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Entrepreneurial leadership in retail pharmacy: developing economy perspective

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Abstract

Purpose – This paper aims to uncover the challenges facing entrepreneurs in a developing economy, using the retail pharmacy sector in Nigeria. Furthermore, the entrepreneurial leadership attributes that have proved to be valuable in overcoming the challenges faced in this sector will be identified.

Design/methodology/approach – The study is exploratory. Data collection is based on semi-structured interviews with retail pharmacy entrepreneurs and their employees. Although there has been some body of literature on entrepreneurial leadership, (Fernald *et al.*, 2005; Gupta *et al.*, 2004), none have addressed the nexus of leadership and entrepreneurship (Cogliser and Brigham, 2004) from the retail pharmacy sector of a developing economy.

Findings – Findings show that retail pharmacy entrepreneurs in a developing economy are faced with challenges such as inadequate capital and poor infrastructural facilities. However, despite these challenges, these entrepreneurial leaders were successful because of key attributes, namely, vision, risk-taking and opportunity recognition and exploitation.

Research limitations/implications – The sample size is a limitation to the study. Future studies with a larger sampling base as well as a different sector will provide greater insight.

Originality/value – This study is the first qualitative study to explore the impact of entrepreneurial leadership in the retail pharmacy sector in Nigeria. It identified the training needs for entrepreneurs in this context. By the participants sharing their experiences, the study identified the prerequisites for success, hence motivating other retail pharmacy entrepreneurs.

Keywords Entrepreneurs, Leadership, Leaders, Training needs, Entrepreneurship, Learning

Paper type Research paper

Introduction

The area of leadership is continually developing and evolving. The concept of entrepreneurial leadership represents a key stage in this development and provides a new paradigm within a growing body of literature from both empirical and conceptual standpoints (Cogliser and Brigham, 2004; Fernald *et al.*, 2005; Gupta *et al.*, 2004). While the concept has gained increased prominence in recent years, entrepreneurial leadership has received little focused attention and, as a result, has remained largely conceptual. Within the context of a developing economy, this is even further compounded (Chen, 2007). As a result, there is little examination within the literature base of how entrepreneurs relate to their leadership approach from the developing economy perspective. The result is a research gap in our knowledge and understanding related to entrepreneurial leadership both conceptually and empirically. Do entrepreneurs possess



entrepreneurial leadership attributes? Is it important for the success of their business? How has these attributes been able to help them combat their challenges? How can these entrepreneurs learn to lead? In light of these questions, the paper focuses towards addressing entrepreneurial leadership from a developing economy perspective.

Following a theory-building approach, the research presented in this paper investigates the challenges that entrepreneurial leaders face within a developing economy. Focused within the retail pharmacy sector in Nigeria, the research is based on the analysis of 12 semi-structured interviews of both entrepreneurs and employees. The research seeks to better understand what entrepreneurial leadership attributes are considered most valuable in overcoming the challenges of managing a business. Based on the findings of the interview, conclusions are then provided offering new insights into the phenomenon of entrepreneurial leadership. Risk-taking, opportunity recognition and exploitation and vision are identified as key entrepreneurial leadership attributes required in overcoming challenges faced in managing a business in a developing economy.

Literature review

Given the prominence of both the fields of leadership and entrepreneurship, a diverse body of literature has developed focusing on the intersection between these two areas. The emerging concept of entrepreneurial leadership provides a critical insight into how leaders within entrepreneurial settings are able to achieve improved performance under considerable challenges. The following literature review focuses on the concept of entrepreneurial leadership as a distinct leadership approach. The review then extends to address the challenges entrepreneurs face within a developing economy.

Entrepreneurial leadership

Entrepreneurial leadership is a new paradigm that has emerged from the domains of leadership and entrepreneurship (Fernald *et al.*, 2005). However, while drawing on these areas, the concept of entrepreneurial leadership remains distinct. This is reflected within the plethora of definitions that have emerged about entrepreneurial leadership (Gupta *et al.*, 2004; Hejazi *et al.*, 2012; Renko *et al.*, 2015). Entrepreneurial leadership has been defined as a type of leadership that creates visionary scenarios that are used to assemble and mobilise a “supporting cast” of participants who become committed to the vision, discovery and exploitation of strategic value creation (Gupta *et al.*, 2004, p. 242). This is further extended by Renko *et al.* (2015, p. 55), who define entrepreneurial leadership as “influencing and directing the performance of group members towards achieving those organisational goals that involves recognising and exploiting entrepreneurial opportunities”. However, even with the increasing number of definitions, development within the area of entrepreneurial leadership has been limited by lack of conceptual development and the absence of adequate tools to assess characteristics and behaviours of entrepreneurial leaders (Renko *et al.*, 2015).

Despite the growing interest in the field, academic research into entrepreneurial leadership lacks an established empirical base. Past research work within the area has primarily examined entrepreneurial leadership as a convergence of entrepreneurship and leadership (Cogliser and Brigham, 2004; Fernald *et al.*, 2005). The key work in this area by Cogliser and Brigham (2004) neither defines the concept of entrepreneurial leadership (Roomi and Harrison, 2011) nor demonstrates how it could be effectively

measured (Gupta *et al.*, 2004; Renko *et al.*, 2015). For other researchers, the psychological profile of entrepreneurial leaders is paramount; hence, they identified the characteristics essential in such individuals (Gupta *et al.*, 2004; Nicholson, 1998; Renko *et al.*, 2015). Characteristics such as risk-taking, envisioning, opportunity recognition were identified. However, Nicholson (1998) adopted a trait approach which has been criticised by various researchers as a narrow view (Vecchio, 2003). Additionally, Gupta *et al.* (2004) used GLOBE data not initially intended to address the concept of entrepreneurial leadership, while Renko *et al.* (2015) developed a scale to measure entrepreneurial leadership by looking at the follower's perspective and ignoring how these leaders perceive their abilities. These approaches mirror the trait perspective in mainstream leadership research and has been heavily criticised for failing to take into account the impact of context.

The ways in which entrepreneurs learn to become leaders within their organisations has also received little attention, especially within a small firm context (Kempster and Cope, 2010). Though literature on entrepreneurial leadership is diverse and authors have adopted various approaches within their inquiry, there has been little or no consideration on how entrepreneurial leadership can be developed (Roomi and Harrison, 2011). Gupta *et al.* (2004) provides a list of 19 attributes but fails to acknowledge that such capabilities may be learned over time. His work seems to give credence to the early trait approaches, implying that entrepreneurial leaders are born with these innate leadership attributes (Kempster and Cope, 2010).

The developing economy context

Interest in entrepreneurship has grown in almost all parts of the world. There has been a heightened interest in entrepreneurship in both developed and developing countries. This is very visible because entrepreneurs have been a dominant image in both the developed and developing economies (Inyang and Enuoh, 2009). However, the heightened interest in entrepreneurship may be due to the link between entrepreneurial activity and economic growth or performance. Studies have shown that increased entrepreneurial activity can lead to improved economic performance (Berkowitz and DeJong, 2005; Carree and Thurik, 2010; Robbins *et al.*, 2000). However, the context of the developing economy presents a range of challenges for entrepreneurs.

Harrison and Paul (2014) in their systematic review on entrepreneurial leadership demonstrated that prior studies are oriented towards developed economies and have neglected the developing economy context. However, entrepreneurs in countries with different levels of gross domestic product per capital face different challenges; as a result, policies and conditions favourable to entrepreneurship in one country (or region) may not be effective or favourable in another (Acs, 2006). Challenges such as inadequate capital, poor infrastructural facilities and corruption have been identified as factors inhibiting the growth of small businesses in developing countries (Gray *et al.*, 1997; Kiggundu, 2002; Mambula, 2002; Okpara and Wynn, 2007; Okpara, 2011; Trulsson, 1997; van Dijk, 1995). Nigeria is not an exception.

The study discussed in this paper was conducted in Nigeria. The significance of examining Nigeria lies in the fact that it is an ideal example of a developing economy with a gross national income per capita of less than \$12,746 (World Bank, 2015). No sector mirrors the importance of entrepreneurial leadership as much as the Nigerian retail pharmacy industry. The challenges faced by retail pharmacy entrepreneurs

resonate with entrepreneurs generally. Many of these challenges include change in stakeholder demands, leadership skills, inadequate capital and infrastructural facilities. Preliminary analysis suggests that relatively lower requirements of investment, human resources, knowledge and capital are among the reasons that entrepreneurs in developing countries focus on the retail sector (Klapper *et al.*, 2010); hence, in developing countries, cost and time barriers to starting a business favour the retail trade (Adegbite *et al.*, 2007). In Nigeria, the retail sector continues to grow. As stated by Euromonitor International (2013, p. 1):

The Nigerian retail environment achieved considerable growth over the review period. This can mainly be attributed to the growing Nigerian population, which is generating increasing demand for retailers in the country.

Therefore, the retail pharmacy industry provides a relevant context in which to conduct empirical research.

Methodology

Approach

The research aims to provide a critical insight into the development of entrepreneurial leadership attributes. These attributes shape the performance of firms through providing leaders with an entrepreneurial understanding and skill set. Leaders are then better able to explore opportunities and develop commercial ventures. The research then extends to address the challenges entrepreneurs face within the context of a developing economy. As such, the research addresses three research objectives informed from the evidence of the literature review. These are as follows:

- (1) *Research Objective 1:* To provide valid empirical evidence that will contribute to our understanding of entrepreneurial leadership, particularly in the context of a developing economy.
- (2) *Research Objective 2:* To identify the attributes of effective entrepreneurial leaders.
- (3) *Research Objective 3:* To consider the impact of entrepreneurial leadership attributes in combating the challenges faced by entrepreneurs in a developing economy.

The research paradigm selected for this study was constructionism – interpretivism (Ponterotto, 2005). Constructionism is grounded in human experiences within their social-cultural milieu, thus enabling a full account to be taken of the context in which learning takes place (Guba and Lincoln, 1998). The interpretivist approach stems from an acceptance that deep meaning and understanding can only be uncovered through interaction between the researcher and the subject (Gergen, 1985). This approach, however, poses considerable challenges to researchers if they are unable to convince their audience of the rigour and reliability of the research process. Specifically, in an entrepreneurial context, Leitch *et al.* (2010) remind interpretivist researchers that it is their responsibility to provide the reader with adequate information on the design and conduct of their research so that the rigour and integrity of the process can be easily assessed. As a result, the developed research design acknowledges these concerns and follows a robust qualitative approach within data collection and analysis.

Method and data generation

The research design followed a qualitative approach through the use of semi-structured interviews within data collection. As the study was related to developing an understanding rather than measuring, it was judged necessary to adopt an approach that gave “voice” (Bluhm *et al.*, 2011, p. 1871) to the individual entrepreneurs. This allowed respondents to discuss their perceptions and the processes involved (Gartner *et al.*, 1992; Smircich and Stubbart, 1985). This qualitative and idiographic methodology reinforced, the exploratory nature of the study (Yin, 2003).

Data were collected through in-depth interviews with respondents supported by an interview protocol. The use of such an approach facilitates an analysis through which patterns in the data can be examined and explored (Taylor and Bogdan, 1998). In-depth interviews also provide an opportunity to collect rich contextual evidence and meanings in an area that has not been previously explored in depth (Howorth *et al.*, 2004). Interviews were transcribed and peer reviewed, and where possible, archival and company documents were used to provide data triangulation.

The research followed a purposive sampling approach set by the following criteria:

- The entrepreneur should own her/his retail pharmacy and the business must have been in existence for not less than five years. This is important because it indicates that the entrepreneur has been in the industry long enough to have experienced the challenges and survived, whereas others went or may still go burst.
- The business has to have achieved significant growth in terms of retail expansion, namely, having, at the time of the research, more than one outlet.
- The business must have at least five employees of which one would be willing to be interviewed as part of the research process.

An interview protocol was developed to provide reliability and consistency across the semi-structured interviews. The protocol was derived from the literature related to entrepreneurial leadership. The interview then explored both the entrepreneurial leadership attributes and their context, for example, asking an interviewee to recall the impact of critical episodes in their business career to date. To encourage interviewees to speak openly, each interviewee was also assured that, in any publication of research outcomes, their identities would be anonymised. With the permission of each respondent, interviews were recorded, and these lasted from 40 minutes to 2 hours and were conducted at a place of the interviewee’s choosing, often a business office but locations also included homes and business clubs. The research was conducted over a six-month period in 2014 during which time there was little change to the industry-context, a point confirmed by interviewees. Each interview was also peer reviewed to ensure validity.

Data analysis

All forms of qualitative data analysis are intended to move researchers towards understanding and insight (Klag and Langley, 2013). However, data can be difficult to comprehend; boundaries between different issues raised by interviewees are often ambiguous in terms of precision, relevance and importance. In keeping with the constructionist–interpretivist paradigm of the study, an inductive approach was employed whereby the interviews were analysed by looking for recurring themes to emerge from the data. The sample of this study consisted of four retail pharmacy

entrepreneurs with two of their employees. It should be noted that a number of studies have utilised semi-structured interviews in investigating entrepreneurial leadership (Carpenter, 2012; Jones and Crompton, 2009; Kempster and Cope, 2010). However, such studies have focused only on the entrepreneurs and did not interview the followers. This is a methodological weakness, as research has shown that entrepreneurs tend to have an over-exaggerated conception of their abilities (Busenitz and Barney, 1997; Cooper *et al.*, 1988). To address this limitation, the research reported in this paper also conducted interviews with two employees in each pharmacy. The major advantage of adopting a leader/follower approach is data triangulation. Using more than one data source (i.e. the leader and follower) within a single study to examine a particular phenomenon enhances the validity of the findings. In providing a dual perspective (leader/follower) of entrepreneurial leadership, this study thereby provides a distinctive perspective.

Thematic analysis via NVivo was adopted in analysing transcripts. Furthermore, in the presentation of the results, quotes from the data are utilised to give voice (Ryan and Bernard, 2003) and authenticity (Bansal and Corley, 2011) to the text. To ensure validity within the findings, multiple data sources and elements of triangulation were used.

Limitations

While individuals cannot give a complete account of how their thinking and actions have changed as a result of their experiences (Frankish *et al.*, 2013), what can be uncovered by engaging face-to-face with entrepreneurs should not be underestimated. As Morris *et al.* (2011, p. 230) point out, there is much to be realised by “unpacking the direct, first-person experience” that cannot be obtained by any other means. In this study, the most compelling advantage of utilising interviews to generate data is that it provided the opportunity of reaching a depth of understanding about the subject matter other methods could not provide.

The sample size is another limitation to the study. The researcher was unable to gain access to more than 12 respondents (Four retail pharmacy entrepreneurs and eight employees). Future studies with a larger sampling base as well as a different sector will provide greater insight into the emerging theory of entrepreneurial leadership.

Findings

The research focuses on the retail pharmacy sector within Nigeria. The significance of examining Nigeria lies in the fact that it provides an example of an economy facing considerable challenges prevalent in many developing countries, namely, political stability, poor infrastructure and corruption (Nkechi *et al.*, 2012). The retail pharmacy sector was selected for the research because of its importance to the Nigerian economy as well as the dynamic setting it provides. With the increase in the number of online stores, retail pharmacy has become increasingly competitive (Jambulingam *et al.*, 2005). As the health-care system moves increasingly with forces of the market, it becomes a less predictable setting for both health professionals and consumers alike. Pharmacy entrepreneurs are then faced with market fluctuations, demographic changes that affect the health-care system, introduction of new technologies and the increasing drive to integrate organisational functions and finance into a seamless service.

For this study, success was judged based on the number of branches, age of the business and the number of employees. This is presented in Table I.

The selection criteria are consistent with previous works in broad stream entrepreneurship literature (Cooper, 1982; Cressy, 2006; Schutjens and Wever, 2000). Two of the entrepreneurs had 5 branches, while one entrepreneur had 8 and another 22 branches. The companies established by the entrepreneurs had been in existence between 6 and 24 years. All the entrepreneurs had at least 63 employees, with two having over 100 employees.

Table II provides demographic details of the entrepreneurs and employees involved in the study. This is arranged based on the order in which the interviews were conducted, with Pharmacy A being the first interviewed and Pharmacy D the last. The pseudonyms used were similar to the entrepreneurs, with Respondents A1 and A2 as employees of Entrepreneur A.

Towards addressing the research objectives, the results of the study are presented under two headings. First, the challenges faced by the retail pharmacy entrepreneurs are provided. Following this, the entrepreneurial leadership attributes considered most valuable in overcoming these challenges are identified and discussed.

Challenges

Following the analysis of the interviews, two dominant themes emerged in relation to the challenges that entrepreneur face. These are *inadequate capital* and *poor infrastructural facilities*. These challenges highlight the significant barriers entrepreneurs face within the success of a firm.

Table I.
Profile of the
business

Pharmacy	No. of branches	Age of business	No. of employees	Type of location
Pharmacy A	5	6	63	Urban
Pharmacy B	8	24	102	Rural
Pharmacy C	22	20	167	Urban
Pharmacy D	5	13	74	Rural

Table II.
Demographic profile
of the respondents

Pharmacy	Respondent	Age	Gender	Length of service	Qualification	Interview length (words)
Pharmacy A	Entrepreneur A	42	Female	6	BPharm	6,965
Pharmacy A	Employee A1	26	Female	3	BSc	6,071
Pharmacy A	Employee A2	31	Male	4	BSc	7,118
Pharmacy B	Entrepreneur B	53	Male	24	MBA	6,323
Pharmacy B	Employee B1	25	Female	5	BPharm	9,233
Pharmacy B	Employee B2	34	Male	6	BSc	4,272
Pharmacy C	Entrepreneur C	50	Female	20	BPharm	11,844
Pharmacy C	Employee C1	27	Male	2	BPharm	5,719
Pharmacy C	Employee C2	35	Female	8	BPharm	6,362
Pharmacy D	Entrepreneur D	44	Male	13	MBA	8,336
Pharmacy D	Employee D1	28	Female	3	BSc	6,541
Pharmacy D	Employee D2	29	Male	5	BPharm	6,870

Inadequate capital

In line with literature on the problems of entrepreneurship in developing economies (Nkechi *et al.*, 2012; Okpara, 2011), there was much consensus across the respondents on the challenge of inadequate capital in running their businesses. The respondents highlighted that their businesses are capital intensive; hence, you must have adequate capital to fund the business both with the required stock and amenities. Without sufficient capital, significant constraints are placed on investment in new technologies, staff development and training as well as location expansion. Indeed, without adequate capital, it would be difficult to set up the business. Entrepreneur D's remark illustrates this:

The major challenge is finance. There is no way you can do this business without finance. First of all is the finance (Entrepreneur D).

Entrepreneur A stressed she did not even take into consideration the enormity of this challenge until she had delved into it:

Being in a mall I did not take into account the fees. They have a lot of fees and it is based on the square footage. I am glad that I did not have a big shop because the amount is really steep. Balancing everything not making your product too expensive and out of reach for the people who you really want to take care of has been a challenge. Of course, you have professionals and you have to pay their salaries and it has to be consistent, I don't believe in owing people, so that has been the major challenge, the finance.

All their employees recognised the impact of inadequate capital in the efficient running of the business by their bosses. They described inadequate capital as one of the greatest challenges because to satisfy their customers, they had to stock variety of drugs which are financially demanding. This is summarised by Employee B1's comment below:

One of the greatest challenges pharmacist face in running their business is finance because of loans. There are no loans coming and apart from that when you invest in pharmacy business, it takes time before you start reaping the fruit of your labour. It might take two, three years. I have worked in some upcoming pharmacies and it is really frustrating because they didn't make enough to pay their pharmacists.

However, the effect of inadequate finance may be argued to be one of the challenges faced in the teething stage of the business. This is to say that as the enterprise grows, the ability of the entrepreneur to acquire finance increases. This is seen in Entrepreneur B's case:

At the beginning it was finance, but as we grew bigger, finance was not a problem again. As they say money follows a good idea; we have banks. At the beginning it was a challenge because you are still small, you are risky so as to speak to the bankers. They are not really keen because they are not sure you are going to pay back any loan. But as we grew bigger and made a brand for ourselves, now we have banks that come along and say that they will finance this and finance is no longer the problem.

Poor infrastructural facilities

Poor infrastructure was identified by the respondents as one of the central problems faced in running their business. These infrastructural deficits place considerable limitations on the ability of the business to provide services to customers. As a result, entrepreneurs have to develop contingencies to ensure business functions continue.

Some of the respondents highlighted bad roads as one of the problems of infrastructure. Bad roads had affected their customer loyalty by making their outlets inaccessible as a result of traffic. This is illustrated in Employee B1's remark below:

The roads are bad and because of this there is usually traffic and these sometimes affect our customers coming here. The fear of encountering traffic may prevent them from coming.

Inconsistent power supply was also identified by both entrepreneurs and their employees as a major challenge of infrastructure in running their business. Employee C2 refers to this as an everlasting problem which is not peculiar to the retail pharmacy sector but to all businesses which operate in Nigeria. For Entrepreneur B, it is an Achilles hill in every industry, and Employee B1 believes that it is a failure on the part of the government. All the respondents felt that the business will be more profitable if there was less cost incurred on power generation.

Entrepreneur C remarked:

The power, I spend so much money in running the generators. If you see at the end of the day, what really takes most of the expenses is it. When I usually do my analysis at the end of the month, there is a group I belong to and we submit our monthly expenses. I find out that the cost of running the generator and all that is high.

However, these entrepreneurs have realised that to succeed, it is inevitable that you have to spend a sizable income in infrastructure. The nature of the business ensures that there is no room for lapse in terms of stock maintenance and customer satisfaction. These were illustrated in their comments.

Entrepreneurial leadership attributes

Despite the challenges these entrepreneurs faced, they were still able to achieve success in this environment. Findings from the interviews with both the entrepreneurs and their employees showed that the presence of specific entrepreneurial leadership attributes played a key part in addressing these challenges. These attributes are *risk-taking*, *opportunity recognition and exploitation* and *vision*. These are discussed below.

Risk-taking

Respondents emphasised the need to effectively manage risk and uncertainty within the operation of their businesses. It is not surprising that risk-taking has emerged as an important attribute of an entrepreneurial leader. Research has shown that risk-taking is one of the main components or characteristics of entrepreneurial leadership (Carpenter, 2012; Chen, 2007; Gupta *et al.*, 2004; Renko *et al.*, 2015). In taking risks, respondents first identified the potential loss that could occur – the “downside” risk. Thereafter, they considered the probability of such a loss and how it could be minimised. For these respondents, risk-taking is part of the business.

Entrepreneur A's remark illustrates this:

Any business man is a risk taker.

For all entrepreneurs and their employees, taking risks is inevitable in business. If you cannot take risks, then you may not succeed in the business. However, this approach must be supported by an in-depth understanding of the business and its environment. Entrepreneur B described how he continues to take risks even when the business is facing losses:

You have to be bold to do it. Sometimes I did well and sometimes drugs expire and you lose money. The natural response is for people to get away from them but that is when I make another order [...] You have to be courageous. We have lost a lot of money in expiries.

However, consensus was not reached on the level of risk-taking. Two of the entrepreneurs state that they take moderate risks; before embarking on a venture, they consider the consequences. Entrepreneur D commented:

I take risks but it is calculated risks. Worst case scenario at least you have your money back. You have your original money, if you cannot make a profit fine but at least you have your capital. I will not gamble the whole nine yards, capital plus profit. I can't.

Entrepreneur C remarked:

Some companies come in and say Madam we are giving you this product half price and it is expiring in December. I look at the profit margin at the end of the year, what I will make and I key into it. That is a good risk. I quickly go into my system and check what I have been selling before and ask myself what I have sold for the past six months. Have I sold this? I check other brands, we don't have enough and the dates are far. I will push them aside and embark on it.

This is contrary to the other two entrepreneurs who do not mind losing their money. In fact, they continue to invest in the same activity even when it continues to bring losses believing at one point in time it will become profitable. This example is shown in Entrepreneur A's comment:

I have experience where I continue to buy a particular drug each time. Each time I buy this drug it will expire on the shelf. I will not make any profit but instead of giving up I still go and stock that product again. So I keep on doing this until the time I get a particular patient on this product.

This was also confirmed by Employee A2:

She takes high risks. Most risks she takes could fail but somehow they don't. She buys a lot of drugs even when she knows that they could expire on the shelf. In short she takes a lot of risks; high risk.

Nevertheless, findings show that in this risky and dynamic environment, entrepreneurial leaders are willing to take and accept risks when faced with underlying opportunities.

Opportunity recognition and exploitation

All the entrepreneurs believed that their ability to identify and exploit opportunities was important to the success of the business. Some opportunities came by sheer providence, but the ability to exploit them was a key reason for an entrepreneur's success. This is illustrated in the comment by Entrepreneur B:

Though I came back home due to family issues, I saw an opportunity available, and decided to open a shop since it's what I have always wanted to do [...]

Some of the entrepreneurs such as Entrepreneurs A and D expanded the number of their outlets to fill a gap they had identified. Respondent D opened a branch in an emerging market believing that "[...] it is a good place to be". For Respondent A, the increase in the number of outlets is to meet the demands of customers coming from far and wide.

Entrepreneur C stressed the importance of opportunity identification and exploitation. She stressed that her success cannot be attributed to solely hard work; rather, it had been as a result of exploiting opportunities. This is emphasised in her comment:

You could be working hard based on nothing but also reaching out to seize the opportunities around you is the most important thing. So I don't see myself as [...] I work hard in it but I didn't work hard to earn the locations. Once I found myself, I took up the challenge but not the other way round.

All employees shared the view that their bosses have the ability to identify and exploit opportunities Employee C2 attributes their vast expansion to the ability of her boss to recognise a gap in the market. For Employee A2, his boss is able to spot the opportunities in the industry because she is constantly developing herself. Sometimes, these opportunities were not new in the market, but their bosses were always quick to exploit them. Respondent A2 stresses this in his remark:

There are none of these products that are new. They have been in the market whether it is oncology or fertility products for years but we are usually one of the first companies to register market and work hard at pushing these drugs. So much so that it shows the potential in some of these markets that other people in some cases have come and focused in one particular thing and will probably have a larger market share than us.

These entrepreneurs took the initiative when required and had the desire to create and envision a successful future which will be discussed next.

Vision

The findings from the data identified that the entrepreneurs had a vision. They had a clear and explicit objective of what they wanted their business to become in the period ahead. This ranged from expansion to greater brand awareness. The data demonstrated that these entrepreneurs were not just day dreamers but had specific plans to achieve their vision. Respondent B showed a clear link between planning and envisioning. For him, to achieve the vision requires an ambitious implementation plan. This is illustrated in his comment:

[...] we still need to weed out some people because we are looking at 10 (more pharmacies) in five years it is not too far away. So we have to weed out some people and keep the strategy. Our plan to build a manufacturing plant is still in the pipeline.

Most of the respondents supported the stance of Entrepreneur B, that envisioning requires planning. This is summarised in the remark by Entrepreneur A:

My brand is going to be stronger. We are going to some strategic places. We are going to Port Harcourt. We are in Delta state. We are going to some strategic places. Abuja, we are working on that. It is going to be a brand to be reckoned with.

As with the entrepreneurs, all the employees recognised that their bosses were visionary. They had a vivid picture of the future of the business. Employee B2 emphasises this in his comment:

This is a man that sits and compares his business with the big banks not minding how those banks have been in existence over centuries. He always sees himself ahead.

On the other hand, the employees agree that there are specific plans in place to achieve the vision of their bosses; hence, a link is established between planning and envisioning. For Employee C2, to become the pharmacy of choice in the country, they have to be accessible. They are positioned where people can easily reach them. For her, this drives and pushes their growth.

Discussion

Following the analysis of the interviews, three key entrepreneurial leadership attributes were identified. These attributes support how entrepreneurs address challenges and achieve success within the context of a developing economy. Based on the analysis and a review of related literature, the following section provides a discussion related to recommendations for the learning and training needs of entrepreneurs in this context. To succeed in the context of a developing economy, it is arguable that the entrepreneurs must improve in the following areas.

Developing and communicating the vision

Vision involves “creating a picture of what the future state will be like” (Flamholtz, 2011, p. 7). In other words, entrepreneurial leaders need to be able to create a vivid picture of the future for the organisation to create added value. When the vision is known and shared it creates enthusiasm, motivation and builds the confidence of people in the organisation (Karanian, 2007; Roomi and Harrison, 2011). As stated by Darling *et al.* (2007, p. 10), “Vision grabs attention”. Therefore, entrepreneurial leaders should be able to communicate the vision to their employees in an exciting and inspirational fashion to ensure implementation (Abbas and Tatfi, 2010; Cogliser and Brigham, 2004).

Envisioning the future is fundamental to most approaches of transformational and charismatic leadership. While leaders can readily grasp the concept of envisioning, it is a difficult skill to learn and put into practice. Evidence from this study suggests that envisioning works best when a leader views it as a two-stage process. Among interviewees, the first stage of envisioning was a largely introspective activity whereby the individual contemplates her/his business idea. To take the idea forward, an individual must develop not only a personal vision of how the idea or concept may be realised but also a deep, personal belief that it will be successful.

The second stage of the envisioning process requires the individual to sell this vision to a range of diverse stakeholders. These can include family, investors and staff. To bring on board both the financial muscle and the talent necessary for a start-up to succeed places huge demands on an individual to articulate the future in such a way that it resonates with these diverse groupings.

A similar two-stage envisioning process can readily be applied by leaders in other industries. A leader needs to invest time conducting a conversation with herself/himself to refine and construct an image of the future in which she/he truly believes. Thereafter, the leader must effectively communicate this vision to those stakeholders who can help make the vision a reality. Putting the skill of envisioning into practice will be easier when a leader conceives of it as a two-stage process. Effective use of such skill will help overcome the formidable challenges of capital

and poor infrastructure, as these entrepreneurial leaders will be able to provide and sell their vision to others.

Recognition and exploitation of opportunities

In addition, another training need for entrepreneurs is opportunity recognition and exploitation. Entrepreneurs need to respond quickly to environmental opportunities (Surie and Ashley, 2008). As a matter of fact, the growth of any enterprise is based on the ability of the entrepreneurial leader to recognise market opportunities that others cannot see and effectively exploit them.

Therefore, developing this attribute is very paramount in the success of any business. Ways through which such attribute could be developed involves but not limited to business experience. By making a conscious effort to understand more about the market in which the individual operates, it increases the understanding of the trends of the market, thereby increasing the success rate of the enterprise in a developing economy.

Risk-taking and entrepreneurial leadership

Though no consensus was reached on the level of risk-taking by entrepreneurs in this study, all the respondents agreed that risk-taking is a necessary attribute of an entrepreneurial leader. As with opportunity recognition and exploitation, all leaders have to deal with risks. These risks when embarked on could be successful and, at times, could lead to failure and disappointment. Such risks entrepreneurial leaders' face are not limited to just finances but also includes career, social and psychic risk (Kuratko, 2007). However, entrepreneurial leaders are not gamblers but take calculated and prudential risks (Carpenter, 2012). Hence, it is important for entrepreneurs to learn how to take calculated and prudential risks. Before an entrepreneur embarks on a particular scheme, a lot of thought process needs to be considered. What are the chances of success? How much profit will the business generate? If the business fails, will you be able to get your ploughed capital back? Some of these questions need to be answered before proceeding, and this could fundamentally affect the perceptions of such risks as being high, moderate or low.

However, irrespective of the consequence of such risks, entrepreneurial leaders should be able to look at their disruptions to progress, analyse what went wrong and move on without giving up (Roomi and Harrison, 2011). This is critical to the survival of any organisation, especially in countries facing formidable challenges and should be learnt.

Conclusion

This paper has attempted to critically explore entrepreneurial leadership by identifying the challenges faced by entrepreneurs within a developing economy. Drawing on 12 interviews conducted with both the entrepreneurs and their employees within the Nigerian retail pharmacy sector, the paper identified three key entrepreneurial leadership attributes. These attributes were considered essential within addressing the outlined challenges of the environment.

The challenges facing entrepreneurs include inadequate capital and poor infrastructural facilities. There is much evidence of each theme; however, inadequate capital held prominence over poor infrastructure. This is in line with studies by Nkechi *et al.* (2012) and Okpara (2011). However, some researchers have

disagreed on the extent to which small businesses are affected by capital (Okpara, 2011). Kallon (1990) argues based on his findings that the amount of capital needed to start a business is negatively related to the growth rate of the business. However, this study has shown that the lack of financial support is a major bane for entrepreneurs. Indeed, many entrepreneurs have little access to capital and obtain their funds from family and personal savings. Therefore, access to capital remains a significant challenge.

In the retail pharmacy sector, significant capital is required. The pharmaceuticals and other related products distributed and sold are usually expensive. So to break into this market, a large amount of financial resource is required. Nevertheless, when these businesses grow and develop, it becomes easier to have access to such finance. But the question remains how will the businesses succeed if they do not have access to finance in the first place? It is pertinent that the government steps in to encourage those owners that do not have access to adequate capital. The government could encourage these entrepreneurs by lowering interest rates charged by banks as well as reviewing their stance on collateral. However, this is a much broader issue than covered within the scope of this research.

Poor infrastructural facilities in form of bad roads and power failure are a recurrent problem. It has been shown from this study to negatively affect the growth of businesses and has made the cost of products sold increasingly expensive. Several roads and transport links across Nigeria are poor; hence, this affects the customer turnout. In addition, the power supply in Nigeria is unreliable and most retail pharmacies have to use generators. The cost of this alternative source of generating electricity is high and most retail pharmacy entrepreneurs cannot meet such financial demand. The inadequate capital and its inaccessibility as discussed earlier makes it even harder to remain in business. Moreover, those that remain in the business find it difficult to obtain profit, thereby discouraging entrepreneurs from engaging in the sector. However, current investment in provision of good roads and improved power generation and supply within Nigeria is underway (NPC, 2010).

Despite the challenges identified, entrepreneurial leadership attributes of the entrepreneurs have made them successful. Reflecting on the insights gained from the interviews, the paper's main value lies in its contribution to theory and practice. This has been valuable in identifying the training needs for retail pharmacy entrepreneurs to succeed in running their organisations. For entrepreneurs to succeed in a dynamic environment in a developing economy, they should have a vision of the future of their business. They should be able to identify opportunities and effectively exploit them without being risk averse. The study contributes to the existing literature on entrepreneurial leadership by identifying attributes important for success. Finally, the research provides an original theoretical and empirical contribution to entrepreneurial leadership from the retail pharmacy sector of a developing economy perspective.

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