Relevance of prosocial behaviours to rural entrepreneurship development in Nigeria

Author’s Details: (1) Olowookere, (2) Elizabeth Ibukunoluwa, (3) Elegeleye, (4) Ayotunde Oluwadamilola  
Department of Psychology, Covenant University Ota, Ogun State, Nigeria

ABSTRACT

With the current scourge of unemployment and the poverty condition in Nigeria, rural entrepreneurship has had a cushion effect on the depressing economic condition of the nation. Rural entrepreneurship represents the informal sector of the economy which is characterised by small scale businesses involving petty traders and artisans. Interestingly, most research efforts on business development and effectiveness have focused mainly on businesses within the formal sector with no consideration for those in the informal sector. Although prosocial behaviours have been considered as crucial to the success of any business endeavour, these behaviours were investigated and labelled as Organizational Citizenship Behaviour (OCB) within the formal sector with no reference to rural entrepreneurship. Hence, this paper introduced the concept of Entrepreneurial Prosocial Behaviours (EPB) as those types of behaviours essential for the development of rural entrepreneurship. It examined the nature of rural entrepreneurship in Nigeria, the theoretical explanation of entrepreneurial prosocial behaviours, its dimensions and relevance to the success of rural entrepreneurship in Nigeria. This paper concluded that prosocial behaviours are crucial to the development of small business units and recommended that such be cultivated among rural entrepreneurs. Further, this paper recommended that empirical research be conducted to validate Entrepreneurial Prosocial Behaviours (EPB) as a construct.

Key Words: Prosocial Behaviours, Rural Entrepreneurship, Informal Sector, Development, Nigeria

INTRODUCTION

Nigeria as a nation is currently faced with untold hardships, poor living conditions and economic decline. Inspite of her enormous natural and human resources, Nigeria is still grappling with high rates of unemployment and poverty. Higher Institutions in Nigeria turn out thousands of graduates on a yearly basis into an already overpopulated labour market, multiplying the number of unemployed youths and the tendency for increased social vices. In a recent report, Igwe, Adebayo, Olakanmi, Ogbonna and Aina (2013) noted that the National Institute for Social Research (NISER) and the World Bank revealed Nigeria’s unemployment rate to involve over 55% of her working population. Similarly, the World Bank report indicated that only one in every ten graduates get a job while a recent report by the National Directorate of Employment (NDE) indicated that over 200,000 Nigerian graduates who completed the National Youth Service Corps (NYSC) in the last five years, remained unemployed (Igwe, et al, 2013). This has generated several efforts at improving the economic situation in the country.

A major solution to these problems has been found in entrepreneurship, a process that encourages self-employment, creativity and resourcefulness among the people. Abdullahi (2008) argued that entrepreneurship stands as a vehicle to improve the quality of life for individuals, families and communities and to sustain a healthy economy and environment. Therefore, entrepreneurship may be considered as a curative measure to economic depression and meltdown. Further, Ogundele, Olajide and Ashamu (2008) as cited in Abdullahi (2012) argued that entrepreneurship serves as a guarantee for sustainable development of any economy.

The term ‘entrepreneurship’ may be defined as individuals’ attempt at wealth creation, involving the use of available resources and opportunities to meet needs in the society. Inegbehebor (1987) as cited in Akanwa and Akpanabia (2014) defined entrepreneurship as the willingness and ability of an individual to seek out investment opportunities, establish and run an enterprise successfully. This implies that entrepreneurship involves the identification of investment opportunities, successful establishment of enterprises and the efficient running of such enterprises. According to Petrin (1991), entrepreneurship is about innovative and ingenious forms of business enterprises.

The hallmark of effective organizations whether small or big, simple or complex, private or public is the provision of competitive prices (Ogechukwu, 2011) and the maximization of profit. Consequently, many scholars have studied organizational effectiveness and the associated factors such as prosocial behaviours. Organizational behaviour researchers have labelled these positive attitudes and behaviours as organizational citizenship behaviours (OCB), a term that portrays employee behaviours within formal organizations, without consideration for rural entrepreneurial entities involving market women
and artisans. Technically, these business units have been neglected in research activities aimed at improving business performance. Hence, this paper focused on prosocial behaviours necessary for the success of rural entrepreneurship. Specifically, this paper discussed such issues as:

- Rural entrepreneurship in Nigeria
- Theoretical Foundation of Entrepreneurial Prosocial Behaviours
- Dimensions of Entrepreneurial Prosocial Behaviours (EPB)
- Relevance of prosocial behaviours to rural entrepreneurship

### RURAL ENTREPRENEURSHIP IN NIGERIA

Most of the rural dwellers in Nigeria are actively involved in the informal sector due to the difficulty associated with securing paid employment in the formal sector of the economy. As a result of the high rate of unemployment and adverse economic conditions of the country, many people in the rural communities have resorted to entrepreneurial activities for subsistence. According to Fasanya and Onakoya (2012), many of the economically active population in most developing countries turn to the informal sector for their source of livelihood. Onyenechere (2011) also observed that people of low-income in Nigerian communities rely on the informal sector for survival because the sector provides ample opportunities to support their livelihood.

Rural entrepreneurship may be defined as all business undertakings among rural dwellers aimed at income generation, while also serving as a major source of livelihood. These include small scale industries such as blacksmithing, gold-smiting, watch repairing, bicycle repairing, basket weaving, barbing, palm wine tapping, cloth weaving, dyeing, food selling, carpentry, brick-laying, pot-making, leather works and drumming etc. (Kolawole & Torimiro, 2005). Rural entrepreneurship has been considered to be representative of the informal sector of the Nigerian economy; therefore both concepts were used interchangeably in this paper.

Petrin (1994) stated that rural development is more than ever before linked to entrepreneurship. Similarly, Igwe et al (2013) described entrepreneurship as a powerful engine of economic growth and wealth creation for many developing countries, which is crucial for improving the quality, number and variety of employment opportunities for the poor. Fapohunda (2012) also asserted that the informal sector contributes to the national economy in terms of increased output and employment generation by providing productive outlets for a large number of people who may not be able to secure paid employment in the formal sector. According to Onyenechere (2010), the informal sector serves as a platform for income generation to unskilled and semiskilled workers who otherwise would be unemployed. Consequently, the informal sector has been implicated in employment creation and poverty alleviation.

In spite of its contributions to rural and national development, Fapohunda (1991) as cited in Fasanya and Onakoya (2012) described the informal sectors as a heterogeneous mix, encompassing a wide variety of economic activities that tend to be ignored in normal economic statistical analysis. Most of the economic activities involving the informal sector are insufficiently covered by formal arrangements (Onyemaechi, 2013). According to Fapohunda (2012), the activities of the informal sector in Nigeria prior to the 1970s were classified variously as traditional crafts and petty trade in the subsistence sector, or as small-scale industries within the formal sector, and treated as such. This is because the informal economy has been viewed as naturally difficult to observe, study, define and measure (Fapohunda, 2012). This may explain its exclusion in formal arrangements and various researches on organizational development.

Consequently, within the informal framework, rural entrepreneurs in Nigeria have organized themselves into unions and guilds to promote their trades and foster unity within their respective industries. These unions consist of cohesive groups of people in the same line of trade who have come together with the main objective of promoting their respective trades. But, they seem to have only succeeded in regulating prices and protecting their members from intimidation from external bodies. These unions have underrated the relevance of prosocial behaviours to business success and have failed to instil business ethics and proper conduct in their members. Hence, many artisans in Nigeria have been labelled as irresponsible, fraudulent, greedy, lacking interpersonal skills, lacking integrity and verbally abusive. This condition has stalled the progress of many promising business units in Nigerian communities and calls for swift intervention.

Researchers in Industrial/ Organizational psychology and Organizational Behaviour have established the importance of prosocial behaviours to business success. Among rural entrepreneurs, the term Entrepreneurial Prosocial Behaviours (EPB) may be used to describe the positive workplace behaviours essential for business success.
THEORETICAL FOUNDATION OF ENTREPRENEURIAL PROSOCIAL BEHAVIOURS

Entrepreneurial Prosocial Behaviour (EPB) was founded on the reinforcement theory proposed by Skinner (1938) based on Thorndike’s (1911) law of effect. The law of effect states that when behaviour is followed by satisfying consequences, it is more likely to be repeated but when followed by annoying consequences, it is less likely to be repeated (Koschmann, 2000). This means that the strength of individuals’ behaviours or responses is a function of their consequences. Entrepreneurial prosocial behaviours refer to discriminative stimulus that fosters customer satisfaction. These prosocial behaviours are desirable and coveted by many customers or clients; such customers will most likely patronize entrepreneurs or business units over and again when they demonstrate EPB. Based on the premise that one good turn deserves another, it is rational for customers to want to relive positive experiences with a business unit. Therefore, most customers will maintain patronage with business units that satisfy their needs and allay their fears.

Entrepreneurial prosocial behaviours are voluntary behaviours targeted at increasing business patronage and loyalty. Skinner (1938) cited in Wise (2009) proposed a three term contingency model of reinforcement to include: antecedents, behaviours and consequences. The antecedent refers to discriminative stimulus that precedes or stimulates a desired behaviour (operant response). When desired behaviour is followed by a satisfying consequence (reinforcement) in the presence of a discriminative stimulus (antecedent), it increases the likelihood of the behaviour being repeated. Entrepreneurial prosocial behaviours are antecedents aimed at stimulating increased business patronage. The consequences of business patronage include improved service/product quality, increased customer satisfaction, elimination of suspicion and reduced fear of disappointment; these serve as positive and negative reinforcers of business patronage.

Entrepreneurs benefit from increased business patronage as a result of boosted productivity and profitability, and this reinforces their continuous demonstration of prosocial behaviours in order to prolong its attendant benefits. The model of entrepreneurial prosocial behaviours is illustrated in the fig. below:

EPB is initiated by the entrepreneur as antecedents of increased patronage which results in improved service quality and customer satisfaction. Customer satisfaction and loyalty is sustained through the continuous demonstration of entrepreneurial prosocial behaviours by business owners and administrators. The more entrepreneurs engage in EPB, the more customers are attracted to them and the more profits accrue to the business.

DIMENSIONS OF ENTREPRENEURIAL PROSOCIAL BEHAVIOURS (EPB)

Prosocial behaviour is a broad term used to describe all actions aimed at protecting or improving the welfare of others. Brief and Motowidlo (1986) as cited in Baruch, O’Crevey, Hind and Vigoda-Gadot (2004) argued that prosocial organizational behaviour is behaviour that is: performed by a member of an organization; directed toward an individual, group, or organization with whom/which s/he interacts; and performed with the intention of promoting the welfare of others. These are selfless behaviours intended to benefit others such as helping, sharing, donating, co-operating and volunteering (Brief & Motowidlo, 1986). Prosocial behaviours refer to all behaviours voluntarily exhibited in business settings to foster cooperation, advancement and peaceful coexistence. Worthy (1986) as cited in Baruch et al (2004) suggested that prosocial behaviour represented extra effort and conscientiousness at work.

Studies on prosocial behaviours have concentrated mainly on formal organizations, though these behaviours can also be applied to small business units (artisans and petty traders). Within formal organizations, these behaviours are called Organizational Citizenship Behaviours (OCB). According to Dovidio, Piliavin, Schroeder and Penner (2006), organizational citizenship behaviour (OCB) is a type of prosocial behaviour that is mutually beneficial to both the organizations and their employees.

The term organizational citizenship behaviours was founded on the concept of “willingness to cooperate” as postulated by Barnard (1938) cited in Mahoney (2002) and the concepts of dependable role performance and “innovative and spontaneous behaviours described by Katz (1964) and Katz and Kahn (1966). The concept of “willingness to cooperate” involves the readiness of employees to work together with others in the pursuit of organizational goals. On the other hand, the dependable role performance and innovative and spontaneous behaviours (Katz, 1964; Katz & Kahn, 1966) are indicative of employees’ diligence and ingenuity. Dependable role performance implies that organizations can rely on employees to devotedly discharge their duties in the interest of the organization without any form of surveillance.

Positive behaviours and attitude that are essential for the development of rural entrepreneurship.
may be referred to as entrepreneurial prosocial behaviours (EPB). By definition, entrepreneurial prosocial behaviours refer to all behaviours voluntarily exhibited by small business owners with the aim of improving service or product quality, fostering customer satisfaction and maximizing profit. The seven dimensions of Entrepreneurial Prosocial Behaviours (EPB) proposed in this paper were adapted from the five dimensions of organizational citizenship behaviours proposed by Organ (1988) and the seven themes of organizational citizenship behaviours identified by Podsakoff, MacKenzie, Paine and Bachrach, (2000). These include: conscientiousness, courtesy, integrity, individual initiative, self-development, altruism and sportsmanship.

The conscientiousness dimension of entrepreneurial prosocial behaviours (EPB) refers to behaviours that demonstrate dutifulness, hard work and responsibility. There is no way any business can thrive on mediocrity, since individuals will rather transact business with persons they are sure will deliver within stipulated time-frame. Conscientiousness involves doing things that are right and proper. It culminates in excellent delivery of products and services and ultimately in business success. Conscientious entrepreneurs value their businesses and make judicious use of their time; they are seen as highly productive, efficient and reliable. Another dimension of EPB is courtesy, this refers to all forms of behaviours voluntarily exhibited by entrepreneurs that is intended to eliminate misunderstanding, discord and inconveniences in the business relationship that may be caused by the actions or inactions of the entrepreneur. Organ (1990) cited in Davoudi (2012) described courtesy as the discretionary enactment of thoughtful and considerate behaviours that prevent work related problems for others. Entrepreneurs display courtesy by considering their customers and other stakeholders before they act. They give prior notice before taking any action that may affect their customers and other people with whom they transact business. Courtesy is about giving due consideration to the consequences of one’s actions for others and acting to prevent inconveniences that may result from such actions.

Integrity is a very important dimension of EPB which refers to behaviours that indicates the sincerity, honesty, truthfulness and trustworthiness of the entrepreneur. Entrepreneurs display integrity by acting on their words, keeping promises and delivering on agreement. Entrepreneurs who can be held by their words are seen as people with integrity. The individual initiative dimension involves all behaviours exhibited by entrepreneurs that show their originality, innovation and creativity. Entrepreneurs display individual initiative through problem solving skills and their invention of new approaches in their work. Many customers appreciate products or services that are unique and will remain with entrepreneurs who will always provide such products or services. Further, the self-development dimension refers to behaviours that indicates entrepreneurs quest for job relevant knowledge and improved skills and expertise. The advancement in technology has led to changes in work processes and tools, this places responsibilities on the entrepreneur to keep abreast of the latest development in their trades. Entrepreneurs demonstrate self-development dimensions by participating in some form of apprenticeship, seminars and workshops.

Altruism is a dimension of EPB that refers to entrepreneurs’ display of kindness and other helping behaviours towards their customers and significant others with whom they transact business. Altruism refers to voluntary acts of goodwill aimed that improving the welfare of others, especially customers. It represents a selfless display of empathy towards customers and other stakeholders in their business. Finally, the sportsmanship dimension refers to voluntary behaviours by entrepreneurs that show their tolerance for inevitable inconveniences that arises at work. It refers to the voluntary display of enthusiasm and optimism by entrepreneurs when faced with difficult and demanding tasks. These different dimensions and relevant business examples are illustrated in the table below:

These behaviours are called entrepreneurial prosocial behaviours because they are purely voluntary and intended primarily for the wellbeing of customers and significant others. EPB are behaviours exhibited mainly as business obligations to customers without demanding anything in return. Such behaviours create a good impression of the business to the customers.

**RELEVANCE OF PROSOCIAL BEHAVIOURS TO RURAL ENTREPRENEURSHIP**

The importance of positive behaviours and attitudes to business success cannot be overemphasized. Effective organizational functioning depends on many differing behaviour patterns (Baruch et al, 2004). According to Suleiman (2013), positive attitude in the workplace is foundational for business growth and positive organizational image. Similarly, Jahangir, Akbar and Haq (2004) have associated organizational success and survival with positive workplace behaviours demonstrated by their employees. By implication, positive work behaviours are essential to business success whether small, medium or large business entities.

Rural entrepreneurship stands to benefit from infusing prosocial behaviours into their business culture in numerous ways. Baruch et al (2004) noted...
that there are cultural beliefs that people should exhibit prosocial behaviours because they are socially desirable or “correct” in some sense. Similarly, when rural entrepreneurs behave in these socially desirable ways, they create positive impressions of themselves and their enterprise to members of the community, and consequently attract high patronage and increased profit. Specifically, prosocial behaviours impact rural entrepreneurship in the following ways: Increased customer/client base, increased productivity, increased profit, increased customer satisfaction, increased expertise and higher self-esteem/self-worth etc.

1. **Increased Customer/Client Base:** Due to the social desirability of prosocial behaviours they often attract people to the persons or businesses exhibiting such behaviours. For instance, most people will prefer to patronize hard working and truthful artisans than any other who may equally be hard working but whose integrity is questionable. In business settings, some beneficiaries of such behaviours often recommend the entrepreneur to other potential customers, thereby increasing the number of customers/client base of such a business enterprise.

2. **Increased Productivity:** Prosocial behaviours such as conscientiousness, self-development and individual initiative serve to boost the level of productivity of the entrepreneurs not just quantitatively but also qualitatively. Entrepreneurs through these prosocial behaviours will be better able to focus their energies and use their time constructively which will ultimately translate into increased productivity.

3. **Increased Profit:** Since prosocial behaviours have been implicated in increased customer/client base and productivity, it can be inferred that these will culminate in increased profit for the entrepreneur or business unit.

4. **Increased Customer Satisfaction:** Prosocial behaviours have been described as selfless behaviours intended to benefit others. Therefore when entrepreneurs exhibit these socially desirable behaviours in their work relationships, customers are usually pleased with their services. For instance, acts of altruism, conscientiousness and individual initiative are likely to increase customers’ satisfaction with the services of the entrepreneur, whereas acts of courtesy and sportsmanship are more likely to reduce customers’ dissatisfaction with the services provided by the entrepreneur.

5. **Increased Expertise:** Prosocial behaviours involving self-development and individual initiative will foster innovation, creativity and the acquisition of new and improved skills. It a wise saying that today’s microchip is tomorrow’s stale news; which implies that as science and technology advances, new approaches to enterprise evolve in the different fields of endeavours. Entrepreneurs are able to keep abreast and benefit from these changes through prosocial behaviours.

6. **Higher Self-Esteem:** Prosocial behaviours create positive impression about the entrepreneur, improves his productivity, gives him greater competence/expertise and generates higher business profit; all of these sum up to boost the self-concept of the entrepreneur as he receives commendation from satisfied customers and reaps the proceeds of his hard work.

The above listed benefits will accrue to rural entrepreneurs as consequences of prosocial behaviours in business settings. Just as effective organizational performance depends upon employee behaviours, effective and profitable entrepreneurship is consequent upon the behaviours of the entrepreneurs towards their business/trade, customers and other persons with whom they transact business.

**CONCLUSION AND RECOMMENDATION**

The informal sector in Nigeria, comprising of small business units/rural entrepreneurship until now has been marginalized in research efforts to improve organizational effectiveness and performance; only organizations and enterprises classified as belonging to the formal sector/economy were included in organizational behaviour researches. Notwithstanding, the informal sector continues to play a crucial role in improving the living conditions of the people in the face of adverse economic conditions and high rate of unemployment.

Organizational behaviour experts have identified employees’ prosocial behaviours as crucial to organizational survival and success. These prosocial behaviours were referred to as organizational citizenship behaviours (OCB). Similarly, entrepreneurial prosocial behaviour (EPB) was introduced in the current paper as a variant of OCB suitable for rural entrepreneurship. The dimensions of EPB was adapted from the dimensions of OCB and modified to suit small business units/rural entrepreneurship that make up the informal sector.

Prosocial behaviours are particularly needed to improve the dented image of rural entrepreneurship and to rebrand the informal sector in Nigeria. It has been established that all business units whether large, medium or small require prosocial behaviours for their survival and success. Hence, it was recommended that these behaviours be infused into rural entrepreneurship; artisans, petty traders and market women in Nigerian communities should be trained through trade unions to adopt the use of entrepreneurial prosocial behaviours (EPB) in their
business units. Further, it was recommended that future researches conduct empirical studies to validate entrepreneurial prosocial behaviours (EPB) as a construct.

REFERENCES


APPENDIX

Fig: Model of Entrepreneurial Prosocial Behaviours (EPB) adapted from Skinner’s three term contingency

http://www.csestudiesjournal.com
<table>
<thead>
<tr>
<th>Dimensions of EPB</th>
<th>Description</th>
<th>Business Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Conscientiousness</strong></td>
<td>Behaviours exhibited by entrepreneurs that show hard work, diligence, orderliness and commitment to tasks</td>
<td>Prompt completion of tasks; Judicious use of time; Working extra hours to meet deadlines</td>
</tr>
<tr>
<td><strong>Courtesy</strong></td>
<td>Voluntary behaviours exhibited by entrepreneurs that show thoughtfulness and consideration for others.</td>
<td>Informing customers ahead of time of inevitable delay in executing tasks; informing customers of changes in prices or business modalities before implementation</td>
</tr>
<tr>
<td><strong>Integrity</strong></td>
<td>Voluntary behaviours exhibited by entrepreneurs that show sincerity and trustworthiness</td>
<td>Always delivering on promise; Presenting prices of raw materials to customers without inflating it; Speaking the truth in all situations no matter what is at stake</td>
</tr>
<tr>
<td><strong>Altruism</strong></td>
<td>Voluntary behaviours exhibited by entrepreneurs that show kindness, benevolence and empathy</td>
<td>After sales services such as helping a client wash his car after repairs in one’s workshop; helping customers carry the goods they have purchased to their cars; entertaining customers in the course of business transaction</td>
</tr>
<tr>
<td><strong>Individual Initiative</strong></td>
<td>Voluntary behaviours exhibited by entrepreneurs that show creativity, originality and innovation</td>
<td>Offering valuable suggestions to clients; Inventing new styles and cutting edge technologies</td>
</tr>
<tr>
<td><strong>Self-development</strong></td>
<td>Voluntary behaviours exhibited by entrepreneurs aimed at improving their skills and expertise</td>
<td>Attending seminars and workshops; studying books; surfing the net for job relevant information; apprenticeship</td>
</tr>
<tr>
<td><strong>Sportsmanship</strong></td>
<td>Voluntary behaviours exhibited by entrepreneurs that show tolerance for the inevitable inconveniences that comes with work</td>
<td>Accepting to do a rework for a difficult customer without complaining</td>
</tr>
</tbody>
</table>