

The Dynamics of Entrepreneurial Emergence in Nigeria

Kola Subair, Ph. D
Department of Economics
Lagos State University, Ojo
Lagos State, Nigeria.

O.J.K. Ogundele, Ph. D
Department of Marketing
Lagos State University, Ojo
Lagos State, Nigeria.

ABSTRACT

Going by the neoclassical production function, entrepreneur is that part of labour efforts geared towards coordination of production activities. As such an entrepreneur creates the basis for production of goods and services and seeks to maximize the enterprise objectives. Thus entrepreneurship becomes a veritable factor that contributes to the dynamics of any nation's economic growth and development. It is therefore imperative that adequate entrepreneurial development must occur for Nigeria to witness sustainable development.

Attempts to understand the various forces that promote entrepreneurial organizations in Nigeria through the tests of some hypotheses generated the conclusion that future entrepreneurship development programmes must build multiple skills in the entrepreneurs. This is due to the fact that several factors influence the process of their emergence. For example, ethics plays vital roles in determining the dynamics of entrepreneurial development. Hence this paper concludes that ethics should be included in future courses on entrepreneurial development programmes.

Keywords: entrepreneur, emergence, training and development, Nigeria.

INTRODUCTION

The concern here is on the birth of organizations founded by the entrepreneurs. Emergence in this case means the coming into existence of an entirely new business organization. It is the conversion of an individual's business vision, or the crystallization of business ideas into a visible business unit, engaged in the production of goods or the rendering of services.

An entrepreneur, therefore emerges when an individual has successfully established a new visible and actively producing business organization.

All activities preceding and up to the point of first transaction that resulted in the exchange of goods and services operationally define emergence. This phase elapsed with the commencement of exchange of goods or services. What follows thereafter, are interlocking and interacting activities of behaviour and performance. On the other hand, dynamics has been used in this study to mean forces in operation which promote the coming into existence of entrepreneurial organizations.

RELATIONSHIP WITH EXISTING LITERATURES

The paths through which the entrepreneurs emerged varied with times and circumstances. Akeredolu- Ale (1975) in his discussion of the origins of the indigenous entrepreneurs, asserted that they had varied social, economic, childhood, adolescence, educational, occupational, urban experiences and backgrounds to mention but few. These experiences gave the potential entrepreneurs various exposures to possible investment opportunities which were capitalized upon in entrepreneurial practice. For Kimberly (1979) also, the birth of an organization is affected by a complex set of political, economic, social and psychological factors. Pennings (1982) however focused on the emergence of entrepreneur as the formation of new firms in relation to their environments rather than individual founders. It specifically explored the urban conditions that stimulated entrepreneurs in particular industries while also using urban metropolitan area as the unit of analysis. It sought to treat the urban environment as stimulating or impeding the entrepreneur's creation decision.

Cooper and Dunkelberg (1986) also analyzed the path to business ownership of some entrepreneurs. According to the duo, some of the sources of business ownership are through individual set up, purchasing of business, inheritance of the business or purchasing from the family members and promotion or incorporated by other owners.

The basic consideration is that the studies that focused on entrepreneurial emergence have carried out research on the background characteristics of entrepreneurs and considered how such background might be related to paths to business ownership. Other attributes usually associated with entrepreneurs' emergence include parental background, entrepreneurs' education, urban exposure and age.

Models of Entrepreneurial Emergence

Several processes of entrepreneurial emergence have been based on models articulated by different authors. In the fore front are Lessem (1983) as well as Bouwen and Steyaert (1990). Lessem (1990) for instance described the entrepreneur as an artist involved in the formation processes of a new business entity. According to him, there exists a relationship between the three core elements of the processes. These are the subject (the person), object (the business) and the product of the two (trade) as demonstrated in the diagram below:

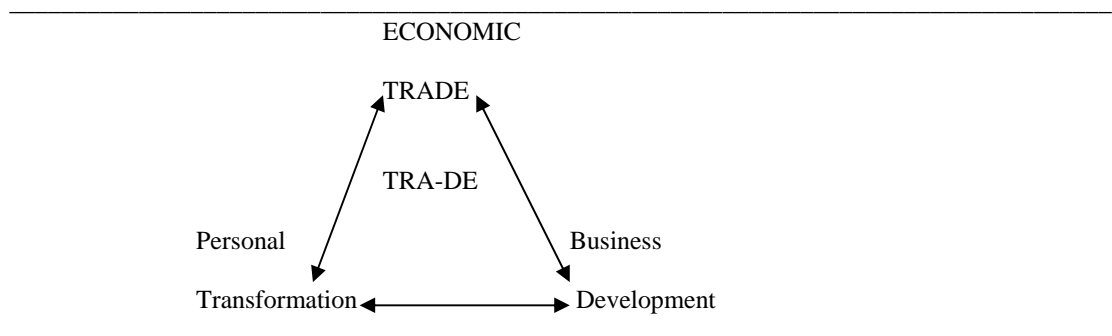


Figure 1: The Art of Entrepreneurship

Source: Adapted from Lessem (1983) "The Art of Entrepreneurship".

Trade in this sense is a set of activities where personnel transformation is correlated with business development. Lessem (1983) further stated that the entrepreneur as an artist needed people, information, money and material to cultivate the art of entrepreneurship by transforming these raw materials into finished product, a business. The entrepreneur achieves this by establishing mutually beneficial relationships. An important feature at this stage is that the entrepreneur does not create permanent or firm structures. There is room for flexibility since he gets associated with others to achieve his objective in the market. Hence the author concluded that "the work of art consists in a merger between self-expression and market forces by courtesy of mankind". The art of entrepreneurship combines motivation and behaviour, confidence and cash flow, personal transformation or transition and business development. In summary the art of entrepreneurship involves: action learning for business development, relationship awareness within a trading community and transformation of a person through the business.

The action learning quest for understanding and ideas involves learning from others and from life experiences in a given social environment. Relationship awareness is concerned with establishing network of relationship. The entrepreneur observes closely and participates actively in human relationships. Lastly transformation relates to the venture. The business usually starts with an idea or connection so the entrepreneur perceives a need he has contacts or establishes it. The entrepreneur plans and secures resources to make things happen. So an idea is transformed into reality. Once the vision changes, the whole business has to be transformed.

On the other hand, Bouwen and Steyaert (1990) developed a model that is focused on the internal processes involved in the emergence of new entrepreneurs' organization:

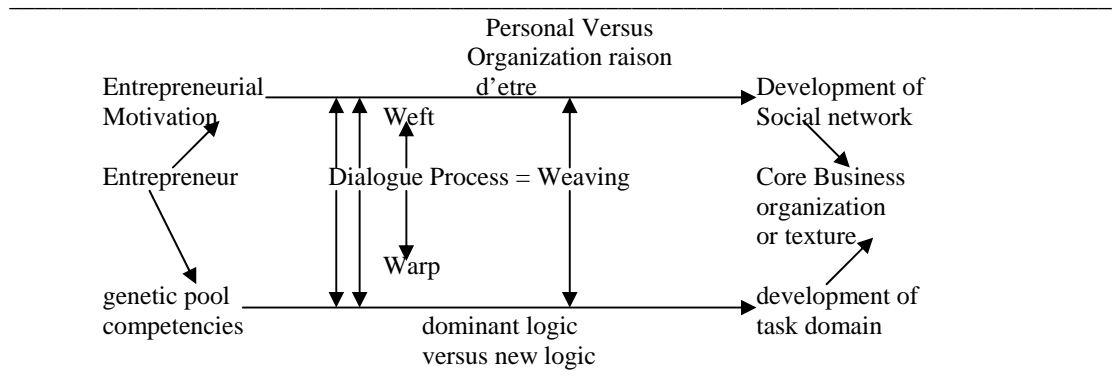


Figure 2: Model of entrepreneurial Emergence

Source: Adapted from Bouwen R. and C. Steyaert (1990) "Construing Organization Texture in Young Entrepreneurial Firm".

In figure 2, the authors identified two developmental processes. One is the emergence of social network, while the other reflects the emergence of task domain. The concept of dialogue is introduced to describe the actions and stages through which these two processes of creating a new entrepreneurial firm are connected. The focus is on what the entrepreneur thought or did in interaction with his co-workers, to create an organization. The nascent business organization emerged from the interaction of all parties involved.

Simultaneously, both social network and task domain are built with the two constituting the organizing texture of the new firm. A dialectical process according to the authors characterizes both the social network and task domain. When social network is considered, it is "Weft" and with task domain it is "Warp". "Weaving" constitutes the interaction between the two dialectical processes. This interaction they called a "dialogue process".

The core business is formed through three processes: the development of a social network- motivation of both entrepreneur and co-worker, the development of task domain- genetic pool competences and dialogue between these issues- weaving activity.

The authors further conceptualized the processes involved in the development from motivation to social network as shown in the figure below.

Phases

- | | | | |
|---|--|---|---|
| 1 | Personal Motivation | ↔ | Support of friends |
| 2 | Satisfaction and enhancement of having started the business | ↔ | building core team and the experienced enthusiasm of first collaborators |
| 3 | Imitation and demotivation | ↔ | an administrator leading formalized organization |
| 4 | Return to original existence in a familiar role: recognition and personal reward | ↔ | involvement in the broader organizations attempt to find a culture of its own |

Figure 3: Phases in the Development from Entrepreneurial Motivation to Social Network.

Source: Adapted from Bouwen, R. and C. Steyaert op.cit

This figure relates to the relationships and behavioural processes that are involved in new organization formation, and as it starts to grow. It reflects the likely initial behaviour and performance of the actors in the newly emerging organization. It also includes the consequences of such behaviour and performance as

foundation for further behaviour and performance. Figure 3 shows the processes of interactions which the entrepreneurs have with friends and social groups from which he secures his core business team. As collaborators come on board the entrepreneur takes on the position of an administrator leading a formal organization. If the entrepreneurs' organization stabilized, it would develop its own culture, norms, values, feelings and acceptable modes of behaviour.

The process of entrepreneurial emergence has been shown as a distinct phase in the entrepreneurial behavioural continuum in figures 2 and 3 above. The phase can serve as foundation on which further analysis of behaviour and performance can be built.

The models of entrepreneurial emergence that are discussed here, focused first on micro level determinants. These are motivation, attitudes, values, needs and skills. It is to emphasize the importance of the personal role of the entrepreneur in organization creation.

Entrepreneurs' drive and skills are the core assets for organizational emergence. The external factors are also relevant in providing needed supports.

Past authors on entrepreneurs in Nigeria had offered a combination of economic, socio-cultural, technological, psychological, ecological and historical factors as determinants of the emergence of entrepreneurs. Other determinants of the emergence, which were noted included among others, training and development, innovation and previous work experiences. These writers include among others Harris and Rowe (1966); Kilby (1971) and Akeredolu- Ale (1975).

In an organization studied by Kimberly (1979), two broad factors were identified as determinants of emergence. First, is the situational constraint that favours its emergence at a particular point in history. Second, is the ambition and vision of its chief executive in defining the shape of the institution.

Pennings (1982) is of the view that the act of creating a new organization may be contingent on the attributes of socio- cultural setting from which the organization emerges. In his own submission, Lessem (1983) gave a combination of personal and environmental determinants of entrepreneurial emergence. Cooper and Dunkelberg (1986), listed as determinants, motivation, attitude and previous work experience in incubator organization.

Given the reported findings that Nigerians are enthusiastic in their exploitation of business opportunities, Harris (1968) and Kilby (1971) established the reasons for lack of adequate emergence of indigenous entrepreneurs. This study is therefore interested in ascertaining those determinants that either foster or inhibits entrepreneurial emergence in the country.

It is also interested in identifying those determinants to which policy programmes could be addressed to accelerate the rate of emergence of new entrepreneurs.

Based on the review of relevant literatures, it was discovered that at the personal level, the individual needs, motives, values, drives, attitudes, innovation, training and development and previous experiences have acted individually or collectively to promote emergence of entrepreneurs.

Also the environmental level of analysis, the economic, socio- cultural, technological, ecological, psychological, political and historical factors come into play. They had also promoted entrepreneurial emergence individually or collectively.

Behaviour of Entrepreneurs

On a broader scale, Kelly (1980) stated that organizational behaviour is the systematic study of the nature of organization, how they begin, grow, develop and their effect on individual members, constituent groups, other organizations and the larger institutions. Luthans (1981) viewed organization behaviour as directly concerned with understanding, predicting and control of behaviour in organization. But for Bello (1988), behaviour is made up activities, interactions, sentiments and performance of individuals and groups. A number of behaviours have been associated with entrepreneurs. For example, Collins and Moore (1970) explained that entrepreneurial behaviour is innovative, creative, undertaking risk of uncertainty and employing flexible behaviour in running the organizations.

However, Drucker (1985) upheld that entrepreneurship is behaviour rather than personality traits. Hence, he described innovation and entrepreneurship as firstly, the practice of innovation. In this case, innovation is presented as purposeful and as a discipline. It also discussed how and where entrepreneur searches for

innovative opportunities and the dos and don'ts of developing an innovative idea into a viable business or service.

DATA AND METHODOLOGY OF STUDY

Structured questionnaire was employed for data collection and most measures of emergence were perceptual. Chi-square test, Crammer's V. and Content Analysis were used in testing the stated hypotheses. The sample consisted of 144 respondents, made up of 74 Private Entrepreneurs (PEs) and 70 National Directorate of Employment Assisted Entrepreneurs (NDEAEs).

While the PEs were engaged in the food processing sectors of the economy, the NDEAEs were involved in several industrial and services sectors of the economy.

The research was a process type in nature; hence there were no rigid restrictions on respondents. Furthermore, the research activities were carried out in some parts of south west Nigeria. Precisely these activities covered Lagos, Oyo and Osun states of Nigeria.

RESULTS AND DISCUSSIONS

Tests of Hypotheses

In this section, seven operational hypotheses relating to the determinants of entrepreneurial emergence were tested.

Firstly, it was revealed that 78.3 per cent of the PEs, 78.6 per cent of the NDEAEs and 78.5 per cent of the two groups of entrepreneurs perceived that social relations had positive and significant influence on their emergence. A corresponding 21.7 per cent of the PEs, 21.4 per cent of the NDEAEs and 21.5 per cent of the combined groups perceived that social relations did not have influence on their emergence as entrepreneurs. The computed chi-square (χ^2) of 0.00 was insignificant at any of the relevant levels in this study. Equally the Cramer's V value of 0.00 also indicated absence of any relationship. Therefore, the result of the chi-square test did not lend support to the first hypothesis. When the percentages were examined, 78.5 per cent of both group of entrepreneurs had positive perception of the crucial influence of social relations on entrepreneurial emergence.

On the other hand, the content analysis of the reasons behind this first hypothesis showed that 81.06 per cent of the PEs, 67.14 per cent of the NDEAEs and 74.10 per cent of the combined groups of entrepreneurs gave positive reasons in support of the positively significant influences of social relations on their emergence. However, 18.94 per cent of the PEs, 32.86 per cent of the NDEAEs and 23.30 per cent of the combined groups gave reasons reflecting the negative influences of social relations on entrepreneurial emergence. Finally, from the NDEAEs group, 5.14 per cent gave no reason to back up their perception and this came from the group that responded to the questionnaires, who were not subjects of case study or personal interview. The result of the content analysis indicated that 74.10 per cent of the reasons given by both groups of entrepreneurs positively supported the crucial influence of social relations on entrepreneur's emergence. In the over all analysis, hypothesis one was thus partially supported.

The second hypothesis stated that political factor would be perceived as having significant and positive effects on entrepreneur's emergence. An examination of this hypothesis indicated that 79.7 per cent of the PEs, 48.6 per cent of the NDEAEs and 64.15 per cent of the combined groups of entrepreneurs perceived that political legislations had influence on their emergence. On the other hand, 20.3 per cent of the PEs, 51.4 per cent of the NDEAEs and 35.8 per cent of the combined groups perceived that political legislations had no influence on their emergence. Ideally one would expect the NDEAEs group that benefited from government agency to appreciate better the influence of government legislations on entrepreneurs but the result was contrary to this. This was a reflection of the NDEAEs group displeasure with the implementations of the NDE programmes.

The calculated chi-square was 12.76 while its table value for one degree of freedom and at $P < 0.001$ level of significance was 10.028. The calculated chi-square far exceeded the table value by a wide margin. This

showed that political legislations had significant effect on entrepreneur's emergence. The computed Cramer's V value of .29 showed strong association between political legislations and entrepreneurial emergence. Also, 64.15 per cent of both groups of entrepreneurs perceived that political legislations had significant effect on entrepreneurs' emergence. The result of the content analysis of the reasons behind the perception also showed that 85.14 per cent of the PEs, 67.15 per cent of the NDEAEs and 76.14 per cent of the combined groups gave reasons for the positive influence of political legislations on their emergence. However, 14.86 per cent of the PEs, 7.14 per cent of the NDEAEs and 11.00 per cent of the combined groups gave reasons that indicated the negative influence of political legislations on their emergence. Again from the NDEAEs, 25.71 per cent of those that responded to the questionnaire gave no reason to back up their perception. Based on the content analysis and percentage distribution, political factor was perceived to have significant and positive effects on emergence of entrepreneurs.

Hypothesis three perceived that individual working experiences would have positive relationship with entrepreneurs' emergence. Out of the distribution, 93.2 per cent of the PEs, 58.6 per cent of the NDEAEs and 75.9 per cent of the combined groups, perceived that working career experiences had positive effect on entrepreneurs' emergence. The balance of 6.8 per cent of the PEs, 41.4 per cent of the NDEAEs and 24.1 per cent of the combined groups had negative perception of the influence of previous working career experiences on entrepreneurs' emergence.

The calculated chi-square was 23.88 while its table value for one degree of freedom and at $P < 0.001$ level of significance was 10.028. This was far less than the computed chi-square. The calculated Cramer's V value from the chi-square value was .40, which also reflected very strong association between working career experiences and entrepreneurial emergence.

The combined percentage showed that 75.9 per cent of both groups of entrepreneurs perceived that working career experiences were relevant to the emergence of entrepreneurs.

The content analysis of the reasons behind hypothesis three showed that 95.6 per cent of the PEs, 75.5 per cent of the NDEAEs and 88.55 per cent of the combined groups gave reasons for positive influence of previous working career experiences on entrepreneurs' emergence. The balance of 4.4 per cent of the PEs, 24.5 per cent of NDEAEs and 14.45 per cent of the combined groups gave reasons for the negative effects of working career experiences on emergences.

The result of the content analysis of the reasons behind the perception of the entrepreneurs in the over all showed that 85.55 per cent of the reasons given were in positive support of the influence of working career experience on entrepreneur emergence. Going by the percentage distributions, there was a significant and positive relationship between working career experiences and entrepreneurs' emergence.

The fourth hypothesis perceived that training and development would have significant and positive effects on entrepreneurs' emergence. The percentage distribution indicated that 82.43 per cent of the PEs, 65.71 per cent of the NDEAEs and 74.3 per cent of the combined groups perceived that formal training and development were necessary for entrepreneurial emergence. On the other hand, 17.57 per cent of the PEs, 34.29 per cent of the NDEAEs and 25.69 per cent of the combined groups perceived that formal training and development were not necessary for emergence of entrepreneurs.

The computed chi-square was 5.36 at a significant level of $p < 0.05$. Also, Cramer's V value was 0.19. This showed a fairly strong relationship between training and development and entrepreneurs' emergence. Furthermore, 74.3 per cent of both group of entrepreneurs perceived that formal training and development was important for entrepreneurs' emergence. This showed a strong support for this hypothesis.

The content analysis of the reasons behind the perception indicated 100 per cent of the PEs, 81.44 percent of the NDEAEs and 90.72 per cent of the combined group gave reasons supporting the positive influence of training and development on entrepreneurs' emergences. Also 14.28 per cent of the NDEAEs and 7.14 per cent of the combined group indicated that other factors were more important than training and development for entrepreneurial emergence. They made references to social relation and capital which is an economic factor. The balance of 4.28 per cent of the NDEAEs and 2.14 per cent of the combined group gave no reasons for their perceptions. The result of the content analysis showed that 90.72 per cent of both groups of entrepreneurs gave reasons that support the positive influence of formal training and development on entrepreneurs' emergence. This thus supported entrepreneurs' emergence.

It was also perceived that high level of formal education would promote entrepreneurial emergence. Considering the actual levels of formal education of the entrepreneurs, 35.14 per cent of the PEs, 2.9 per cent of NDEAEs and 19.44 per cent of the combined group had low level of formal education. Also, 40.54 per cent of the PEs, 5.7 per cent of the NDEAEs and 23.61 per cent of the combined group had moderate level of formal education. Finally, 24.32 per cent of the PEs, 91.4 per cent of the NDEAEs and 56.95 per cent of the combined group had high level of the formal education.

Generation gap and comparatively the availability of better and wider opportunities for formal education were responsible for the very wide differences in the educational levels between the PEs and NDEAEs. The computed chi-square was 67.82 and the Cramer's V value was .68. The table value of chi-square at $P < 0.001$ level of significance and for two degrees of freedom was 13.816. The computed chi-square exceeded the table value by a very wide margin. In the same vein the Cramer's V value of .68 indicated a very strong association between formal education and entrepreneurial emergence. On the whole, 56.95 per cent of both groups of entrepreneurs had high level of formal education, only 19.44 had low level of formal education. This thus supported the emergence of entrepreneurs.

Furthermore, high rate of innovation would promote entrepreneurial emergence. From the samples drawn 29.73 per cent of the PEs and 51.43 per cent of the NDEAEs 40.28 per cent of the combined groups' organizations emerged or were established purely as a result of innovation. The balance of the 70.27 per cent of the PEs, 48.57 per cent of the NDEAEs and 59.72 per cent of the combined groups of organizations did not emerge as a result of innovation. The calculated chi-square was 7.05 and the Cramer's V value was .22. The chi-square was significant at $P < 0.01$ level of significance for one degree of freedom. The Cramer's V value of .22 indicated a fair relationship between innovation and entrepreneurial emergence. By percentages, majority of the organization did not emerge as a result of innovation. On this note, there was only partial support for the influence of innovation on entrepreneurs' emergence following the chi-square analysis.

Technology was also perceived to be more important than other factors in promoting entrepreneurial emergence. The distribution of the data indicated that 27.03 per cent of PEs, 70.00 per cent of NDEAEs and 47.9 per cent of the combined grouped perceived that technology was more important than other factors for entrepreneurial emergence. Also, 67.5 per cent of the PEs, 18.57 per cent of the NDEAEs and 43.8 per cent of the combined groups perceived that technology was equally important as other factors in entrepreneurial emergence. The remaining 5.41 per cent of groups perceived that technology was less important than other factors for entrepreneurial emergence. The computed chi-square was significant at a very high level. The table value of chi-square for two degrees of freedom and at $P < 0.001$ level of significance was 13.816. Also the Cramer's V value of .49 showed strong association of technology with entrepreneurs' emergence.

However, when the percentage distribution was considered, it did not show strong support while 47.9 per cent of both groups of entrepreneurs perceived that technology was more important than other factors. The content analysis showed that 58 per cent of the PEs, 73.60 per cent of the NDEAEs and 65.80 per cent of the combined group gave positive reasons to support their perception of the importance of technology in entrepreneurs' emergence. Content analysis of the reasons behind the perception indicated that 65.80 per cent of the reasons given supported the relative importance of technology than other factor for entrepreneurs' emergence. In the over all analysis, the percentage distribution and content analysis strongly supported the significance of technology in the emergence of entrepreneurs.

Relative Importance of Ranked Variables and Listing of Areas of Training and Development Needs

There were variations in the relative importance that was attached to each determinant in a group of ranked determinants. Thus, the hypothesis on the relative importance of factors was significantly and positively confirmed. Also the variations in the relative importance that was attached to each area of training and development that were ranked by entrepreneurs were partially confirmed.

Considering the National Directorate of Employment (NDE) support system and programmes as a concept, it was appropriate and was positively assessed by the entrepreneurs thus confirming the hypothesis in

respect of the directorate's performance. However, the notion that the directorate's programme was inadequate was rejected.

Some Empirical Facts

The research model predicted direct relationship between entrepreneurial emergence and several independent factors. As such, seven hypotheses were tested to examine the effects of selected determinants on entrepreneurial emergence and all of them were supported in varying degrees.

Social relation was partially supported as a major determinant of entrepreneurial emergence. The various statistical computations apart from chi-square and Crammer's V lent credence to its influence on the group of entrepreneurs in this study. Among the reasons given as explanations for its importance was that it acts as a source of information or business idea. Thus one's vision could better be sharpened while interacting in a given social environment. It thus confirmed Kimberly's (1979) finding. In another perspective, it also confirmed that the social relations, offer opportunity and source of fund touched on the acid ingredient that enabled entrepreneurs to make firm commitment to a project in a given location (Cooper and Dunkelberg, 1986). Several literatures on the link between social relations and entrepreneurs' emergence include Akeredolu- Ale (1975), Astley (1985), Aldrich, Rosen and Woodward (1987), Aldrich (1990) and Bouwen and Steyaert (1990).

Political factor was also found to have significant effect on entrepreneurial emergence. The entrepreneurs of this study based their perception and actual experiences on the fact that political factor created an enabling environment in a number of ways. It was claimed that the indigenization Decree for instance provided some opportunities: local production of goods previously imported was encouraged thus encouraging local investment and technology development. It forced the use of local raw materials through innovation and created needed opportunity for new entrants into the business scene. It further served as foundation or starting point for the establishment of many new indigenous organizations. Apart from the government legislations and regulations, the government also established support systems in encouraging the birth of new entrepreneur's organizations. The NDE and Peoples Bank are examples of such systems. Thus by creating enabling environment and establishing support systems, the entrepreneurs stated that the political factor influences the birth of new indigenous organizations. Some of the literatures that support the finding include Cole (1959), Child (1977), Lessem (1983), Iyanda (1988) while the influence of external political factor on entrepreneurial emergence was emphasized by Ogundele and Opeifa (2004) and Dangote (2005).

Training and Development was found to have a central influence on entrepreneurial emergence. Such training and development provided needed skills and knowledge. It also created awareness of opportunities. It was also claimed that business ideas were developed during such training development programmes. Here, the concern is with entrepreneurial development. If the apprenticeship training is added, the effect becomes more direct. Most of the entrepreneurs of this study in the bakery industry claimed that their training as bakers primarily influenced their decision to take on entrepreneurial role. Thus, it could be seen that training and development also have direct effects on entrepreneurial emergence.

The hypothesis relating working career experiences to entrepreneurial emergence was supported in all respects. Both groups of entrepreneurial perceived that working career experiences are relevant to entrepreneurial emergence. The reasons given for this perception are as follow. It was found to be a source of profitable business ideas. It provided needed skills, served as an eye opener, source of contacts and connections. Satisfactory and unsatisfactory experiences had acted as launching pads for entrepreneurial emergence. This finding confirmed Cooper and Dunkelbery (1986), Harris (1971), Lessem (1983), Murray (1984), Bowen and Hisrich (1986) and Birley and Westhead (1990) on the influence of previous work experiences and in incubator organization on emergence of new organization. Mintzberg (1991) also asserted that entrepreneurs often emerged to escape from control of previous place of work.

High level of formal education was found in this study to have promoted emergence of entrepreneurs. This was especially true in the case of the NDEAEs where 91.4 per cent of them had high level of formal education. This was an exact opposite of Akeredolu- Ale (1975) finding where most entrepreneurs had low

level of formal education. Singh (1986) found that the general notion that entrepreneurs often had low level of formal education but Bowen and Hisrich (1986) upheld in their study that entrepreneur had educational level which was above the level of the average for the general population hence emphasizing the relevance of education to entrepreneurship processes.

Innovation was found in this study to have partially acted as a basis for entrepreneurial emergence. Innovation relating to organization birth involves two cases in this study. First, there is an innovation involving new technology and new market, and present product. The second is that which involves new product, present technology and new market. There were cases of abstract ideas or vision converted to product or service e.g. grater producer in Oyo town and food flavour enhancer producer at Modakeke. These involved experimenting with new ideas in an often uncritical fashion (Kimberly, 1979). The concern is with action as opposed to reflection thus given in to making quick decision (Lessem, 1983). The findings in the literature reviewed confirm the relationship between innovation and organization emergence.

Technology was found to be more importantly perceived by entrepreneurs, relative to other factors, which are necessary for entrepreneurs' emergence. This finding contradicted the permissive technology noted by Kilby (1965) and Ngoddy (1988) in the food processing industries which tended to emphasize innovation in production methods. The findings of this research are confirmed in several respects by the submissions of Drucker (1974), O'Benson (1989) and Ekpo-Ufot (1990).

The factors selected for analysis on the emergence of entrepreneurship were all confirmed in various degrees. It could therefore be seen that a complex set of factors both personal and environment determines the emergence of an entrepreneurs' organizations (Ogundele and Opeifa, 2003).

CONCLUSION

Based on the above discussed findings, it is clear that any policy designed to stimulate the coming into being of new entrepreneur organization should have multi- dimensional approach. In addition the study indicates that there are many forces behind entrepreneurial emergence.

These include social relations, political environment, training and development, individual working career experience, innovation, education, technology and disciplined behaviour. The correct posture should be to build in the budding or actual entrepreneurs' multiple skills to cover the factor identified above and many more. It will be necessary to include information sourcing and entrepreneurial ethics because unethical conduct is a major problem in the Nigeria business environment and this requires serious attention at this level.

References

- Akeredolu- Ale, E. O (1975) *The Underdevelopment of Indigenous Entrepreneurship in Nigeria*, Ibadan: Ibadan University Press
- Aldrich, H.; Rosen, B., and R. W. Woodward (1987) "The Impact of Social Networks in Business Founding and Profit: A Longitudinal Study", *Frontiers of Entrepreneurial Research* 1(2) p.154
- Aldrich, H., (1990) "Using and Ecological Perspective to study Organization Founding Rates" *Entrepreneurship: Theory and Practice* 14(3) pp. 7 - 24.
- Amit, R., Glosen, L. and E. Muller (1993) "Challenges to Theory Development in Entrepreneurship Research" *Journal of Management Studies* 30(5) pp.815-834
- Astley, W., (1985) "The Two Ecologies: Population and Community Perspectives on Organizational Evolution" *Administrative Science Quarterly* 30 pp.224 – 241
- Bello, J.A (1988) "Organizational Behaviour in Nigeria" in Iyanda, O and J. A. Bello (Ed) *Elements of Business in Nigeria*, Lagos: University of Lagos Press pp. 137- 157.
- Birley, S. and P. Westhead (1990) "Growth and Performance Contrast Between Types of Small Firms" *Strategic Management Journal* 11pp.535 – 557
- Bouwen, R. and C. Steyaert (1990) "Construing Organization Texture in Young Entrepreneurship Firms, *Journal of Management Studies*, pp. 637 – 649.
- Bowen, D.D. and R. D. Hisrich (1986) "The Female Entrepreneur: A Career Development Prospective" *Academy of Management Review* 11(2), pp.393 – 407
- Child, F.C. (1977) *Small Scale Rural Industry in Kenya*, Occasional Paper No.12 African Studies Center, LA: University of California, California.

- Cole, A.H., (1959) *Business Enterprises in its Social Setting*, Cambridge: Harvard University Press.
- Cooper, A.C. and W. C. Dunkelberg (1986) "Entrepreneurship and Paths to Business Ownership" *Strategic Management Journal* 7 pp. 53 – 68.
- Dangote, A. (2005) "Building Nigeria's Entrepreneurship", *Lagos Organization Review* 1(2)
- Drucker, P.F., (1974) *Managing for Result*, New York Pan Paper Book Ltd.
- Drucker, P.F., (1985) *Innovation and Entrepreneurship: Practice and Principles*, London: William Heinemann Ltd.
- Ekpo – Ufot, A.,(1990) "Research and Development Management: Strategy for Developing Indigenous Technology for Self-reliance", *Monthly Technical Seminar Series*, Federal Ministry of Science and Technology 20.
- Harris, J.R. (1971) and M. P. Rowe (1966) "Entrepreneurship Pattern in Nigerian Saw Milling Industry" *Nigerian Journal of Social and Economic Studies* 8 pp. 66 – 111
- Iyanda, O. (1988) "Business Institutions and Environment in Nigeria" in O. Iyanda, and J. A. Bello (Eds), *Elements of business in Nigeria*, Lagos: University of Lagos Press. Pp. 1-20
- Kilby, P., (1971) "African Enterprises: The Nigeria Bread Industry", *The Hoover Institution on War, Revolution and Peace*, Stanford University.
- Kimberly, J.R. (1979) "Issues in the Creation of Organization, Innovation and Institutionalization", *Academy of Management Journal* 22(3), pp. 437 – 457
- Lessem, R. (1983) "The art of entrepreneurship", *Journal of General Management* 8(3), pp 34 – 49.
- Luthans, F. (1981) *Organization Behaviour*, New York: McGraw- Hill Book Company
- Mintzberg H. (1991) "The Entrepreneurship Organization", in H. Mintzberg and J.B. Quinn (Eds), *The Strategic Process: Concepts, Text and Cases*, Englewood Cliff, New Jersey: Prentice-Hall.
- Murray, J. A (1984) "Concept of Entrepreneurial Strategy", *Strategic Management Journal* 5, pp. 1-13.
- Ngoddy, P. O (1988) "Technological Issues and Strategies in the Development of Nigeria Food Industries" *Nigeria Institute of Science and Technology Annual Conference Proceedings*, pp. 14-26.
- O' Benson, S (1989) *Management Skill and Social- economic Responsibility of Engineers in Society*, Abeokuta: Jobshohen Publication.
- Ogundele, O. J. K (2000) *Determinant of Entrepreneurial Emergence, Behaviour and Performance in Nigeria*, Unpublished Doctorial Dissertation, Lagos: University of Lagos, Akoka.
- _____ and A. Z. Opeifa (2003) "Factors Influencing Entrepreneurial Emergence, Behaviour and Performance in Nigeria", *Abuja Management Review* 1(2) pp. 1-19.
- _____ (2004) "The Influence of External Political Environment on the Process of Entrepreneurship", *The Nigerian Journal of Academic Forum* 7(5).
- Pennings, J.M (1982) "Organizational Birth Frequencies: An Empirical Investigation", *Administrative Science Quarterly* 27(1) pp. 120-144.