurial intention is affected positively by perceived opportunity by perceived capability (Tsai, Chang, & Peng, 2016). It was also determined the age of an entrepreneur affect relationship between entrepreneurship intention and perceived opportunity negatively (Tsai et al., 2016). Tsai et al. stated the impact of the effects varies from one country to another. Short term risk-taking, behavior control, and social norm are associated positively with the entrepreneurial intention (Zhang Wang & Owen, 2015).

A study on Nigerian University students revealed both entrepreneurial skills and orientation are factors that contributed to entrepreneurial intentions of Nigerian students (Ibrahim & Lucky, 2014). Using the entrepreneurial orientation moderating effects, a relationship was not established between environmental factors and entrepreneurial intentions (Ibrahim & Mas’ud, 2016). Therefore, Nigerian government should consider entrepreneurial education policies to include the provision of conducive entrepreneurial environment apart from an excellent entrepreneurial orientation and entrepreneurial skills to entrepreneurial students as it contributes positively to entrepreneurial intentions (Ibrahim & Mas’ud, 2016). It was also established the personal traits of entrepreneurial students has more impact on entrepreneurial intentions than work values (Espíritu-Olmos & Sastre-Castillo, 2015).

3.2 - Leadership and Small Business Sustainability

According to Emale (2010), leadership plays a crucial role in planning strategically, achieving the organizational goal using established competitiveness, and obtain returns on invested capital. Traditional leadership styles are being replaced with people-centered leadership styles that focused on processes and operations that control assets (Puga & Martinez, 2008).

While authoritarian and laissez-faire leadership style creates problems that hinder team building, participative and transformational leadership styles are effective when building effective teams in an organization (McNamara, 2009). McNamara (2009) found managers and owners display a variety of leadership styles from micromanaging employees to allowing employees are working freely. Since small business managers apply different leadership styles to different situations, the selection of the right leadership style for a situation will be effective when trying to sustain small businesses (Suttle, 2010). The leadership styles that can be applied to managing small business include transformational, participative, organizational behavior, situational, and contingency.

Transformational leadership style gives attention to the effect of leadership and the charismatic aspect of leadership (Northouse, 2013). It involves the process of changing people within an organization and transform them by treating them as full human beings to achieve organizational goals (Northouse, 2013). Transformational leadership includes “assessing followers’ motives, satisfying their needs, and treating them as full human beings” (Northouse, 2013, p. 161). A study indicated a positive relationship between transformational leadership and employee job satisfaction (Medley & Larochelle, 1995). Guzman (2017) stressed leaders that use communication to motivate employees by focusing on bigger picture are transformational leaders. McKinney (2009) found five characteristics of successful small business leaders, and include: leadership by example, build relationships and skills, have a positive leader-follower relationship, identify business environmental change and implement appropriate changes, and have knowledge of employees of the organization. The five characteristics exhibited by small business leaders are all transformational leaders’ characteristics (McKinney, 2008). There is a positive relationship between transformational leadership style and performance (Matzler, Schwarz, Deutinger, & Harms, 2008). The management of SMEs is difficult (Marcketti & Kozar, 2007). Matzler et al. (2009) stressed transformational leadership style is relevant to SME management.
as it will improve innovations and performance of the organizations because it will apply to new product and procedure development and staff development. Similarly, Bodla and Nawaz (2010) found motivational and inspiring attitude with transformational leaders. Therefore, small business leaders with transformational leadership characteristic inspire and motivate others and are relevant to establishing, growing, and maintaining small businesses in Nigeria.

Suttle (2010) stressed participative leadership style build effective teams. Major characteristics of participative leadership style are that it supports individual entrepreneur to inspire others towards collaborating to build effective teams (Darling & Leffel, 2010). Participative style enabled effective building departments, divisions, and branches which resulted in coordinated teams that achieved the desired progress of an organization (Suttle, 2010). Participative leadership style resulted in an organized small business that is creative and productive (Suttle, 2010). Therefore, small businesses should focus on the participative style of leadership when they are building teams as departments, division, and branches for creativity and productivity.

According to Guzman (2010), the behavior and traits exhibited by a leader are characterized by the situation, and the best way to lead is by exhibiting behavior and trait based on the leadership situation. Therefore, best leadership style depends on the situation (Northouse, 2013). It is effective to use authoritarian leadership style when a company is in crisis, but the democratic style fits a company’s everyday operation (Northouse, 2013). In an organization with qualified and knowledgeable employees as followers, leaders inspire them to accomplish desired goals (Northouse, 2013). While large organizations require competent leaders who are supported by the environment, Guzman recommends small businesses to develop effective leaders.

According to Barzilai (2010), the organizational theory is the act of studying the organization to identify themes that will solve problems, increase productivity and efficiency for meeting the needs of stakeholders of an organization. Barzilai stated organizational transition theory involve identifying and solving the challenges that an organization meets when expanding the business. Solynossy and Penna (2001) stressed difficulties occur when expanding small business regardless of country, type of business or culture in the organization. Small businesses in Nigeria fail within the first five years because of many challenges confronting them (Adebisi & Gbegi, 2013; Ademola & Michael, 2012; Gumel, 2017).

3.3 - The Culture in Small Business Organizations

Organizational culture is the way people understand the day to day way of life in an organization (Nafukho, Graham, & Muyia, 2009). Culture in an organization is about the stakeholders’ pattern of behavior. Nafukho et al. (2009) stressed the culture of an organization constitute the structure, environment, and atmosphere which motivate learning of policies, laws and the cultural direction of an organization. Culture has the value of absorbing the development of the capacity of an organization (Khoja & Maranville, 2010). For organizations to establish capacities which incorporate knowledge, there is the need for enough investment of resources in the area.

Organizations have varying culture, indicating no culture can be adopted by all organizations (McNamara et al., 2009). It was found the internal culture of an organization must be in alignment with the external environment. Otherwise, such environment is likely to be subdued. Effective culture enabled integration within an organization and solve external problems, (Wright, 2012). Organizations that were successful manage change by introducing new cultural values that enhance their competitiveness. Four new cultural values were usually introduced by successful organizations: flexibility, responsiveness to customers, learning, and progress in the processes. In developing countries, e-commerce adoption by SMEs is low (Gumel, 2017). Leaders of SMEs should focus on adopting e-commerce as it will increase their competitive advantage (Thulani, Tofara, & Langton, 2010; Gumel, 2017). Ways of improving innovativeness of SMEs is by implementing innovative culture (Cakar & Erturk, 2010). The innovative culture to be implemented must be in line with innovative thinking and behaving because it will enable the use of new ideas that will improve management performances (Cakar & Erturk, 2010). Therefore, leaders of SMEs establish behavior and culture that propelled innovation in an organization. Leaders of SMEs established a relationship with government, businesses, and societies by using cultural intelligence (Ang & Inkpen, 2008). Cultural intelligence help organizations to leverage their cross-cultural abilities and increase their performances in forming strategic alliances (Yetmen, 2013). Cultural intelligence is a tool for leaders of SMEs to interact with other cultures and accomplish goals (Ang & Inkpen, 2008). A study by Carranza and Egri (2010) found cultural intelligence improve the commitments of employees and organizational reputation, but it has no impact on the financial performance of SMEs.

3.4 - Learning Organization in Small Businesses

Learning has been described as an important resource for the growth of business (Lee & Chan, 2007). According to Fard et al. (2009), learning contributed to the development of individuals and organizations. Senge’s (1990) learning organization theory focus on individual and organizational learning efforts. Animosity
among employees resulted due to the learning disabilities of an organization which resulted in low sharing of knowledge (Senge, 1990). The learning organization culture evolves and is usually integrated into the functional areas of an organization. The learning culture continually changes, and where the learning environment is balanced, the changes is a shift on a continuum which is unlimited (Fard et al., 2009). Organizational effectiveness has a weak positive impact on the commitment of the organization, and leaders of SMEs can practice learning organization to influence the effectiveness and commitment of an organization (Tseng, 2010). Part of learning organization practice that will help SMEs is the use of research and development by leaders. Menkhoff and Wah (2008) found SMEs use new technologies to deal with challenges. It is crucial for leaders and owners of SMEs to stop the use of old technologies and embrace the use of new technologies to be competitive.

Learning organizations change the fortunes of SMEs and thus is significant in their survival (Argyris & Schon, 1996). Learning improves knowledge which results in new frameworks and additional details (Sardana & Scott-Kemmis, 2010), where the path of learning is dependent upon cognitive framework and experience of the entrepreneur (Wright, 2012). Learning involves formal education, experience, training and mechanisms used by entrepreneurs used as secondary sources of learning (Pittaway & Cope, 2007). It was found leaders of SMEs must promote the practice of organizational learning for the success of the businesses (Nafukho et al., 2009). The internal and external collaboration and evaluation processes are important to learning organizations. The development of operational processes that are effective and provision of enough resources by leaders of learning organizations is essential in an organization (Wright, 2010). For the success of SMEs with less than optimum resources, the flexibility of leaders is important and must provide employees guidelines for performance (Nafukho, 2009). Most SMEs leaders do not embrace formal organizational learning which resulted in inadequate information about the infrastructure of the organizational learning (Nafukho, 2009). Organizational learning improves the performance and excellence of an organization.

The literature review revealed entrepreneurship is an important aspect the lead to SMEs contribution to the economic development of a nation. It also shows the innovative abilities of SMEs leaders contributed to the atmosphere of entrepreneurship activities in organizations. The review of related literature also suggested application of right leadership style for appropriate situations to enable SMEs successes. It was also revealed that there is the need for SMEs leaders to develop an innovative culture in their organizations as it will result in innovative thinking and innovative behavior which eventually will lead to a continuous competitive advantage. Small businesses leaders should establish an innovative culture for growth and maintenance which will result in best management practice that will eventually lead to success. The literature review also revealed learning organization practice by leaders of SMEs is what make them succeed by realizing committed employees and effective organization. The reviewed literature shows entrepreneurship, organizational culture, leadership, and learning organization were essential to the sustenance of small businesses in Nigeria. It shows, small businesses create jobs through entrepreneurship, appropriate leadership style enabled application of best management practice for success, adoption of innovative culture enabled sustainability and learning organization focus on the commitment of employees and effectiveness of an organization.

IV. Methodology

The qualitative phenomenological study explored the meaning and interpretation starters of small businesses in Nigeria attributed to the phenomenon of establishing, growing and maintaining small businesses in the economy. The approach was appropriate because the intention was to explore the interpretation of a phenomenon (Creswell, 2014). Qualitative research approach enabled me to understand the reason for the phenomenon explored in the study. (Creswell, 2014). The use of quantitative approach enabled me to understand the experiences of participants in more detail because, qualitative study enabled collection of more detailed data that quantitative approach (Weinreich, 2006). The phenomenological approach enabled me to understand the life experiences of the participants (Zenobia, Chan, & Chien, 2013). The phenomenological approach enabled the interpretation of the meaning attached by each of the participants to the data collected (Patton, 2002). Heuristics research design was adopted for the study because it enabled me to use my life experiences and perceptions to explore the phenomenon under study and allows the interpretation of a practice used by participants on a daily basis (Patton, 2002). With the phenomenological design, the data collected was empirically interpreted which resulted in understanding the individual participants meaning of the interpretations (Moustakas, 1996; Patton, 2002). Using purposeful sampling technique, 25 small business leaders and owners were selected from five emirates of Jigawa states across five sectors (five from each emirate, and five from each sector) agricultural, construction, manufacturing, wholesale and retail, and transportation. Leedy and Ormrod (2013) stressed typical qualitative phenomenological study recruit 10 to 25 respondents with experience on the phenomenon under study. Five participants were selected from each of the five emirates of Jigawa State Nigeria (Hadejia, Kazaure, Gumel, Ringim, and Dutse Emirates). The 25 participants responded to interview questions on their experiences on challenges and strategies of establishing, growing and maintaining
small business enterprises in Nigeria. The use of purposeful sampling enabled the identification of the businesses in focus and the participants that are knowledgeable enough and answered the research questions (Otuka Preston & Pimenidis, 2014; Suri, 2011). That is why qualitative phenomenological approach was adopted because it will use a small number of participants who are experienced, and all participants met the criteria outlined to respond to the research questions (Patton, 2002). The goal of the study was reached because I understood and interpreted the meaning participants attached to starting new businesses, growing small businesses, and maintaining small businesses in Nigeria.

Open-ended questions were used to collect data from the 25 participants using a digital recording device. Each participant spent between one and a half and two hours answering the research questions. Leedy and Ormrod (2013) stated qualitative phenomenological study involved an extended interview with participants that were carefully selected. I used semi-structured questionnaire throughout the interview process. Bloomberg and Volpe (2008) asserted the use of interview questionnaire enabled a researcher to gather detailed information.

The data was transcribed and confirmed by the participants by sending a copy to each of the participants. Confirmation of transcribed interview by participants was to ensure data collected reflected the actual proceedings of the interview (Gumel, 2017). Using thematic analysis, the data was analyzed, and findings were revealed. Using the Moustakas modified van Kam seven methods of data analysis the data collected was analyzed. The seven methods include: data horizontalized, eliminated and reduced irrelevant constituents, clustered themes with relevant meanings, data validated, textual description created, the structure of description was created, and textual, the structural description was created (Moustakas, 1996).

4.1 - Research/Interview Questions

The research question was coined to determine the participant's experiences about the establishing, growing, and maintaining small businesses in Nigeria being the central phenomenon for this study. The central research question for the study was: what are the interpretations of establishing, growing, and maintaining small businesses by the owners/leaders in Nigeria as reflected in their experiences?

To answer the central research question, four sub-questions were formulated which also serve as open-ended interview questions for the study and are as follows:

4.1.1 What are the perceptions of owners/leaders of small businesses on which entrepreneurship role contributed to the establishment, growing and maintaining of small enterprises in Nigeria?

4.1.2 What is the perception of small business owners/leaders on which leadership style contributed to the successful establishment, growing, and maintaining small businesses in Nigeria?

4.1.3 What are the perceptions of small business owners/leaders on which organizational culture is contributing to the establishment, growing, and maintaining of small business enterprises in Nigeria?

4.1.4 What are the perceptions of small business owners/leaders on which learning organization is contributing to the establishment, growing, and maintaining small business enterprises in Nigeria?

There is an exceptional importance which entrepreneurship play in establishing, growing, and maintaining small business enterprises (Islam, Khan, Obaidullah, & Alam, 2011), because they provide the required competencies for small business success which makes sub-question one crucial for the study. According to Emale (2010), leadership is vital to business because it formulates policies both operational and strategic plans, use competencies to achieve strategic plans, gains returns on investments. Therefore, understanding the perception of owners/leaders on which leadership style fits establishing, growing, and maintaining a small business in Nigeria make question two necessary for the study. Organizational culture shapes the capabilities of an organization to become successful. Thus, question three investigated the perception of owners/leaders. Cakar and Erturk (2010) stressed SMEs owners/leaders enhanced innovation through the implementation of a culture of innovation, have a standard empowerment procedure, and make innovation culture as a standard for behaving and thinking in the organization. There is a rapid change in the 21st-century business environment. Therefore, owners/leaders must keep to the expectations to survive in the competitive environment, and learning remains vital to the survival (Fard, Rostamy, & Taghiloo, 2009). Thus, question four on learning organization explored owners/leaders’ perception of learning to establish, grow, and maintain SMEs in Nigeria. The participants were coded 1 to 25 with the view of protecting their privacy and safeguarding their identity. Each of the participants understood their safety is paramount. Thus, the data collected will be stored in my personal computer for five years and will be destroyed.

4.2 - Validity, Credibility, and Reliability of the Study

According to Bloomberg and Volpe (2008), in a qualitative study credibility is related to validity, generalization is how to transfer the study while dependability of the study is the reliability of such a study,
Transferability is by evaluating the information provided in this report to see whether it is adaptable to each unique situation (Wright, 2012). Where the report is not adoptable in a unique situation, a repeat of the study in such case will enable generalization (Creswell, 2014). Using a panel of business experts, I conducted a pilot study to ensure the validity of the interview questions to collect the right data for the study. The pilot study came up with suggested corrections that affirm the desirability of the interview questions. Creswell (2014) suggested a pilot study is an excellent way of testing the validity of a study. The pilot test suggested the interview questions were precise and were corrected which were used and collected the data for the study. Triangulation of the interview questions among the participants was done which ensured the validity of the study (Creswell, 2014). The transcribed interview was revised by respondents which ensured the data was dependable. Member checking was carried out by sending the result of the study to participants which shows it agreed with the data they provided during the interview. Member checking ensured the quality of the study, the credibility and validity of the study. I reached data saturation during the interview process by making sure that participants started to repeat answers. Data saturation is when a researcher will not be able to collect new data during an interview (Walker, 2012). I also ensured participants selected for the study were knowledgeable enough to give credible data for the study, because, data saturation is possible when participants of an interview are knowledgeable on the questions (O’Reilly & Parker, 2012). Participants that have interest in the study were selected which ensured the credibility of the study (Sirriyeh, Lawton, Gardener, & Armitage, 2012).

V. Theoretical Framework of the Study

There are various definitions of entrepreneurship, and one of the accepted definitions stated, “entrepreneurship is the process of doing something new and something different for creating wealth for the individual and adding value to society” (Kao, 1993, p. 1). George and Zahra (2002) also defined entrepreneurship as process and actions of individuals, organizations, societies, and regions to identify and pursue business opportunities with the aim of creating wealth. Entrepreneurship encourages innovation and develops marketing capabilities which resulted in sustained competitive advantage (Hitt, 2015). Entrepreneurs with SMEs growth intentions ensure success by discovering the right opportunities (Islam et al., 2011), and entrepreneurs address problems actively and boldly (Lee & Hsieh, 2010). Entrepreneurs explore innovation from many sources including those that emanated from changes in the environment and use them successfully for the growth of the organization (Lee & Hsieh, 2010). Because SMEs are important to the growth and development of a country’s economy, the owners/leaders must utilize the right leadership style which is essential to the management of the businesses (DeCaro, DeCaro, & Bowen-Thompson, 2010). Therefore, leadership remains an essential ingredient to effectively manage changes in an organization (McNamara, Watson, & Wittmeyer, 2009). Emale (2010) stressed the importance of leadership in formulating strategic plans, achieving the goals of the business, and obtaining returns on investment. Owners/leaders of small businesses use different leadership styles. Emale found managers of SMEs using participative and transformational leadership styles. McNamara (2009) found Laissez-faire and authoritarian leadership styles negating teamwork in small businesses. Transformational, situational, organizational behavior, participative, and contingency leadership theories are the framework of this study because managers should apply each style to different situations.

Using transformational leadership, managers encourage followers to be above selfish interest (Kreitner & Kinicki, 2013; Robbins & Judge, 2010), while participative leadership influences teamwork (Suttle, 2010). The motivational and intellectual ability and charisma of small businesses leaders propel the business to deal with challenges and are all aspects of transformational and transactional leadership style (Obiwuwu, Okwu, Akpa & Nwankwere, 2011). Therefore, transformational leadership and participative styles are suitable for small businesses that need collaboration for effective teams. Managers require the knowledge of organizational behavior (Kreitner & Kinicki, 2013), situational, contingency, and transitional theories (Northouse, 2013) to face the challenges of environmental changes. Contingency and situational leadership theories based the behaviors of leaders on the situation of the organization, and effective leadership depend on the situation (Northouse, 2013).

Organizational culture can be defined as “complex set of values, beliefs, assumptions and symbols that defined the way in which a firm conducts its business” (Barney, 1986; Büschgens, Bausch, & Balkin, 2013 p. 766). The culture of an organization provides the framework by which members share knowledge through their behavior, values, norms, attitudes, and expectations (Barzilai, 2010). The assumptions of members of an
organization drive their behaviors (Schein, 2010), and organizational cultures establish the identity of the members of an organization thereby influences their comfort (Barzilai, 2010). It was stressed by Barzilai organizational culture shape the member's communication and interaction, stabilize process, and maintain status quo of an organization. Therefore, the organizational capabilities highly depend on its culture and positive elements of culture encourage innovation while negative elements negate innovation (Çakar & Ertük, 2010).

The business environment in the 21-st century is faced with rapid changes and organization must adapt to the ever-changing environment to remain competitive (Fard et al., 2009; Hitt et al., 2015). To adapt to the changing environment entities at both individual and organizational level must engage in continuous learning (Fard et al., 2009). Learning is defined by Senge (1990) as the process of improving the competencies of an enterprise where he proposed five disciplines of learning organizations. The five disciplines include establishing a shared vision, members mastery on a personal level, mental models, mental models that are shared, and commitment to establishing system approach (Senge, 1990; Senge, Smith, Kruschwitz, Laur, & Schley, 2010). Individuals entrepreneurs learn through formal education, experience, and on the job training which helps them understand technological disruptions, social sector information, and information about local market to enable positioning of product (Holcomb, Ireland, Holmes, & Hitt, 2009; Pittaway & Cope, 2007).

The study was based on entrepreneurship, leadership, organizational culture, and learning organization theories framework and investigated the perception of owners/leaders on establishing, growing, and maintaining small business enterprises in Nigeria.

VI. Findings of The Study

The central phenomenon of establishing, growing, and maintaining small business enterprises in Nigeria is important to the role small business played in the provision of employment opportunities to the citizens. Therefore, understanding and interpreting the meaning entrepreneurs and leaders attached central phenomenon of establishing, growing, and maintaining SMEs will enable understanding the strategies of increasing sustained SMEs in Nigeria. Small businesses in Nigeria provided 97% of job opportunity in the economy (Shehu et al., 2013), and employed over 80% of the countries workforce (Ademola & Gbegi, 2012). It was established, the decline of establishing, growing, and maintaining small businesses in Nigeria (Wright, 2012). It was revealed, few small businesses grow into established Organizations (Lawrence, 2010).

6.1 - Findings as it Relates to Entrepreneurship and Entrepreneurs:

   a) There are five qualities of an entrepreneur identified in the study: creativity, hardworking, driven by growth, innovative, and must have practical experience. This conformed with George and Zahra (2002) definition of entrepreneurship which stated individuals, organizations, societies, or regions discover and pursue opportunities for business to creating wealth.

   b) Leaders of SMEs contributed to the growth and sustainability of an organization by discovering and utilizing opportunities for business that will contribute to the economy.

   c) The role of entrepreneurs is vital to establishing, growing, and maintaining small businesses in Nigeria. Therefore, it conformed with the findings of Al-Wugayan and Alshimmiri (2010) where they stated entrepreneurship played an essential role in economic growth of an economy through job creation to citizens.

   d) Entrepreneurship ensured the success of SMEs through effective and efficient planning, research, and development. Over 80% of the entrepreneurs that participated indicated effective planning contributed to the business success. The participants further stressed leaders/owners of SMEs must conduct feasibility studies, develop a business plan, conduct effective market research, and implement the plan and findings of the research to ensure the success of their businesses. This aligned with the findings of Islam et al. (2011) which stated the success of SMEs depends on the abilities of leaders/owners to discover an opportunity and take full advantage of the opportunity.

   e) Entrepreneurship contributes to SMEs and country’s economy by solving services, and products industries problems which aligned with Lee and Hsieh (2010) were they stated entrepreneurs make decisions that are bold in solving problems.

   f) Entrepreneurship is perceived to contribute to the capabilities of owners/leaders of SMEs to deal with external threats such as competition, regulations, economic uncertainty, etc. Lee and Hsieh (2010) suggested entrepreneurs create normal situations, identify opportunities and environmental changes, and explore innovative sources which ensured the success of businesses.

6.2 - Findings as it relates Leadership
a) Leaders contributed to the sustainability of SMEs by building effective teams, application of leadership style based on the situation, sustaining performance, and ensuring a balanced internal environment.

b) SMEs become successful under leaders that practice style of team building with a participatory approach where the environment is opened to all. This aligned with Obiwuru et al. (2011) where they found SMEs succeed when their leaders practiced transformational leadership style and aligned with the finding of McNamara (2009) which stated SMEs fail under authoritarian and laissez-faire leadership styles.

c) Leaders of SMEs should have balanced the internal forces of their organization and also devise ways of improving the performance of the organization through meeting the expectation of employees, balancing work and home relations, and create enough time to be in office. These are in conformity with the findings of McNamara (2009) that stressed organizational changes need effective leaders to manage it successfully.

d) Promotion of productivity and creativity in SMEs is successful under an appropriate leadership. Thus, the study suggested a flexible and decisive leadership that is considerate and success-driven for establishing, growing, and maintaining a small business in Nigeria. These confirmed with findings of Suttle (2010) that stated an appropriate leadership style should be applied to SMEs to achieve the desired result. Therefore, the participant's perceived leaders played a critical role in establishing, growing, and maintaining small businesses in Nigeria where they encourage, guide, and participate.

6.3 - Findings as it Relates to Organizational Culture

a) The findings revealed owners/leaders of SMEs tailored their organizational culture towards establishing a sustainable competitive advantage, sustainable operations, and identifying and implementing successful strategies.

b) The findings also revealed the capabilities of an SME to penetrate the marketplace by 50% played an enormous role towards building a sustainable business strategy which aligned with Cakar and Erturk (2010) finding where they stressed organizational culture help business leaders to develop the needed capabilities to succeed.

c) SMEs leaders enhanced their competitive advantage through the maintenance of high-quality products, provision of best services, establishing an excellent relationship with stakeholders, and establishing a marketing intelligence and awareness. It aligned with the work of McNamara et al. (2009) that successful organizations restructure according to prevailing cultural conditions which enhanced their competitiveness.

6.4 - Findings as it Relates to Learning Organization

a) Participants perceived SMEs benefitted from constant and continuous learning which contributed to their sustainability through continuous growth, competencies were improved, sources of knowledge improved, shared vision, supportive employees, exploration improved, creation improved, primary learning increased and improved, and improved mechanisms of entrepreneurs learning.

b) It was revealed leaders of SMEs adapt to the rapidly changing business environment which ensured their sustainability which aligned with Fard et al. (2009) findings which stressed owners and leaders of businesses must adapt to the ever-changing business environment. Therefore, SMEs leaders should beware of the changing pace of business environment and adapt quickly.

c) The study also revealed that for SMEs leaders to succeed, they must be current on the happenings of the Nigerian economy. The source of knowledge and the knowledge are essential to establishing, growing, and maintaining SMEs in Nigeria.

d) Owners/leaders/employees of SMEs were familiar with many sources of learning/knowledge including, newspapers, internet, seminars, workshops, reports, and publications to improve their learning. These aligned with entrepreneurs learn through formal education, training, experience, and other secondary sources of knowledge (Holcomb et al., 2009). Therefore, learning organization contributed to the establishing, growing, and maintaining small business organizations in Nigeria.

This study will help SMEs owners/leaders to improve the sustainability and resilience of their businesses. SMEs leaders can use the finding of the study to improve the responsiveness of their businesses. Entrepreneurs can broaden their knowledge of how others perceived establishing, growing, and maintain small businesses. They can also use the findings of the study to develop organizational culture, leadership style, and learning organization mechanism that will sustain their businesses. To new entrepreneurs, this study might serve as a guide of making them successful entrepreneurs. This study contributed to the body of knowledge of establishing, growing, and maintaining small businesses in Nigeria. The result of the study might be used by the government to develop program/policies that will advance the cause of new small business with the view of creating more jobs to grow the Nigerian economy. The study will improve best business practice among small businesses and entrepreneurs in Nigeria.
VII. Conclusion

The findings, therefore, revealed SMEs owners/leaders shows that the phenomenon under investigation is a practical concept and entrepreneurs were determined and committed to creativity, innovation, and understanding the purpose of business in Nigeria. Based on that, the study revealed that entrepreneurship ability played a role in establishing, growing, and maintaining of small businesses in Nigeria. It was also established that transformational and participative leadership is vital to the establishing, growing, and maintaining SMEs in Nigeria. It also shows that creative, innovative, and sustainability culture help establish, grow, and maintain small businesses in Nigeria. Finally, learning organization is an instrument of equipping owners, leaders, and employees of SMEs to acquire the competencies and capabilities on both constant and continuous basis to establish, grow, and maintain SMEs in Nigeria.

References

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