

# IGBO TRADITIONAL BUSINESS SCHOOL AND SMALL AND MEDIUM SIZED ENTREPRENEURIAL SUCCESS IN DIASPORA: EVIDENCE FROM LIMPOPO, SOUTH AFRICA

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## ABSTRACT

*This article uses the case of Igbo-run Small and Medium Size Enterprises (SMEs) in South Africa, to investigate whether the indigenous practices such as Igba-boi, imu-ahia and igba oso ahia embedded in the Igbo traditional business school (ITBS) provide appropriate ideological and material resources for entrepreneurial success. The causal relations between these variables were determined through an application of an SPSS-based cross-sectional and T-test analysis, with a 5-point Likert scale. Simple random sampling technique was used to collect data from 111 Igbo youths currently operating Small and Medium Size Enterprises in South Africa. The results reveal that the indigenous practices of I-TBS's have significant influence on five important elements of entrepreneurial success such as: increase in business revenue; opening of new businesses; ability to train new entrepreneurs; consistent expansion of customer base for three years; and sustainability of entrepreneurial ventures for more than three years. Based on this, the study recommends formulation of policies and entrepreneurial programmes that kick-start adoption of similar indigenous models for youth engagement in entrepreneurial ventures in the Limpopo region of South Africa.*

**Keywords:** Diaspora, Entrepreneurial Success, Igbo Traditional Business School, Small and Medium-Sized Enterprises, Resources.

## INTRODUCTION

In the last five decades, indigenous business models have increasingly become the main force for driving entrepreneurial engagement and success in emerging markets (Brem & Wolfram, 2014). This is because indigenous business models do not only provide methodologies and strategies for engaging in business ventures, they also provide ideological traits and traditional values that spur entrepreneurial engagement and business success (Agozino & Anyanike, 2007; Adeola, 2020; Amaechi, 2020; Guiso et al., 2006).

In Africa, one of such indigenous models is the Igbo traditional business school (I-TBS), used by Igbo people of Southern Nigeria. Built on the Igbo cosmology and value system (Agozino & Anyanike, 2007; Amaechi, 2020; Kanu, 2020), the model's orientation is intertwined with the Igbo cosmological understanding of trade and engagement in entrepreneurship (Agozino & Anyanike, 2007; Amaechi, 2020; Kanu, 2020). Underlying it is a

set of indigenous practices such as Igba-boi (to serve a master) Imu-ahia (to learn a trade), and igba-oso ahia (sales assistant for mutual benefit). These indigenous practices provide unique resources such as business skills and entrepreneurial attitudes (Adeola, 2020; Agu & Nwachukwu, 2020; Lady Franca, 2016; Iwara et al., 2019), unique business networks at least for graduates of the Igba-boi system and the initial start-off capital for entrepreneurial activity (Lady-Franca, 2016). All these have helped graduates of the business school to identify entrepreneurial opportunities, sustain their businesses, as well as maximise their profits when they engage in entrepreneurial activities in different parts of Nigeria (Udegbe, 2013; Lady-Franca, 2016; Nwagbara, 2007; Olutayo, 1999; Orugun & Nafiu, 2014).

The current study tests whether these success potentials of I-TBS are also applicable in other contexts, other than Nigeria. Using the case of SMEs of Igbo youths that are based in the Limpopo Province of South Africa, the study interrogates whether the indigenous practices within I-TBS provide the appropriate “resources” and subsequent entrepreneurial success for Igbo businesses in a diaspora context. The understanding of “resources” is drawn from the conceptualisation of resources involving both material and non-material elements (Rauch et al., 2009; Shane & Venkatraman, 2000; Ucbasaran et al., 2001). The assumption is that these elements provide a window of opportunity needed for entrepreneurs to identify new opportunities, maintain competitive advantage and sustain their businesses and entrepreneurial ventures. Although the connections between these elements are made in I-TBS literature in Nigeria, they have rarely been tested in business ventures owned by Igbos in the diaspora. At a time when there is an increased call for the adoption of I-TBS model for people in other African communities (Adeola, 2020b; Agu & Nwachukwu, 2020), it is essential to consider testing the relevance of such indigenous practices in contexts other than Nigeria. Such findings will potentially validate the increased call for the adoption of I-TBS practices in other geographical locations (Ratten, 2007).

## THE IGBOS AND ENTREPRENEURIAL SUCCESS IN DIASPORA

Studies about the entrepreneurial success of SMEs run by Igbo people in diaspora (especially in South Africa) are generally lacking in the entrepreneurship literature. Available in the literature, however, are studies regarding how Igbo people constitute the major quota of contemporary African immigrants living and engaging in different SMEs, across different parts of the world (Akinrinade & Ogen, 2011; Ojo, 2013). These Igbo business individuals in the diaspora are among the most innovative individuals, in terms of business start-ups and engagements in successful entrepreneurial activities (Amaechi, 2020). Despite the difficult socio-political contexts, they find themselves, they seem to have managed to thrive, and have relatively engaged well in different entrepreneurial activities (Chua & Rubinfeld, 2014). Notably, this high presence of contemporary Igbo businesses around the world began at the dawn of Nigerian independence, when the departure of the colonial British created new job opportunities in the Nigerian civil service. The departure of the British from the Nigerian civil service and political scene also opened numerous opportunities for the locals with university degrees to take up professional jobs in the country’s civil services. With only a few tertiary institutions available in Nigeria at the time, other countries (especially English-speaking countries) outside Nigeria, became destination points for Igbo people who wanted to pursue university studies. The Igbo migrants had hoped to return to Nigeria to take-up the positions left behind by the departing British colonial administration (Hernandez-Coss & Bun, 2006). However, at the completion of their studies, most of these migrants were lured with better socio-economic opportunities in their

host countries. For this, most of them stayed behind, establishing high trending businesses and entrepreneurial ventures that provide economic support for their families both in their host countries and in Nigeria (Chua & Rubinfeld, 2014; Reynolds, 2002).

In addition to this, studies also points out the craving for personal independence and shrinking of economic opportunities that came at the dawn of the Nigerian/Biafran civil war as another significant factor that encouraged Igbo emigration (Chukwuezi, 2001; Alumona, 2011). Alumona (2011) describes how the Igbos had unlike other ethnic groups in Nigeria, had a unique and difficult socio-economic situation at the end of the civil war. Losing the civil war meant that they had to endure brutal repressive and unjust policies that were enacted by the Nigerian government after the civil war. Some of such policies were intentionally designed to keep them down economically. For example, almost all properties and houses belonging to the Igbos in different parts of the country, were declared as ‘abandon properties’, and consequently shared as spoils of war. The Nigerian Federal government also implemented a policy that forced Igbo people to take a “20 pounds” stipend from the banks, irrespective of the amount the individuals had in their bank accounts before the war started. While this happened, the other ethnic groups from other parts of Nigeria received all the money they had in the bank. Under this difficult situation, the Igbos were forced to start seeking better opportunities elsewhere other than in Nigeria (Alumona, 2018). Motivated by the economic situation at “home”, they managed to create businesses and economic opportunities that catered for their immediate needs and those of their families back home. In this sense, countries outside Nigeria, such as the United Kingdom, United States and South Africa, which are replete with economic and business opportunities become an ideal destination for entrepreneurial Igbo migrants.

In South Africa particularly, most of the Igbo people arrived at the dawn of the new political dispensation in 1994. As Amaechi (2020) explained, this group of Igbo individuals have been motivated by the quest for better higher education and professional achievement and better economic opportunities in the host countries. Seizing the enormous economic opportunity and the seemingly new equal level-playing ground that South Africa provided for black people, the Igbo people (together with immigrants from other African countries) had quickly settled in different cities in South Africa. Since the early 1990s, they have managed to build successful SMEs and huge presence in the South African economy. Igbo SMEs represents the biggest contributor of informal economy to the South African market (Amaechi, 2020). There is hardly a major city in South Africa, without Igbo business presence (Amaechi, 2020; Nyamnjoh, 2010).

Despite this entrepreneurial success, there is hardly systematic analysis of how the Igbo individuals have managed to accomplish such entrepreneurial success, under a seemingly difficult situation in South African (Nyamnjoh, 2010). It is not clear, whether there is a relationship between this entrepreneurial success and the I-TBS, as it is the case in the Nigerian context. The closest study to have discussed this relationship in the South African context is Amaechi’s (2020) recent study. In the study of how Igbos engage in entrepreneurial incubation and start-up, Amaechi (2020) credited I-TBS and other socio-cultural conditions as resources responsible for the Igbo business start-ups and entrepreneurial engagements in South Africa. Amaechi (2020) also identified the three practices within the I-TBS (imu-ahia, igba-oso ahia and igba-boi) as the source of the important social and financial capital for entrepreneurial engagements and business start-ups. He (Amaechi, 2020) explained that amidst difficult socio-economic situation, the Igbo entrepreneurs had managed to draw from the reservoir of business skills, the business networks and financial resource which the I-TBS provides, to identify

opportunities and start their own business, across the major cities of South Africa (Amaechi, 2020).

Admittedly, Amaechi's study is very valuable in the sense that it reiterates the significance of I-TBS and its concomitant entrepreneurial resources for encouraging Igbo incubation and engagement in entrepreneurial activities. However, the study did not focus purely on ITBS. The focus was on profiling socio-political conditions within which SMEs were incubated in South Africa; of which indigenous practices were identified as a contributing resource. This is probably why the study largely ignores a systematic analysis of how such resources may be inherent in the entrepreneurial activities of the SMEs of the Igbo people in the diaspora. Evidently, the different socio-political conditions may have influenced the Igbo business individuals' ability to embark on different entrepreneurial ventures, but the core resource for entrepreneurial intentions and engagement could be drawn from I-TBS (Agu & Nwachuckwu, 2020). A qualitative systematic analysis of the relationship between I-TBS and entrepreneurial engagements and success could demonstrate this. Such extended analysis could deepen the understanding of the relevance of I-TBS to entrepreneurial engagement and success of the Igbo people in the diaspora context.

### **THEORISING THE RELEVANCE OF IGBO TRADITIONAL BUSINESS SCHOOL IN ENTREPRENEURIAL SUCCESS**

The afore-identified research gaps are addressed in the current study by drawing from the idea of "resource" (both tangible and intangible), as enabler of entrepreneurial engagement and success in the literature (Penrose, 1959; Rauch et al., 2009; Shane & Venkatraman, 2000; Ucbasaran et al., 2001). In analyzing the different exogenous factors that influence entrepreneurial success, the American management scholar, Edith Penrose (1959) had considered "resource" as the most critical factor for developing firms. For Penrose (1959), firms are basically the combination of numerous resources. Their corporate heterogeneity is incumbent on different resources; among which is entrepreneurial training skills and investment capital. In practical terms, these elements create and sustain competitive advantage for economic success. In fact, they are the internal analytical unit of a firm, and the bases upon which entrepreneur actors constructively operate successful firms.

Scholars such as Bonet et al. (2011); Powell and Eddleston (2013); Baluku et al. (2016) and Huang (2016) had elaborated on this kind of argument, to show more practical values of resources for entrepreneurial success of small and medium size businesses in emerging markets. Looking at the role of resources such as capital (ben qian), capability (ben shi) and personal involvement (ben ren)" in the beginning of the small and medium enterprises in China, Huang (2016), for example, argues that small businesses' long-term maintenance of competitive advantages and operational performance relies on internal resources and capability. Huang (2016) further argues that entrepreneurs should save and accumulate those resources which cannot be directly or indirectly obtained by the rivals. The same scholar also maintains that entrepreneurs must also have the capability to effectively use such resources to maintain long-term competitive advantage in entrepreneurial ventures. These essential resources are required to enter and maintain entrepreneurial success of those business ventures. A shortage of these resources invariably lowers the probability of entrepreneurial success (Burns, 2016).

In the I-TBS literature, these kinds of resources have also been found to be important in understanding the development of business success of Igbo enterprises in the Nigerian contexts. Here, studies by Iwara et al. (2019); Kanu (2020); Lady-Franca (2016); Udegbe (2013); Makhbul

(2011) link the provision of these resources mainly to the indigenous practices (Igba-boi, imuahia and igba oso ahia) within the traditional model. In a very general sense, Iwara et al. (2019) particularly found in the Igba-boi system, comprehensive training is given to the apprentices during what they call “the second stage: learning the science of practical entrepreneurship,” as significant contributing resources for entrepreneurial engagement and success. This training includes: the basic knowledge of business owner/customer relationship, informed knowledge about business environment, financial management skills, and management of superior subordinate relationships (Iwara et al., 2019). By the time the apprentices have learnt all the nitty-gritty of conducting entrepreneurial activities in the second stage, they are also taken to the “third stage called the stage for “graduation, settlement and initiation of potential entrepreneurs in the Igba-boi practice”). At this stage, the incumbents are provided with a substantial financial package, with which they could use to start their own businesses. This financial package serves as an initial capital to trade or start entrepreneurial activities. This is locally generated venture capital at its best. However, the apprentices are not at this stage left on their own. They are also made to form/become part of a traditional business network of themselves, their masters and other apprentices (Iwara et al., 2019; Lady-Franca, 2016). Through such partnership, they could also access loans and credit from both their masters and other already established apprentices. Being equipped with these resources, the apprentices are equipped with appropriate resources (skill set, trading attitudes and material resources) to draw from, to identify entrepreneurial opportunities, as well as maximise their profits when they engage in their own entrepreneurial activities.

Both the imu-ahia and the Igba oso ahia (translated literally as market errand runners) is also in general similar to the igba-boi system, in the sense that it involves “learning the act of doing business” from the master. However, the major differences are that the master does not have the legal obligation to “settle” (provide initial financial capital to trade) the apprentices at the end of their apprenticeship (Adeola, 2020; Lady-Franca, 2016). Specific to the Igba-oso ahia, the apprentices are not necessarily attached to a particular master (Adeola, 2020; Amaechi, 2020). In fact, it is the apprentices that pay the master to let them learn how to trade from the master. Here, the period spent with the masters is often significantly shorter than the igba-boi system (often between 1 to 2 years). At the end of the learnership, it is rather the apprentices’ family that has the responsibility of raising the initial financial capital the apprentice needs to start up his own business venture (Charman & Piper, 2011).

Similarly, in the Igba-oso ahia system, the apprentices do not also serve as the boi (servant apprentice). These apprentices rather work for themselves while still attached to the masters’ businesses (Chukwuemeka, 2019). They often receive remuneration from the master when they lure a customer or oversee that such customers buy a product(s) from the master’s shop. Through this process, they could save money to start their own businesses. Going through any of these three indigenous practices of the I-TBS, provides the apprentice with both material and non-material resources for entrepreneurial engagements (Lockett et al., 2008).

In many practical cases in Nigeria (Agu & Nwachuckwu, 2020; Obunike, 2016; Alike & Umunze, 2019), studies have found strong positive correlation between these resources and indicators of success such as an increase in net profit, business expansion, the training of new entrepreneurs, increase in customer base and business sustainability (Neuwirth, 2017). In a recent study of 122 registered members of the Welders’ Union of the Timbers and Allied Market in Owerri, Nigeria, Agu and Nwachuckwu (2020) found I-TBS as having positive and significant influence on business expansion, the training of new entrepreneurs and increase in customer

base. By stimulating desirability of entrepreneurial engagement and the propensity to act among new graduate members, individual welders within the Allied Market in Owerri could create opportunities to expand their business network, their customer base as well as sustain their business over a longer period (Mampheu, 2019).

Similarly, in a study of 107 actual entrepreneurs based in the Household Equipment Line, Main Market Onitsha, Nigeria, Obunike (2016) found some connections between Igba-odibo (a phrase that is interchangeably used for igba-boi) particularly, and increase in customer base, increase in net profit (business profitability) and the ability to train new entrepreneurs. These connections directly flew from several years of apprenticeship training that new entrepreneurs underwent before they started their own businesses. Passing through the Igba-boi system as Obunike's (2016) study agrees, influenced business idea generation, idea modification, business location and venture financial capital were useful resources for the graduates to start and diversify in different businesses. In fact, the practice served as a social capital and as a source of insurance and access to information needed for entrepreneurial motivation in various businesses. Inferably, such indigenous practices within the I-TBS provide not only the necessary skill set that makes entrepreneurial engagements easier, but they also provide the ideological motivation, which makes capacity and entrepreneurial success imperative.

Besides being a provider of tangible and intangible resource, Kanu (2020) particularly found above other resources, the initial cash capital and the training given to apprentices at the end of their apprenticeship, as very important elements that ensure entrepreneurial sustainability, expansion and continuous development of SMEs. As Kanu (2020) explains, newly graduated apprentices in most cases are not only expected to take on new apprentices as soon as they settle down in their own business. They are often expected to do for others what their masters have done for them. Hence, in an emerging market economy, where initial financial capital is not easily accessible from formal financial institutions, this practice provides opportunities for Igbo entrepreneurs to access venture capital necessary for entrepreneurial success. It also, on a very pragmatic level, creates the opportunity for them to train new apprentices, who would form part of a strong business network for their businesses. In the case of a business misfortune, such business network serves as a strong insurance cover for their businesses, thereby helping sustain their entrepreneurial engagement.

Based on these, we infer that I-TBS model influences entrepreneurial success, through the provision of initial cash capital, basic knowledge of business owner/customer relationship, informed knowledge about business environment, financial management skills, and business network, management of superior-subordinate relationships (H1). Also, these unique resources do influence increase in net profit, business expansion, the training of new entrepreneurs, increase in customer base and business sustainability entrepreneurial engagement and success (H2).

## RESEARCH METHODOLOGY

A two-fold quantitative cross-sectional survey design was adopted for the study. Firstly, a test to determine whether I-TBS' distilled resources are inherent within the Igbo SMEs of South Africa. Secondly, to examine whether such resources have influenced entrepreneurial success for the SMEs in the last three years.

## Study Population and Samples

We used a population of young Igbo SMEs that are based in the Limpopo Province of South Africa. The participants were selected from all the six main business towns/cities, namely: Makhado, Malamulele, Musina, Polokwane, Thohoyandou and Tzaneen, in the Province. While the choice of these six cities was to ensure that the sample was a good representation of the entire population of SMEs within the Province, selecting the Province was based on its large population of Igbo SMEs (Amaechi, 2020). By focusing exclusively on this Province, we intentionally meant to provide detailed and in-depth insight into the relevance of I-TBS on entrepreneurial success.

## Research Instruments

A five-point scale was used to collect the data. This was done over the course of four months (first between January to February 2020, and again between July to August 2020), using purposive and snowball approach, where different Igbo individuals in the selected six major towns, were identified through their peers in their respective town. The initial participants were, however, identified using the researchers' networks (Nkondo, 2017).

Initially, the authors had wanted to distribute the questionnaire through the biggest umbrella organization (Ohanaeze Ndi Igbo) in Limpopo Province. However, on approaching the president of the organization, we quickly realized that this organization had very few memberships, and that most of the small and medium size Igbo entrepreneurs do not have membership in the organization. Because of this, we had to change the approach. Purposive and snow-ball techniques turned out to be the most feasible and valid data collection instruments to identify participants within the Province. On different days, we travelled to six selected towns to distribute the questionnaires. For ethical reasons, we distributed the questionnaires, together with a corresponding letter that provided detailed explanations about both the purpose, objectives of the study and the participants' rights in the study. All information that could give away the identity of the participants has been intentionally removed.

The questionnaire was divided into three parts, with each having several components. The first part was designed to elucidate mostly biographical information about the respondents; their age, gender, level of education, number of years they have engaged in entrepreneurial activities in South Africa, the geographical location(s) of their business (es) in Limpopo Province and state of origin in Nigeria. The last part of the section also inquired whether the participants had any experience with the different indigenous practices of I-TBS. While 108 (97.3%) of all the 111 respondents sampled admitted having had such experience, 3 (2.7%) did not have any experience with I-TBS. This information (experience with I-TBS) was particularly useful for measuring the inherence of I-TBS and their influence on entrepreneurial success for Igbo-run SMEs in the Limpopo Province.

The second part of the questions was designed to measure whether the distilled I-TBS' resources (namely: initial business capital, basic knowledge of business owner/customer relationship, informed knowledge about the business environment, financial management skills, business networks and good knowledge and management of superior-subordinate relationship) were inherent within the SMEs. The five-point Likert scale (1=strongly agree, 2=agree, 3=not sure, 4=disagree, and 5=strongly disagree), was used to assess their perceived relevance of the I-TBS to provide them with the necessary resource for entrepreneurial engagement (Agu & Nwachukwu, 2020; Huang, 2016; Park, 2017). Six questions were asked: (1) Because of your

experience with I-TBS, were you able to access initial business capital? Your understanding of business owner/customer relationship is improved due to your experience with I-TBS? Did your experience with I-TBS help you to have a clear understanding of the South African business environment? Has your experience with I-TBS helped you to learn financial management skills? Has your experience with I-TBS helped you to have good business networks (including with your previous *Oga* (Master) other apprentices and product suppliers)? Has your experience with I-TBS helped you to manage how you work with your partners and new apprentices in your own business (es)?

The third and final part of the questions measured the influence of these resources on performance and entrepreneurial success of SMEs. As with the second part, we re-constructed these indicators as questions and measured the respondents' responses on the 5-point Likert scale of (1 = strongly agree, 2=agree, 3=not sure, 4=disagree, and 5=strongly disagree). The indicators of entrepreneurial success (such as increase in net profit, business expansion, the training of new entrepreneurs, increase in customer base and business sustainability) deducted from previous studies were thus aggregated as dependent variables, and were reformulated as five questions. These included: Did your net profit in the last three years increase? Have you been able to open new businesses other than the one you first started within the last three years? Have there been new apprentices working under you in the last three years? Has there been an increase in your customer base in the last two years and have you managed to sustain one business for more than three years in the last three years?

### Statistical Data Analysis

For the analysis, the study used the IBM Statistical Package for Social Sciences (SPSS) version 25. Frequency and descriptive statistics were carried out to measure the frequency, percentage, mean and standard deviation. To check for significance of the constructs, simple T-test analysis was conducted.

## RESULTS AND DISCUSSION

The results are presented systematically along the study's two main objectives.

### Investigating Inherent attributes of I-TBS-Based Resources on the Igbo-run Small and medium scale Enterprises in Limpopo

Table 1 is a demographical representation of the study's respondents.

<b>Characteristics</b>	<b>Frequency</b>	<b>Percentage %</b>	
<b>Gender</b>	Female	13	11.7
	Male	98	88.3
	Total	111	100
<b>Age (years)</b>	21-30	16	14.4
	31-40	56	50.5
	41-50	21	18.9
	Above 50	-	-
	Unknown Age	18	16.2
	Total	111	100
<b>Level of education</b>	Primary	4	3.6



	Secondary	57	51.4
	Tertiary	41	40.2
	Missing	9	8.1
	Total	111	100
<b>State of origin</b>	Imo	36	32.4
	Abia	22	19.8
	Enugu	8	7.2
	Anambra	30	27
	Ebonyi	7	6.3
	Delta	8	7.2
	Total	111	100
<b>Years of business experience in South Africa (years)</b>	01-May	19	17.1
	05-Oct	66	59.5
	Oct-20	18	16.2
	Above 20	8	7.2
	Total	111	100

Based on the analysis as demonstrated in Table 1, out of the 150 questionnaires distributed, 111 (approx. 74%) questionnaires were valid and subjected to analysis. While most of the participants were men (approximately 88%), the rest of the respondents were women.

In terms of the age groups, most of the respondents were adults between the ages of 31-40 years. Very few (14.5%) were below the age of 30 and none were above the age of 50. Most (51%) of the respondents attained their secondary school education and did not go further, meanwhile approximately 40% of the respondents attained tertiary education. Regarding the state of origin, 32.4% of the actual participants are from Imo, which is the highest when compared with Ebonyi and Delta that contributed 6.3% and 7.2%, respectively. Only 7.2% of the respondents have done business in South Africa for more than 20 years, while 59.5% (majority) have only engaged in businesses between 5-10 years. Almost all the participants (97.3%) sampled had gone through some forms of I-TBS experience.

<b>Resources (material and non-material)</b>	<b>Strongly Agree (%)</b>	<b>Agree (%)</b>	<b>Not sure (%)</b>	<b>Disagree (%)</b>	<b>Strongly Disagree (%)</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>Significance</b>
Initial cash capital	66 (59.5)	26 (23.4)	9 (8.1)	1 (0.9)	9(8.1)	1.75	1.18	0
Basic business owner/customer relationship	70 (63.1)	23 (20.7)	-	-	18 (16.2)	1.86	1.45	0
Informed knowledge of South African business environment	56 (57.9)	31 (36.8)	6 (5.3)	-	18 (16.2)	2.03	1.43	0
Financial management skills	72 (64.9)	23 (20.7)	4 (3.6)	-	12 (10.8)	1.71	1.26	0
Good business network	65 (58.6)	25 (22.5)	6 (5.4)	-	15 (13.5)	1.87	1.32	0
knowledge and management of superior-subordinate relationship	55 (49.5)	21 (18.9)	6 (5.4)	-	29 (26.1)	2.23	1.51	0

*P value set at 0.05*

Based on the analysis as demonstrated in Table 2, the mean scores of the distilled I-TBS-based resources were significantly high: The initial cash capital=1.75; basic business owner/customer relationship=1.86; informed knowledge of the South African business environment=2.03; financial management skills=1.71; extensive business network=1.87; knowledge and management skill for superior-subordinate relationships=2.23. The overall responses for the six resources were within the range of “strongly agree” and “agree” in the Likert scale. This suggests that all the identified I-TBS’ resources in the study were substantially present and inherent within the SMEs. Also, It is noteworthy that while resources such as ‘financial management skills’ (1.71) ranked the highest, resources such as “good knowledge of management of superior-subordinate relationship” (2.23) ranked lowest, when compared to the other resources. Nonetheless, the P value at 0.00 statistical significance for the different resources was observed. Means that their contributions to business operations of the SMEs in the Limpopo Province are empirically important (Krauss et al., 2005).

Also, the standard deviation of 1.18, 1.45, 1.43, 1.26, 1.32, 1.51 for the initial cash capital, basic business owner/customer relationship, informed knowledge of the South African business environment, financial management skills, extensive business network, knowledge and management skill for superior-subordinate relationships respectively shows that the results derived from the respondents did vary. However, these variations are below 1, meaning that the opinions of the respondents are very similar.

### Examining the Influence of I-TBS’-Based Resources for Entrepreneurial Success of SMEs in Limpopo

<b>Resources (material and non-material)</b>	<b>Strongly Agree (%)</b>	<b>Agree (%)</b>	<b>Not sure (%)</b>	<b>Disagree (%)</b>	<b>Strongly Disagree (%)</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>Significance</b>
Increase in net profit in the last three years	44 (39.6)	40 (36.0)	7 (6.3)	10 (9.0)	10 (9.0%)	2.12	1.28	0
Business expansion (starting new businesses)	45 (40.5)	22 (19.8)	12 (10.8)	20 (18)	12 (10.8%)	2.39	1.44	0
Ability to train new entrepreneurs	53 (47.7)	27 (24.3)	19 (17.1)	6 (5.4)	6 (5.4%)	1.96	1.17	0
Increase in customer base in the last three years	64 (57.7)	17 (15.3)	3 (2.7)	23 (20.7)	4 (3.6%)	1.97	1.33	0
Business sustainability for more than three years	73 (65.8)	14 (12.6)	3 (2.7)	5 (4.5)	5 (4.5%)	1.69	1.13	0
P value set at 0.05								

Based on the analysis (demonstrated in Table 3), the mean scores of I-TBS against the identified six indicators of success ranged from 1.69 – 2.39. This implies that the respondents highly believe that the I-TBS based resources have a high influence on their entrepreneurial success. Most of the responses were within the range of “strongly agree” and “agree”. This

suggest that the respondents believe that the I-TBS-based resources had influenced entrepreneurial success of their different enterprises.

Also, the standard deviations of the different I-TBS distilled resources show that all responses of the entrepreneurs regarding the success indicators vary significantly from one another. All the five entrepreneurial success indicators that were being influenced by the resources obtainable within the I-TBS system were all below 0.05. This suggests that they are all statistically significant.

### **Increase in Net Profit**

This entrepreneurial success indicator within the I-TBS context indicates the rate of growth of business revenue in terms of monetary value over the past three years. The result as shown in Table 3 shows that most of the respondents (39.6%) strongly agreed that the implementation of I-TBS resources does help increase their businesses' net profit. The 2.12 mean score of the resource observed according to Table 3, indicates that the resource has significant influence on the net revenue of the SMEs who participated in the study, in the last three years. Subsequently, only 9% of the respondents strongly disagreed that the application of I-TBS resources to the entrepreneurial ventures had enhance their business revenue.

A cross tabulation (shown in Figure a in the appendix) conducted between the years during which the respondents had engaged in entrepreneurial ventures in South Africa and business revenue increment shows that businesses that have been operating for 5 to 10 years and 20 years and above were of strong opinion that the application of I-TBS resources in their business helped to increase their business revenue. None of the respondents that engaged in entrepreneurial venture for more than 20 years disagreed that experience with I-TBS had been useful for increasing the net profit in their businesses.

### **Business expansion (Starting of new businesses in the last three years)**

The above indicator of success (shown in Figure b in the appendix) was examined by asking respondents whether they had managed to start new and expand their initial new businesses over the last three. Most of the answers for this were in affirmative. While 46.5% "strongly agreed" that the implementation of I-TBS model had helped them expand their businesses, 22% "agreed". On the contrary, only 10.8% of the respondents "strongly disagreed" that the implementation of I-TBS models had influenced the expansion of their businesses. This means that the implementation of I-TBS models had helped some of the respondents in opening-up of several other businesses, other than what they first started with.

### **Training of New Apprentices**

This entrepreneurial success indicator (shown in Figure c in the appendix) indicates that business owners had been able to nurture, train and help to establish new entrepreneurs since they started their own entrepreneurial ventures. This practice is a core aspect of I-TBS model. The 53% (strongly agree) and 27% (agree) affirmation (as shown in Table 3 below) of the respondents is a clear indication that the application of the I-TBS resources had enhanced the capacity to nurture and capacitate the new entrepreneurs.

Only 5.4% of the respondents strongly disagreed that I-TBS's resources had influenced the business owners to nurture, work and capacitate new entrepreneurs. Interestingly, these were

mainly entrepreneurs who have operated for less than 10 years. This inability could be because some of the participants had enough time in formal entrepreneurial engagement to train up new entrepreneurs.

### **Increase in Customer Base**

This indicates that the business owners have been able to increase their customer base over the past two years. As shown in Table 3, 57.7% of the respondents strongly believed that the implementation of I-TBS model helped in the increment of the customer base. Only 3.6% of the respondents were of strong disagreement with the idea of Figure d which identified the cross-tabulation between how long the respondents have been doing business and increment in customer base. This suggests that all the participants strongly agreed that the implementation of I-TBS resources helped in the enhancement of their customer base. However, businesses that just started within 1-5 years were not strongly in agreement to the idea. This could be because their businesses were still new since they had just started operation in the area.

### **Business Sustainance for More than Three Years**

This environmental success indicator shows (Figure e in the appendix) that the respondents were able to sustain their business for a reasonable period. The 73% and 14% affirmation of “strongly agree” and “agree” respectively by the respondents indicate that they believed that I-TBS resources have the capacity to enhance diversification and sustainance of their businesses for some period. The small percentage of the participants (4.5%) that had contrary opinions was highly insignificant.

Interestingly, only 2.6% of the respondents were not sure if it was because of the I-TBS resources at their disposal that helped them in the diversification of their businesses. This means that there could be other factors. We will not dabble into this discussion, as this is beyond the scope of this study. However, one interesting point is that most of the respondents who were not sure were found to be those whose businesses had not been in existence for 10 years. Most respondents who have engaged in entrepreneurial activities “strongly agreed” and “agreed” that experience with I-TBS was very relevant for the sustainability of their businesses.

## **DISCUSSION AND CONCLUSION**

This study has shown the re-occurring significance of I-TBS’ entrepreneurial resources in entrepreneurial performance and the success of SMEs in emerging market. By testing the extent to which specific I-TBS-based resources are inherent in the Igbo-driven enterprises and how the utilization of such resources play significant roles to the success in the Limpopo Province-based SMEs, the study have demonstrated entrepreneurial success potential of I-TBS in contexts (South Africa) other than where the traditional model was developed.

Evidently, the cross-sectional analysis of the 111 Igbo-run SMEs in the Limpopo Province reveals that a clear majority (approx. 97%) have I-TBS experiences and business operation that is anchored on I-TBS’s orientation and indigenous practices within the model. For this, the SMEs in the study could gain access to resources such as the initial cash capital, basic business owner/customer relationship, financial management skills, informed knowledge about South African business environment, business network, as well as knowledge and management skill for superior-subordinate relationships. These resources are consistent with

the literature of I-TBS related studies in Nigeria (Adeola, 2020a; Adeola, 2020b; Udu, 2015; Lady-Franca, 2016; Obunike, 2016; Kanu, 2020). This trend implies that these resources positively impact the entrepreneurial success of Igbo-run SMEs in the Nigerian context and could be a formidable business success strategy in South Africa if implemented. The presence of ITBS-based resources in the Igbo run SMEs in Limpopo Province meant a significant increase in business revenue, opening of new businesses, ability to train new entrepreneurs, expansion of customer base for the past three years, and sustainability of entrepreneurial ventures for more than three years.

These findings are supported by recent studies from scholars such as Adeola (2020b); Iwara et al. (2019) and Agu and Nwachuckwu (2020) who argue that the I-TBS model is largely responsible for the increasing surge of new enterprises and successes of the Igbo-run businesses in Nigeria. I-TBS as Adeola (2020b) also explained, is not just a brick and mortar institution, but a longstanding important provider of resources for entrepreneurial development and success. The decades-old concept motivates young adults to strongly get involved in a process of authentic knowledge acquisition through apprenticeship and/or mentorship relationships with established successful entrepreneurs. Such an exercise prepares young Igbo individuals to enter various business ventures. It also makes them ready to compete effectively in the business environment (Iwara, 2020a). It was on that premise that the Igbo-run enterprises became the most successful indigenous model in Nigeria (Adeola, 2020).

The current study has justified and extended this argument in a diaspora context, namely Limpopo Province, South Africa. As it is in Nigeria, the Igbo-run SMEs had taken the same trajectory. As the study showed, the Igbo-run SMEs in the Limpopo Province of South Africa flourished largely because of their adherence and application of the I-TBS model in their business ventures.

Based on this, we can theoretically infer that resources plays important role in entrepreneurial success. The I-TBS model is not only an appropriate provider of tangible and intangible resources, for entrepreneurial engagement and start-ups (Amaechi, 2020), it is also plays a role for entrepreneurial success (Huang 2016). Resources impact not only on entrepreneurial engagement and the propensity to act (Agu and Nwachukwu (2020), but also on entrepreneurial outcomes (Huang, 2016). The leverage of resources in providing entrepreneurial success is very much dependent on the unique entrepreneurial potential and performance qualities such resource begets. In other words, resources provide endowments that push entrepreneurs to specific directions of success. It connotes specific competencies and abilities, and consequently, success in entrepreneurial engagements.

Furthermore, the ability of Igbo entrepreneurs to anchor their SME enterprises on I-TBS despite the change in the environment, the cultural dynamics and high competition in the South Africa's entrepreneurship landscape is a clear indication of the ontological 'rootness' of the indigenous business models. Indigenous business models such as I-TBS, are not just business practices, they are also embedded on the culture and value systems within the communities where they evolve (Dludla, 2014). It is part and parcel of the people within that culture. Thus, when people are confronted with different difficult economic situations, they always draw on the indigenous business model within their culture to engage in business activities. Drawing from such models, they are often able to transfer and apply values from their indigenous models to incubate (Iwara, 2020b) and sustain new business ventures in their new environment. Such recourse to the traditional and indigenous models plays a significant

role in the entrepreneurial success of their entrepreneurial engagement in their new (diasporan) environment.

### RECOMMENDATIONS

Based on the high impact of indigenous practices of the I-TBS on entrepreneurial success of the small and medium-scale Igbo businesses, we recommend the adoption of policies that encourages the application of the I-TBS model in the training of young South Africans in different entrepreneurial ventures. Tapping into such indigenous model could help alleviate youth unemployment in South Africa. It would also bolster more corporation and social cohesion among foreign nationals and locals since the business benefits will be clear for all.

We also encourage local and academic institutions across the province (Limpopo) to start designing and developing similar entrepreneurial models to encourage entrepreneurial engagement. Given that the South African government has shown interest, and has actually invested lots of money into parastatals such as Small Enterprise Development Agency, South African Employment Fund and South Education and Training Authorities for this purpose, such model could complement the state's already exiting effort. The programmers could also ensure that entrepreneurial talents are identified early and properly harnessed for the good of the individual and the South African society at large.

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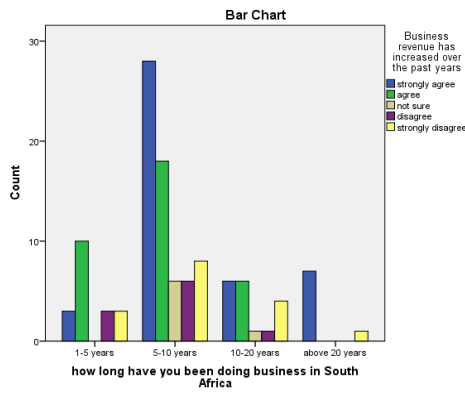
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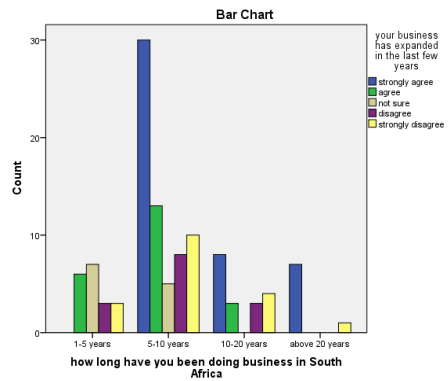
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### APPENDIX A

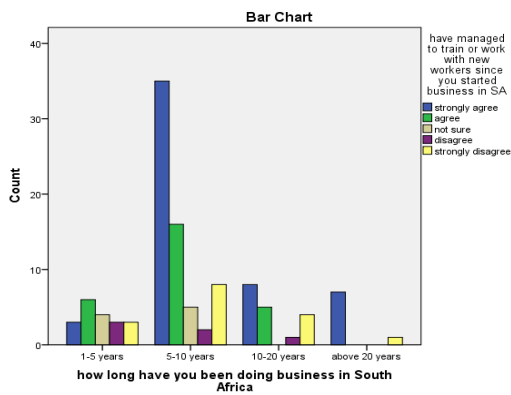
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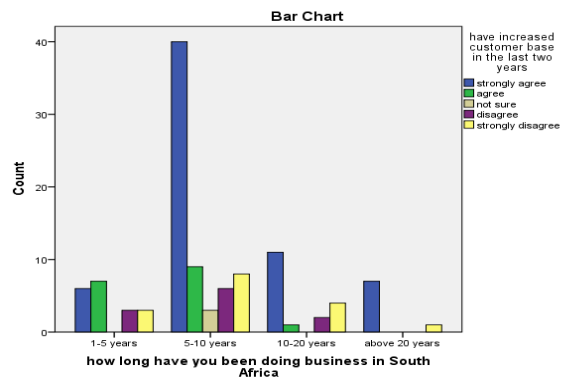
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