

DEVELOPING THE HUMAN CAPITAL FOR ENTREPRENEURSHIP CHALLENGES AND SUCCESSES

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Abstract

Entrepreneurship growth and successes would help lift Nigeria from the bottom ladder of development which she has found herself based on UNDP report from 2002 till date but entrepreneurship would never grow unless there is a deliberate effort on the part of Nigeria to/develop and reinvigorate her human capital through education, training, cultural dynamism, commitment, social interaction, leadership, attitudinal training, orientation etc. It is only when the human capital is harnessed; nurtured and developed can entrepreneurship and entrepreneurs have fertile soil to grow. Suggestions are also made on the way forward for entrepreneurship successes.

Keywords: Human Capital, Entrepreneurship, Education, Culture

1. Introduction

UNDP report (2002) rates Nigeria low in its human development balance sheet on various fronts ranging from education down to infrastructure.

Nigeria has become one of the poorest countries in the world. This is sad indeed and the reason for this sorry state of affairs is because Nigeria's human capital is being neglected and entrepreneurship is not deliberately encouraged and supported.

Without a well-nurtured, harnessed and developed human capital, entrepreneurship abilities and successes would not develop and grow and Nigeria would continue to lag behind in economic growth.

Ogbonifoh et al (1999) explains that entrepreneurship is an essential variable in any nation's economic growth and development. It is therefore true that the growth of a nation (country) depends on whether it has entrepreneurs and encourage entrepreneur and entrepreneurship successes depends largely on whether the human capital is being deliberately harnessed and nurtured to become entrepreneurially successful because entrepreneurs are born as well as made. Entrepreneurs are born because of inherent traits within them, which can be called human capital, but entrepreneurs are also made because of environmental issues (both harsh

as well as kind), which go to fire up the individual to become creative, innovative and committed towards realizing one's goals.

2. The Concept of Human Capital

We want to show through this paper that any nation, which fails to take care of its human capital, should just say goodbye to having entrepreneurs and entrepreneurship. It is when a nation takes care of its human capital that the human capital can develop and metamorphose into entrepreneurs so that entrepreneurship would manifest, grow and flourish and the nation would in turn develop economically.

Human capital are the talents, skills, competencies and other advantages which people possess, which can be put to better use to give organizations and nations more and more benefits. For example when an organization employs an individual, the organization does so because the individual has talents and skills which the organization wants to put to better use in order that the individual would add value to himself and to the organization.

Nigerian economic summit group (2000) cited in Obisi (2002) explains that human capital can be understood from the perspective of the populace that have acquired the relevance education and skills that can be put to positive use towards the development of the nation and the society and are being well remunerated for their work. In other words human capital represents the fundamental infrastructure for technological development and by extension, economic advancement.

The Nigeria economic summit further explains that the higher the human capital of a society is, the higher will be the potential for economic development. Sing-Young Lee (1996) cited in Obisi (2002) explains that Korea has no outstanding natural resources except her human capital which has been supremely important for the growth of the Korean economy and that is the major engine for entrepreneurs and entrepreneurship.

3. The Concept of Entrepreneurship

Utomi (2003) in his analysis of the malaise besetting the Nigerian economy lost his temper and explains that Nigeria has no entrepreneurs but businessmen and women.

Hill and McGowan (1999) explain that entrepreneurship is a process, which involves the efforts of an individual in identifying viable opportunities in a business environment and obtaining and managing the resources needed to exploit those opportunities. Vesper (1987) defines entrepreneurship as the art of operating on an exceptional way in a simplistic and plain manner.

What can be deduced from the explanations above is that entrepreneurs should have internal and external behavioural qualities to succeed. Such qualities would include creativity, innovativeness, energy and above all commitment. All these qualities are not easy to come by but can be developed through deliberate human capital formation and development strategies, which we would highlight in this paper.

Entrepreneurs generally need ideas and not money to succeed. Olson (1987) cited in Owualah (1999) identifies critical traits for entrepreneurs as follows.

- A keen sense for innovation - knowledge of what is important and what needs to be accomplished.

- A high tolerance for ambiguous, unstructured situations - In addition, he or she is more likely to be inclined to taking a long-term view of the materialization of his or her novel ideas.
- An intuitive and analytical ability - creative talents to discover connections not recognized or developed before and the capacity to follow them until they are realized.

Hill and McGowan (1999) further add that for entrepreneurship to grow, entrepreneurs need a combination of inherent personal traits, a propensity for creativity and innovation, a good understanding of relevant environmental issues, and appropriate managerial know how; after all, entrepreneurship is concerned with change and the entrepreneur is the major agent of change. Our contention is that all these traits and managerial know how which entrepreneurs and entrepreneurship need to succeed can be acquired and developed through a well contrived human capital formation and development strategies which are discussed below.

4. Education

Entrepreneurs need knowledge and knowledge can be acquired through education. People perish for lack of knowledge. Entrepreneurial abilities are the product of education.

Nigeria should invest strategically on educations so that her human capital can be developed which would in turn become entrepreneurs.

According to young lee (1996) cited in Obisi (2003) educational enthusiasm has enabled South Korea have highly educated people who are now entrepreneurs helping and supporting the Korea economy. According to Young lee, the more the populaces are highly educated, the more the entrepreneurs available in the country, which would reduce unemployment as more job, would be created. Obisi (2003) noted that through education, specific human capital abilities would be acquired which may include.

- Acquisition of conceptual knowledge, development of capabilities and development of skills, attitudes and orientation, which entrepreneurs would need to grow.

Educational institutions may take upon itself to reinvigorate its curriculum to impart knowledge which entrepreneurs would take advantage of. Well structural education curriculum and system would enable people develop system development abilities, decision making abilities, forecasting and prediction abilities and develop openness, and enterprise (risk taking).

5. Development of Dynamic Culture

Unless and until Nigeria develops an entrepreneurship culture, she would continue to suffer under the heavy yoke of economic stagnation. Entrepreneurship culture is needed because culture is rooted deeply in held belief Armstrong, (1996). As a result, orientation is also a key issue so that people would be attuned to the newer and better ways of doing things as a result of new orientation.

According to Schein (1984) culture is the pattern of basic assumptions that a given group or people has invented, discovered or developed in learning to cope with its problems of external adaptation and internal integration and that have worked well enough to be considered valid, and, therefore to be taught and passed on to new members as the correct way to perceive, think and feel in relation to those problems.

Obisi (1993) explains that the mental conditioning of the young people in many developing countries is such that they are willing to accept unconditionally and indiscriminately imitate an affluent or technologically advanced society, good or bad, right or wrong. He further says that the mind of the young and adult managers is prejudiced that whatever might have been enshrined and institutionalized in the old but living culture, must be wrong and bad if it is economically poor and technologically backward. The intellectual inertia compels them to believe that the paradise lost can be regained by imitating the technological advanced affluent culture. It is important to note that the kind of culture we need should not be superstitions but scientific to launch Nigeria to economic growth. A new cultural orientation is needed to make Nigeria believe in herself.

According to Armstrong (1996) culture can work for a people by creating an environment, which is conducive to performance improvement and management of change. This is important so that the old and ineffective way of doing things would give way to better and effective ways of doing things. He further says that culture can also work against a people by erecting barriers, which prevent the attainment of missions and visions of the people.

Culture can assist in galvanizing entrepreneurs and entrepreneurship, as it would convey a sense of identity and unity of purpose to members of the society. It can also facilitate the generating of commitment and mutuality and shaping behaviour by providing guidance on what is expected Armstrong (1996). Our culture should be such that would condone and sustain entrepreneurial skills by consistently influencing behaviour, attitudes and beliefs. It is when we imbibe entrepreneurial culture with conducive and inspiring culture can Nigeria come out of the entrepreneurship doldrums which Nigeria has found herself because we have become business men and women instead of entrepreneurs that create wealth.

Our values and norms, which make up a culture of people, must be such that encourage enterprise (risk taking), equal opportunity, competitive ability, innovation, commitment, faith and creativity. The truth is that a culture that is static and fails to embrace positive attitudes, values and norms would not harness and nurture entrepreneurship capable of uplifting Nigeria's economy.

6. Commitment

For entrepreneurship to grow and succeed, commitment on the part of all the stakeholders, people, government and other institutions is essential. According to Porter et al (1974) commitment is the relative strength of the individual's identification with, and involvement in, a particular endeavour. Porter et al explain that the following factors sustain commitment.

- A strong desire to remain part of the team.
- A strong belief in, and acceptance of, the values and goals of the group and a readiness to exert considerable effort to succeed in the endeavour Salancik (1977) explains that commitment is a state of being in which an individual becomes bound by his actions to beliefs that sustain his activities and his own involvement.

For entrepreneurship to grow in Nigeria, all the stakeholders should create a commitment strategy through enlightenment programmes by orienting people on the benefits of entrepreneurship. Training programmes through training centres would also form part of a commitment strategy.

7. Leadership

Leadership with a vision is needed to make entrepreneurs and entrepreneurship to grow. Leadership is the ability to influence others to achieve a goal. Leadership should be able to provide conducive environment for entrepreneurship to grow.

Zalenik (1992) explains that leadership work from high-risk positions, indeed often are temperamentally disposed to seek out risk and danger, especially where opportunity and reward appear high. Leaders are also concerned with ideas.

The issues raised above by Zalenik are critical to entrepreneurship success and should be encouraged at all levels in the society leadership has been the bane of entrepreneurship growth in Nigeria. The following leadership qualities and characteristics identified by Conger and Kanungo (1988) would nurture a fertile soil for entrepreneurship growth in Nigeria.

- Self-confidence.
- A vision.
- Ability to articulate the vision.
- Strong convictions about the vision.
- Behaviour that is out of the ordinary.
- Environmental sensitivity.

These qualities and abilities are desirable to sustain entrepreneurship.

8. Social Influences

Indeed social contacts can go a long way in uplifting entrepreneurship through family, work groups etc. Family should encourage each other to be creative, innovative and provide support when needed. There are many Nigerians with a lot of ideas but no support from families and society.

With family support, social contacts and individual perseverance people would be encouraged to become entrepreneurs and embrace entrepreneurship.

9. The way forward for sustaining entrepreneurship through human capital development

For entrepreneurship to grow in Nigeria, the human capital has to be developed:

- Government at all level must have deliberate policies to create a conducive environment for entrepreneurs and entrepreneurship to flourish.
- Social education and reworking of education curriculum at all level by making entrepreneurship compulsory from primary to tertiary level would help encourage entrepreneurship.
- Visionary leadership that would show good examples for others to follow.
- Re-orientation of the Nigerian mind to imbibe hard work, commitment and positive ideas.
- Building infrastructures that would support entrepreneurs realize their dreams.

- Provision of training centres and financial support to help entrepreneurs.
- Families should support their wards to embrace entrepreneurship and become entrepreneurs.
- Individuals should not allow handicaps and barriers to undermine their entrepreneurial spirit. They should remain focused and unyielding in realizing their entrepreneurship dream.
- Rewards and recognition to entrepreneurs and entrepreneurship should be encouraged.

10. Conclusion

Entrepreneurship can grow and be sustained only when the human capital is properly harnessed, nurtured and developed. Without a well-developed human capital, entrepreneurship would remain a distant dream.

The situation on ground show neglect to education, poor infrastructure, little social amenities, lack of visionary leadership, little or no recognition for entrepreneurs, lack of support for people with ideas. All these create barriers for entrepreneurship growth. Unless urgent and drastic steps are taken to remove all the issues highlighted above, entrepreneurship would not grow and Nigerian economy would remain in doldrums.

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