

PROMOTING CREATIVITY AND INNOVATION FOR TRANSFORMATION OF THE AUTOMOBILE INDUSTRY FOR NIGERIAN ECONOMIC GROWTH IN THE 21ST CENTURY

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Abstract

The paper discussed creativity and innovation for the transformation of the automobile industry for Nigerian economic growth in the 21st Century. It defined the problem of the automobile industry which operates more in the informal sector. It also defined concepts of creativity and innovation and listed factors supporting creativity and innovation as well as characteristics of the informal sector as they affect small-scale automobile enterprises. It explained steps that can be taken to promote transformation of the automobile industry through creativity and innovation to include improvements on the working environments, physical planning and layout of workshops, training and development, business ethics, use of modern tools and equipment and government responsibilities. The paper concluded with a number of recommendations among them were that government should encourage operators and entrepreneurs in the industry to establish standards to revolutionize the sector, formation of partnership and corporate organizations, carry out customer awareness education for improved patronage and promotion of entrepreneurship scheme, creativity and innovation for automobile small-scale enterprises.

The automobile industry in Nigeria requires serious transformation in order to contribute more effectively to her economic growth in the 21st century. The working environment and operations of the automobile industry need to be revolutionized, modernized, structured, organized and standardized to make it a more attractive and profitable business enterprise. To achieve this both the professionals and non professionals in this sector of the economy have to be creative and innovative. Creativity of the sector's workforce will bring about innovation for transformation of the working environment in manufacturing, sales and service delivery.

In Nigeria the automobile industry appears to be lucrative especially its sales, transportation and maintenance activities. However, the automobile workshops and their working environments lack good infrastructural facilities. The industry operates more in the informal sector of the Nigerian economy. This paper defined the problem of the automobile workshops, their layout and their working environments. It discussed concepts of creativity and innovation, factors supporting and promoting creativity and innovation. The small-scale automobile enterprise as is seen in the informal sector of the Nigeria economy was highlighted. It explained the promotion of transformation of automobile industry through creativity and innovation.

The Problem

It is common to notice that the automobile workshops in both urban and rural areas in Nigeria look primitive. The working environments lack good infrastructural facilities. The sector is devoid of structural organization and administration. Its workforce perform operations without standard and business ethics. The sector is virtually not regulated by government. Modern tools and equipment are lacking and the operators carryout repairs of the automobiles by trial and error for lack of diagnostic equipment.

Concepts of Creativity and Innovation

Creativity and innovation can play an important transformational role in the Nigerian automobile industry. Creativity is conceptualized as a skill for all and may be defined as a product or process that shows a balance of originality and value. It is a skill and an ability to generate new and appropriate ideas. Innovation as a concept is the application of such a process or product of creativity in order to benefit a domain or field (Ferrari, Cachia and Punie, 2009).

Creativity has been understood as the ability to produce work that is both novel and appropriate. Innovation, on the other hand has been understood as the implementation of a new or significantly improved product (good or services) or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations (Organisation of Economic Co-operation and Development, 2005).

West and Richards (1999) saw creativity as the critical process involved in the generation of new ideas. They define innovation as the intentional introduction and application within a job, work team, or organization of ideas, processes, products, pr procedures that are new to that job, work team or organization and that are designed to benefit the job, work team or organization.

Craft (2005) saw innovation as the implementation of new ideas to create something of value, proven through its uptake in market place. It can also be seen as a new idea being launched on the market for the first time. Creativity and innovation are obviously inter-related. Creativity is seen as the infinite source of innovation and innovation can be perceived as the application and implementation of creativity (Craft, 2005). In business the word “Innovation” is used even when it refers to the creative process and work (Sternberg and Lubart, 2009).

Factors Supporting Creativity and Innovation

There are several factors that play supportive role to make creativity and innovation more likely to flourish. These include culture, individual skills, record keeping format, motor mechanics, technicians and technologists as well as engineers have to actively engage in the creative and innovative business. The factors also include commitment to spend more on innovation.

Small-Scale Automobile Enterprise

Many automobile occupations such as automobile mechanics, automobile electricity, battery charging, vehicle body building, tyre repairs and wheel-balancing, part merchandizing, car wash and transport services are small-scale enterprise and are found in the informal sector. Ojo (2006) listed the characteristics of the informal sector as listed by Ilo (1972) to include: (1) Ease of entry (2) Reliance on local resources (3) Family ownership of enterprises (4) Small scale of operations (5) Labour intensive and adapted technology (6) Skills acquisition outside the formal system of education and training, and (7) Unregulated and competitive markets.

Ojo (2006) went further to list more of the characteristics of the sector as identified by Castella (1971) as: (1)Receipts (incomes) are low (2) Equipment used are rudimentary (3) The enterprise employs at most two wage earners (4) Labour productivity is low, and (5) The entrepreneur is not actively seeking to enlarge his or her clientele. Additional characteristics of the informal sector are that: It does not enjoy state favours; instead it is actively harassed, or at best, ignored; and it has little access to capital. All these identifying characteristics of the informal sector have been supplemented by the requirement that the informal sector enterprise employed at most ten workers and the workers, including the owner of the enterprise, usually have low levels of formal education. The informal sector is also characterized with high rate of failure (Ojo, 2006).

Vocational Training through Traditional Apprenticeship System

The artisans acquire vocational training through traditional apprenticeship system. The apprentice system is only capable of imparting modest artisan skills. Some are trained from trade apprenticeship system for the production of skilled and

semi-skilled labour force. According to Osuala (1995) automobile mechanics and technicians are required to possess some technical knowledge in addition to manual skills. The apprenticeship system of training is still the most popular method by which entrepreneurship skills in trading occupation is acquired in the Nigerian economy (Amahua, 2003).

Promoting Transformation of Automobile Industry through Creativity and Innovation

The automobile industry is an engineering organization. Its success and progress will depend on the inherent creativity of individual professionals and entrepreneurs and their respective abilities to develop new ideas and to apply the results in a practical manner for innovative product. Blanchard (1976) opined that technical expertise available in the appropriate fields of engineering is necessary to cause the transformation of their knowledge into a useful output. This transformation step is dependent on the individual engineering skills assigned to a given project. Engineering is concerned with creating tangible products or process. Thus, the success of any project is based on the creativeness and innovation of engineers assigned to that project and their individual and collective abilities to employ the methodologies and techniques available in facilitating task accomplishment. The automobile industry in Nigeria needs to be transformed through creativity and innovation. The following creativity and innovation tips will transform the automobile industry:

Improvement on the Working Environment

Automobile workshops are integral part of the automobile industry. They constitute the working environment. This environment need to be designed and given relevant layouts in conformity with government statutory requirements. The working environment consists of two dimensions-material and psychological conditions. Material environment includes good automobile workshop with adequate lighting, ventilation, furniture, well paintings and free passages within the workshops and other physical conditions such as good toilet facilities, water and rest. The need for good physical working environment cannot be overstressed as it does serve as a morale booster among the customers and workers (physiological needs).

The psychological component of working environment applies to human relations. It involves the need for people to be treated as human beings, for them to satisfy not only their physiological and safety needs but also their higher needs-social, ego and self-fulfillment (Ollivant, 1970). Ezema (2002) stressed the need to specially design a workshop for the purpose for which it is to be used. Ukit (2009) explained many factors that are taken into consideration during workshop design and layout to include location and environment, size and shape, floor surfaces, tools and material storage rooms, security and amenities among others.

Physical Layout of Site

Initial selection of site depends upon (a) Capital available (b) Land tenure (freehold or lease hold) (c) Planning permission from the local authority should be obtained; this involves complying with the various regulations governing building, petroleum and highways (Chandler, 1983). A lawyer should be engaged for all legal work, and an architect for building work.

Workshop Layout

Chandler (1983) stated that layout of any workshop will depend entirely upon the work anticipated or work already being completed in the case of an existing service station. Modern vehicles demand sophisticated equipment both to rapidly diagnose faults and as a means of quality control following repair. To ensure a profitable workshop, floor space must be used to the utmost.

Physical Planning

This may be referred to as land-use planning, and is concerned with spatial arrangement of urban and rural land uses for the purpose of creating functionally efficient and aesthetically pleasing physical environments for living, working, circulation and recreation. It guides the use of land and development of resources in the economic interests of the community (Mba, Uchegbu, Muoghalu and Okeke, 2001).

Training and Development Programmes

Training And Development Programmes can affect work behaviour in two ways improving skills and increasing employee's self efficacy, that is, his expectation that he can successfully execute the behaviours required to produce an outcome. Competent workers will not remain competent forever. Their skills can deteriorate because technology may make their skills obsolete. The individual worker or the organization may move into new areas changing types of jobs that exist and the skills necessary to do them. Formal courses and training programmes serve to build workers' and managers' skills.

The artisans can be retrained under non-formal education to acquire entrepreneurial skills. The national policy on education section 7 encourages mass Literacy, adult and non-formal education given to youths and adults outside the formal school system. One of the goals of Mass Literacy, Adult and Non-formal Education, shall be to provide in-service, or on-the-job, vocational and professional training for different categories of workers and professionals in order to improve their skills (FRN, 2004).

Training and development is a good way of developing entrepreneurial skills in the automobile workforce. They should be given entrepreneurship education and encouraged to become entrepreneurs. Entrepreneurs are those who generate new environment, bring these ideas to the market place thus making the society more efficient and often help to spur the nation's economy by evolving into high growth firms.

Entrepreneurs are economic drivers that create jobs and bring new ideas into the market place. Once entrepreneurs create new ideas they often involve to the next step (Oduegungbo, 2013). Innovation needs to be the cornerstone of entrepreneurship as opposed to the mere setting up of another new enterprise without implementing changes or adding features of improvements to the products and services provided and/or its business processes.

Business Ethics

Business ethics comprise principles and standards that guide behaviour in the world of business. Investors, employees, customers, interest groups, the legal system, and the community often determine whether a specific action is right or wrong, ethical or unethical. Characteristics of the job, the culture, and the organization of the society in which one does business can also create ethical issues.

There are certain universal ethical concepts which pervade business ethics such as honesty, fairness, and integrity. On the other hand, there are a number of emerging ethical issues, including abusive and intimidating behaviour, lying, conflict of interest, bribery, corporate intelligence, discrimination, sexual harassment, environmental issues, fraud, insider trading, intellectual property rights, and privacy (Ferrell, Fraedrich and Ferrell, 2008). It is good to study business ethics in order to discern what is right or wrong, conduct and misconduct about business or automobile industry.

Government Responsibilities

The responsibilities of the government are to formulate physical planning and development of the workshop layouts and working environment. According to Nwachukwu (2001), there is government policy which states efforts to achieve more efficient planning and administration of the urban centres to be initiated through the expanding role of the state governments and extending planning functions to the local governments. The roles of the state governments are: to prepare master plans and regional plans, to produce geographical and township maps, to design layouts in respect of residential, industrial and commercial areas, to construct and reconstruct urban roads and drainage channels, provide street lighting facilities, purchase refuse disposal equipment and provide public conveniences. Also the local governments

should adopt corporate planning approach as a means of solving management problems. Nwachukwu (2001) stated that Corporate Planning is concerned with all the activities of the local authorities whether they include physical development or revenue expenditure and whether they include resources of land or finance. All local authorities should promote transformation of the local automobile workshops and their working environments.

Use of Modern Tools and Equipment

Modern vehicles are equipped with Information and Technology (ICT) Innovation. The ICT content in the automobile is impressive and is becoming integral part of today's automobiles. The innovation in the ICT enables the automobile industry to be more efficient in designing, manufacturing, distributing and servicing its products worldwide (Subramanian 2013).

The technological progress not only leads to changes in the traditional process of production. It also results in the development of new products and thus of entirely new techniques of production (Nolker and Schoenfelft, 1980). These technological changes have caused sophisticated tools to be adopted for diagnosis of the automobile systems and for their maintenance, services and repairs.

Conclusion

The automobile industry in Nigeria operates more in the informal sector of the economy. Automobile workshops are not built according to government approved plans and layouts and their operations are not organized and regulated. The workforce in the industry need to be trained and developed to have entrepreneurial skills as well as expertise in modern tools and equipment. The entrepreneurs should promote creativity and innovation in order to sustain economic growth of the automobile industry.

Recommendations

In the light of the above discussion the following recommendations are made to promote creativity and innovation in the Nigerian automobile industry:

1. Government should encourage the operators in the automobile industry to design workshops, their layouts and their operating/working environments and to approve such plans to help revolutionize the sector
2. There should be compulsory registration and regulation of all enterprises in the automobile industry as well as enabling Acts to allow operators of the automobile enterprises to practice by license.
3. Annual income tax Regime should encourage the enterprises to be in practice.
4. Continuing education to improve operators' knowledge, skills and neatness.
5. Assisting operators to standardize costing of their services according to state and national economy.

6. Encouraging partnership and corporate organizations in the industry.
7. Encouraging them to acquire modern technologies, tools and equipment.
8. Encouraging operators to be creative and innovative.
9. Carryout customer awareness education for improved patronage.
10. Granting short/medium term loans through cooperative societies to grow the enterprises.
11. Federal Government, States or Local Government Areas can secure lands, design/plan and lease them out to business groups for automobile enterprises.
12. Government should promote entrepreneurship scheme, creativity and innovation for automobile small scale enterprises.

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