Archives of Business Research – Vol. 8, No. 8
Publication Date: August 25, 2020
DOI: 10.14738/abr.88.8690.
Schultz, C. M., & Nel, P. S. (2020). Human Resource Business Acumen and Social Capital Applications in the African Context. *Archives of Business Research,* 8*(8). 197-211.*

Human Resource Business Acumen and Social Capital Applications in the African Context

Cecile M. Schultz
Department People Management Development,
Tshwane University of Technology, South Africa

Pieter S. Nel
Business and Enterprise Network
Unitec Institute of Technology, New Zealand

ABSTRACT

A theoretical review of business acumen and social capital was conducted that would apply to human resource management practice to identify the desired behaviour of high-performing human resource professionals. The links of intellectual capital to human capital and organisation capital are necessary to contextualise social capital and its link with human capital resources and business acumen. A conceptual framework was proposed, consisting of business aspects, personal attributes and relationships to enhance human resource professionals' business acumen. HR business acumen consists mainly of business aspects, personal attributes and relationships to enhance social capital. Specific business aspects involve thinking, knowledge, orientation and skills. An HR professional needs to possess executive-level thinking and systems thinking. They also must have business knowledge, a strategic orientation and skills such as financial literacy and being able to do metrics. Personal attributes such as agility, attitude, innovation, creativity, leadership, trustworthiness and responsiveness are of the essence. Lastly, relationships entail shared norms and values, trust, engagement and collaboration.

Keywords: business acumen; human resource professionals; personal attributes; relationships; social capital.

INTRODUCTION

There are 600 million smallholders or, phrased differently, so-called "primarily necessity entrepreneurs" in the sub-Saharan region of Africa, and they produce 80% of the continent's food (Food and Agriculture Organization, 2012; Rockefeller Foundation, 2011). In various ways, their effect on economic growth has been widely acknowledged and has also generated extensive scholarly research (Adler & Kwon, 2002; Coleman, 1990; Davidsson & Honig, 2003; Light & Dana, 2013; McKeever, Anderson, & Jack, 2014; Nahapiet & Ghoshal, 1998; Putnam, 2000). The possibility exists that many of their achievements might not have been realised without various internal processes and the support of resources and networks.

It is well-known that inadequate availability to, for example, credit facilities may prevent smallholders and entrepreneurs from achieving their full potential (Bongomin, Ntayi, Munene, & Malinga, 2018). Their business prospects, among other things, revolve around how the respective co-ethnic community networks and resources of social capital (SC) will lead to successful business ventures. This topic is under-researched in the scholarly literature (Teklehaimanot, Ingenbleek, & Van Trijp, 2017).

However, extensive traction in doing successful business could also result from numerous other sources, such as intellectual capital, which includes the so-called knowledge, skills, abilities and other attributes (KSAOs) of individuals as well. This in turn means that human resources professionals should possess human capital (HC) and organisation capital (OC). Although this might be at a micro level, in some cases, the SC required by smallholders and entrepreneurs to survive cannot be underestimated. To be more competitive, human resources (HR) professionals could, for example, contribute to the activities of smallholders and entrepreneurs regarding doing business by exhibiting business acumen to support them in the various countries where they do business.

To execute the mentioned activities, various links exist between the aforementioned components, but these are under-researched (Nyberg, Moliterno, Hale, & Lepak, 2014). Consequently, the sustenance offered by intellectual capital (IC) that smallholders and entrepreneurs utilise require could be provided by the role that HR professionals play in terms of their business acumen and related skills. SC is also an important element in business creation, business process and overall business success for smallholders and entrepreneurs, as pointed out in scholarly literature (Bongomin et al., 2017). This conceptual approach is another under-researched topic.

In this article, the components of business acumen are elaborated on first; thereafter, the link with the various facets of IC is explored. The links of IC to HC and OC are necessary to contextualise SC and its link with human capital resources (HCRs) and business acumen to construct a conceptual framework. The question arises: Which HR business acumen is necessary to network and to develop relationships among people who live and work in a particular society? In other words, which HR business acumen will assist in ensuring that SC is effective?

The objective of this study was to develop a conceptual framework for HRs business acumen and SC applications in the African context. This framework will allow managers to deal with and improve HR performance in the workplace.

LITERATURE REVIEW

Conceptualising business acumen

We began our examination by clarifying the nature of business acumen. According to Cohen (2015, p. 209), business acumen is the "ability to understand and apply information to contribute to the organization's strategic plan". Wasniewski (2014) also mentions that business acumen consists of strategic agility, business knowledge, systems thinking, economic awareness, effective administration, HR and organisational metrics, analytics and business indicators as well as knowledge of finance, accounting, sales, marketing, business operations and logistics, labour markets technology, government and regulatory guidelines.

According to Ashton, Haffenden and Lambert (2004, p. 33):

[F]or HR to be a business partner, it has to cut the mustard in the business debate. This means not just understanding the business and its drivers, but anticipating business needs and proposing solutions, and also articulating the quantified business opportunities, risks and impacts of people management decisions.

Business acumen must therefore be incorporated into leadership development programmes of HR specialists to stay relevant to rapidly emerging needs (Prince, 2008). Goodge (2006, p. 5) proposes that HR professionals need to know the business inside out to build knowledge and credibility by getting to know the business. Lee and Yu (2013) mentioned the HR business-related competencies, as proposed by General Electric, Ingersoll Rand and CISCO, include business acumen, business advisor and client engagement. Deloitte Consulting LLP and Bersin (2014, p.110–112) mentioned that organisations need to develop HR skills in business management and that these skills should entail a deep understanding of business and industry trends, what drives long-term competitive advantage and how to drive innovation. HR should understand what the impact of their role is and how they can improve the overall effectiveness of the organisation (Nel & De Wet Fourie, 2013). Business acumen is the capability to bring about positive business outcomes and create capital (Schultz & Van der Walt, 2015).

Relevant business acumen for HR professionals

Longenecker and Fink (2015) stated that HR managers ought to possess strong business acumen, and that one of the foundations of being an exceptional HR professional is to possess strong business expertise that goes well beyond the HR function itself. Ashton et al. (2004) are of the opinion that the future of the strategic HR business partner lies in their ability to understand the business and to identify the key measures of performance relevant to the organisation. A lack of relevant business acumen limits the HR professional's ability to influence business strategy and advance business goals (Schultz & Van der Walt, 2015)

Baber, Waymon, Alphonso and Wylde (2015) described networking as a process that involves initiation, maintenance and utilisation of relationships. Strategic connections indicate specific interpersonal skills and concepts necessary to turn contribution-based workplaces into collaborative workplaces. An HR professional must thus develop the acumen to be a strategic connector in network-oriented workplaces to have an influence on big issues, such as strategy execution, engagement, innovation, responsiveness, productivity, competitiveness and trust.

In the new business environment, trust plays a crucial role, without which collaboration in business is unlikely. HR professionals equipped with certain competencies effectively build the trust factor with internal and external contacts. While trust building is easier and faster in face-to-face or in-person networking, technology-based methods, such as email, chats and social networking, help to maintain such networks. Once developed, the trust element strengthens the relationships and, in turn, the strong relationship energises the whole network, which becomes more productive and successful. With this new synergy, the networking is enhanced as a learnt business skill by HR professionals.

HR professionals can easily and quickly develop networks that are based on trusting relationships, and it is a learnt behaviour to execute it well. Advanced networking skills and connections of HR

professionals enable them to become "strategic connectors", which create opportunities from which organisations may benefit.

Strategic networking does not occur at networking events only. In contemporary network-oriented workplaces, it is a process which continues throughout the workday and beyond. In such workplaces, the individuals are not made to work, but these individual contributors become collaborators. Once again, business acumen of this nature is a learnt behaviour for HR professionals. Strategic networking is therefore important for strategic purposes and for organisations to survive.

According to Spencer (2014), a key business acumen skill is market orientation, which entails a deep understanding of the external environment and the ability to analyse and synthesise market and competitive data. Huhtala, Sihvonen, Frösén, Jaakkola and Tikkanen (2014) stated that market orientation (MO) is a key concept in theories of strategic marketing, showing how an organisation relates to its markets and how it reflects an organisational culture that places the fulfilment of customer needs at the centre of the business model.

HR business partners should also audit whether their HR practices reflect customer needs. According to Eswarlal and Vallesi (2014), there is an increasing awareness among businesses of the need to adopt the concept of the sustainability of their products, services and processes across organisations due to market pressures. Brand equity is one of the core concepts in marketing (Baack & Waterman, 2011, p.92). Brand equity is necessary to improve competitive advantage since competitive advantage is based on the price premium attained, the increased efficiency and effectiveness of marketing, increased margins, increased customer demand and satisfaction, brand extension facilitation, negotiation leverage, and lower vulnerability to competitors (Bendixen, Bukasa & Abratt, 2004).

Fehringer, Hohhof and Johnson (2006) mentioned that MI entails a focus on generating outcomes such as new or increased revenue, new product or services, cost savings/avoidance and profit increases. Fehringer et al. (2006) also stated that the system of the MI focuses on various key intelligence topics (KITs): company profiles, competitive benchmarking, early warning alerts, or industry trends, customer or supplier profile, technology assessment, economic and/or political analysis and executive profiles.

According to Culver (2006, p.17), tactical intelligence (TI) can be defined as "information and analysis about competitors that can support the daily operations of a company". Unfortunately, some companies view TI predominantly as data gathering. Thus, they tend to generate reports that convey data – the raw outputs of the search. Culver (2006) mentioned that tactical competitor intelligence is more likely to demonstrate its worth when the focus is on increasing the margin of the win against competitors and to discover methods to help decrease the costs of the company.

Intellectual capital and its components

To contextualise the business acumen possessed by HR professionals, it is necessary to analyse the various concepts that would enable effective support to enhance business performance and competitiveness. The various stakeholders are those who are involved in pursuing the objectives of a business by being competent and competitive. In the next section, IC and its components are

discussed as a means to enhance the acumen of HR professionals to support stakeholders in businesses.

Intellectual capital

Intellectual capital (IC) refers to the knowledge stock embedded in a business (Nahapiet & Ghoshal, 1998). IC thus represents the intangible knowledge of individuals within the processes, structures and social relationships of businesses. IC can be conceptualised as three complementary dimensions, namely human (i.e. employees' knowledge and skills), structural (i.e. operating procedures and systems) and social capital (SC) (i.e. social relationships and interactions among employees). Reed, Lubatkin and Srinivasa (2006, p.869), however, pointed out that IC could be refined further and they divided structural capital into organisational capital (knowledge created by and stored in a firm's information technology systems and processes, which speed the flow of knowledge through the organisation) and customer capital (the relationships that a firm has with its customers).

Scholars have pointed out that the components of IC are complementary and positively associated with performance outcomes of businesses as well (Hsu & Wang, 2012; Subramaniam & Youndt, 2005; Zhang, Qi, Wang, Pawar, & Zhao, 2018). In this way, IC can improve business performance both directly and indirectly through the effective application of the knowledge possessed through the various components to exhibit so-called dynamic capability (DC.)

For the purpose of this article, however, we adopted the view that IC is the sum of three major components, namely HC, OC and SC. These IC components all contribute to business performance and competitive advantage by providing business with DC, which could be used by HR professionals in applying business acumen and agility as outlined previously.

Human capital (HC) and human capital resources (HCR)

As point of departure, it must be noted that simply listing HC variables will be of little use to HR practitioners. What is more important is the recognition of how the various elements of individual and business-level components are linked (Nyberg et al., 2014). This will enable knowledge, skills, abilities and others (KSAOs) which are individual HR elements to create more value at the so-called HC level and subsequently the HCR, which is at the business level. What KSAOs entail is self-explanatory, as described above. However, in the literature, the caveat is raised that skills and abilities are unique constructs and, for analysis purposes, they should not be lumped together (Nyberg et al., 2014, p.328). From this point of departure, it is easy to trace how the definition of HC has evolved.

HC was conceptualised by Becker (1964), who referred to learnt skills and knowledge that individuals develop through their prior experience, training and education. HC is defined by Ployhart and Moliterno (2011, p.128) as "a unit-level resource that is created from the emergence of individuals' knowledge, skills, abilities or other characteristics (KSAOs)". However, this definition includes two theoretical insights as well, namely that individuals are different in their personal set of talents relating to KSAOs, and "human capital is a resource that can relate meaningfully to unit-level [also called business] performance" (Ployhart & Moliterno, 2011, p.145–146).

These developments have led the way to articulate an extended multilevel process of HC and a proposition that HC is a collective-level resource that has individual-level origins. This in turn led Ployhart and Moliterno (2011, p.127) to expand the concept and define HCR as a "unit-level resource that is created from the emergence of individuals' knowledge, skills, abilities, and other characteristics". Nyberg et al. (2014) provided pointers to clarify dimensions of HCR by stating that a connection exists between the individual and the collective level because individual-level knowledge predicts individual-level job performance. The aggregate knowledge of the business-level HCR should therefore predict business-level performance. Furthermore, HCR can be viewed as bundles of knowledge (thus resources), which may lead to OC and perhaps DC of businesses, but depending on the level of IC that exists.

Organisational capital (OC)

The second component of IC is OC, which comprises HC, as discussed earlier. OC is a business-level component but embraces all elements in the business relating to HCR in particular and HC in general. Reed et al. (2006, p. 872) posited:

> *HC and OC can be entwined in a virtuous and dynamic cycle. That is, OC derives its capabilities from employees – the types of knowledge they possess and choose to store, and how they assimilate and interpret that knowledge. In turn, OC enhances the productive potential of HC by providing employees with a supportive, yet socially complex infrastructure.*

Therefore, when the interplay between HC and OC is analysed as being in tandem as complementary resources, it is probably difficult to imitate such business-specific advantages, which then enhance the performance and competitiveness of a business.

We believe that while HR management policies, systems and practices lie more broadly at the OC level, specific practices and systems such as high-performance work systems (HPWS) increase the empowerment of staff in businesses and thereby enhance their skills (Boxall & Macky, 2007), which thus refers back to the HC context.

It is easy to take the next step and posit that SC in both its forms (i.e. external and internal) and OC represent distinct but complementary knowledge types that enable inter-business exchange (Tsai & Ghoshal, 1998). This is discussed next.

Social capital

The third component of IC is SC (also known as "social relationships"), which comprises two sub-components, namely internal social capital (ISC) and external social capital (ESC).ISC is concerned with actors' internal structure and the connections between individuals or groups within the collective (rather than the collective itself, which establishes cohesiveness, such as bonding and integrative and interaction routines within a group) (Nyberg et al., 2014). ESC refers to the collective behaviour of a business whose actions are influenced by its external linkages (Adler & Kwon, 2002); that is, capital associated with establishing all external relationships (Manning, 2010).

SC is defined as the

> *"goodwill available to individuals or groups…its source lies in the structure and content of the actor's social relations…its effects flow from the information, influence, and solidarity it makes available to the actor" (Adler & Kwon, 2002,p. 23).*
>
> *Nahapiet and Goshal (1998, p. 243), however, provide a more comprehensive definition by stating that it is "the sum of the actual and potential resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit".*

SC therefore comprises both the network and the assets that may be mobilised through that network.

In developing countries, especially in Africa, there are often many small businesses – as outlined already – that are autonomous but experience many socio-cultural barriers in doing business, which could be costly to them. Therefore, SC becomes the only alternative through which they can embark on cooperation with other businesses in attempts to enhance business performance (Bongomin et al., 2018).

The concept of SC has been the subject of discussion and controversy by scholars for a number of years. SC also appears to include expectations for action within a collective that could affect the economic goals and goal-seeking behaviour of its members (Coleman, 1988; Murray, 2018; Nahapiet & Ghoshal, 1998;Tocher, Oswald, Shook, & Adams, 2012).

Coleman (1990) provided clarity in this debate some years ago and emphasised that SC consists of networks and resources that can be used by the actors to apprehend their interests within social structures. Therefore, the social structure of SC in a co-ethnic community includes networks that consist of the possessors of SC (members who make the demand in the network), the sources of SC (members who agree to the demand in the network) and the resources themselves (including informants, links to the resources and the resources themselves). Therefore, SC functions mostly on three-dimensional levels, namely as sources of control (promoted and prevailing internalised norms, integration and bound solidarity), sources of resources, and sources of facilitating access to resources (jobs, markets, information and financial facilities) (Coleman, 1990; Laurence, 2011).

The fundamental proposition of SC theory is that network ties provide access to resources. One of the central themes in the literature is that SC constitutes a valuable source of information benefits (i.e. who you know affects what you know). Reed et al. (2006, p. 872) further stated:

> *[T]he more informationally rich a firm's internal and external ties, the more its employees will accomplish (e.g. absorb, learn, innovate). In turn, the more competent the employees (i.e. the higher their human capital), the more they will value, assimilate, and apply knowledge from informationally enriched social ties …As such, we expect that HC is positively associated with a firm's financial performance, but its positive association is enhanced, or leveraged, when combined with the firm's internal social capital (ISC) and also by the firm's external social capital (ESC).*

Managerial SC consists of goodwill derived from relationships, both formal and informal, which managers have with others and which can be used to gain resources and information (Adler & Kwon, 2002). Formal and informal work relations therefore provide managers with conduits for information that may be helpful in sensing new opportunities (Helfat & Martin, 2015). In this case, we regard managers as being HR professionals as well.

The contribution of SC to business success is characterised by bonding and bridging SC, which influences role players' acceptance of new ideas in businesses. Bonding SC brings people closer together and enhances network ties. Bridging SC links groups of people and enables activities beyond a business (Putnam, 2000). Bridging SC has weak ties but few limitations regarding barriers. Since there may not be many barriers in such networks, it means that role players are open to influencing each other, but it may be limited since weak ties exist between them (Putnam, 2000).

Furthermore, the contribution of cultural capital to SC is influenced by the power of bonding and bridging SC to encourage doing business, like smallholders and entrepreneurs. Light and Dana (2013) stated that bonding and bridging SC are not mutually exclusive and that they can be linked across different dimensions in a business. Strong bonding may also produce excessive social pressure for conformity, thus undermining personal freedom (Poteyeva, 2017). The issue of linking and networks in SC activities also plays a major role to enhance doing business.

SC facilitates individual and collective actions that would not be possible in its absence. Researchers also identified SC as an individual-level ability to secure benefits by virtue of role players in a particular network or other social structures, such as businesses (Portes, 1998). Other scholars focused on group-level functions, where SC is embedded in the structure of relationships (Putnam, 1995). More recently, Leung, Chin and Petrescu-Prahova (2016) stated that SC is a relational asset that benefits individuals embedded in the network as well as the entire group. At group level, SC collectively structures norms of reciprocity and trustworthiness and forms an openness to new ideas and information in businesses.

The context of the functioning of SC in contributing to business success is also essential to achieve high performance for the activities of entrepreneurs and smallholders (Bongomin et al., 2018).

Impact of social capital on businesses-like smallholders and entrepreneurs

The role of SC for smallholders and entrepreneurs is an increasingly prominent topic in business literature. Furthermore, the debate has become increasingly complex according to Casson and Giusta (2007) because, although researchers focused on SC, they barely explored its contribution to entrepreneurial and smallholder activities. The lack of research that focused on individuals' network ties resulted in neglecting the influence of individual SC, which was emphasised by Adler and Kwon (2002). The contribution of SC to being self-employed in business by using networks, mutual trust and reciprocity should be explored more fully (Kwon & Adler, 2014; Kwon, Heflin, & Ruef, 2013; Light & Dana, 2013; Nahapiet, 2009). It is in this context that we address SC in this article and link it to the role of HR professionals in using their business acumen to promote business performance for, for example, smallholders and entrepreneurs through their SC applications.

Dynamic capability and agility

The components of IC, discussed above, spell out the level and magnitude of knowledge that exists in the HRs of a business. Should knowledge therefore be comprehensive (dense), it would contribute substantially to doing good business by being nimble (thus agile) in executing tasks to result in exhibiting high business performance and DC (Tallon & Pinsonneault, 2011). Alternatively, if the knowledge is at a low level (poor), it leads to a lack of being nimble and agile, which results in low DC in the business, which inevitably leads to poor business performance. We consequently focus on, albeit briefly, what dynamic capability entails, since DC reflects the acumen of HC to being nimble as well as agile. Business agility refers to the capability of a business to change rapidly or to adapt in response to changes (Tallon & Pinsonneault, 2011). Such responses are made by managerial staff, provided they have IC and business acumen, as was outlined earlier in this article.

DC is described as "organisational and strategic routines by which managers alter their resource base, acquire and shed resources, integrate them together, and recombine them, to generate new value-creating strategies" (Eisenhardt &Martin, 2000,p. 1107). The DC of a business is therefore based on:

> *[Business] and managerial competences for both 'reading' and shaping the environment and developing business models that address new threats and opportunities. Dynamic capabilities thus define the business' capacity to innovate, adapt to change, and create change that is favorable to customers and unfavorable to competitors. (Teece, Peteraf, & Leih, 2016, p.18).*

Arteta and Giachetti (2004) indicated that the central aspect of agility refers to the ability of the enterprise to respond to a change. Agility contains different types of flexibility and it incorporates the capability to perform unintended new activities in response to unexpected shifts in market needs or incomparable customer requests (Narasimhan, Swink, & Kim, 2006).

It is clear that HR professionals have a very important role to play in that they first have to ensure that the businesses they operate have DC. Second, they have to utilise SC personally as part of their IC to enhance the performance of businesses in the countries where they operate. This particularly applies to the sub-Saharan context, which was described in this article.

Trust

Fafchamps and Minten (1999) mentioned that cognitive SC consists of shared norms, values, trust, attitudes and beliefs, which result in reciprocity among actors in a social structure. Guiso, Sapienza and Zingales (2004) opined that SC embedded in trust is considered to be strong where the legal framework is weak. In turn, favourable conditions are provided for obtaining scarce resources, such as credit, especially for the poor who lack physical collateral.

Implications for African HR professionals

The business context that is required to succeed in Africa has raised the bar on the level at which HR professionals should operate. Longenecker and Fink (2015, p.22) pose a key question:
Do your HR leaders possess the business acumen to handle the complexity and demands of their HR leadership role? The human resource role is to partner with frontline and middle managers to effectively acquire, develop and retain human capital for all business units in the organization.

Modern technology has made it probable for HR personnel and line managers to have virtual, non-face-to-face conferences and communications (Kapoor & Sherif, 2012). Davenport and Harris (2010) state that there has never been a better time to develop the analytical leaders in businesses. From an African perspective, Schultz and Van der Walt (2015) mentioned different approaches, such as business simulations and games, behavioural tools for assessment and intervention and job rotation. This would be beneficial within the HR function to contribute a broad perspective relevant to strategic activities, as well as in various other business roles to develop the knowledge required to integrate HR into the strategic focus of the organisation.

A conceptual framework conceptual for HR business acumen and SC applications in the African context

Based on the literature review discussed above, a conceptual framework conceptual for HR business acumen and SC applications in the African context was proposed in Figure 1.

The links of IC to HC and OC are necessary to contextualise SC and its link with HCR and business acumen to construct a conceptual framework.

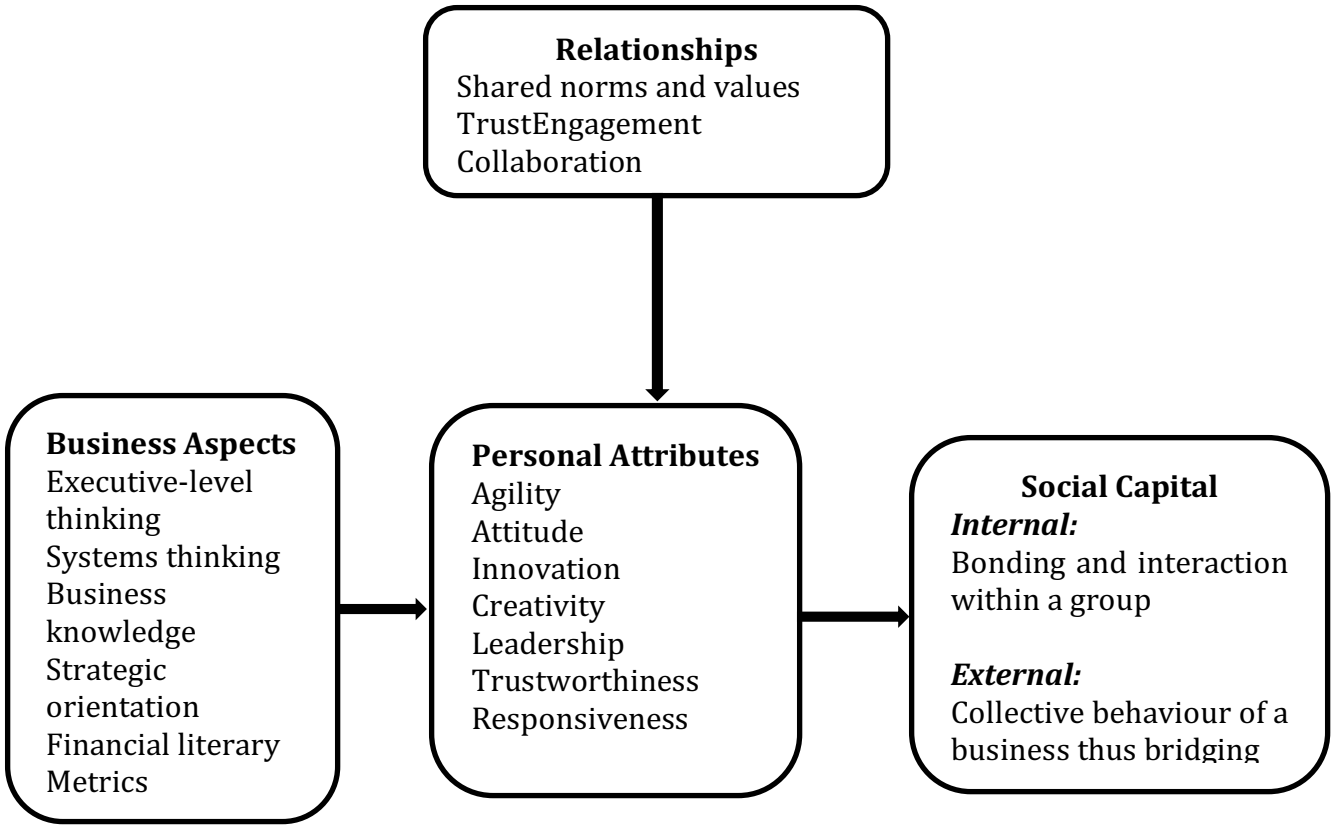


Figure 1: Conceptual framework for human resources business acumen and social capital applications in the African context

In Figure 1, it is clear that HR business acumen consists mainly of business aspects, personal attributes and relationships to enhance SC. Specific business aspects involve thinking, knowledge, orientation and skills. An HR professional needs to possess executive-level thinking and systems thinking. They also must have business knowledge, a strategic orientation and skills such as financial literacy and being able to do metrics. Personal attributes such as agility, attitude,

innovation, creativity, leadership, trustworthiness and responsiveness are of the essence. Lastly, relationships entail shared norms and values, trust, engagement and collaboration. Figure 1 therefore illustrates a holistic and integrated view of HR business acumen.

LIMITATIONS

This study merely executed an exploratory literature review-based investigation. Consequently, a more detailed empirical investigation may advance the role of SC in relationships of smallholders and entrepreneurs in doing business in Africa.

Other groups such as refugees and immigrants were not addressed, but maybe useful in future research, because they operate only on the periphery of the economy in Africa.

RECOMMENDATIONS AND DIRECTIONS FOR FUTURE RESEARCH

We identified two major limitations regarding research on business acumen. First, not enough is being done to be proactive about business acumen for HR professionals. Second, not enough knowledge exists in the business environment about what constitutes effective business acumen for HR professionals. Thus, future research questions that may be examined could include what the business world sees as business acumen in the future over and above that needed by HR practitioners, which has been highlighted in the longitudinal research by Nel and De Wet Fourie (2013).

Calof and Wright (2008, p. 462) posited that while the academic literature is turning out quantity, there is little consistency in terms of measurement and output value. In addressing the critical area of intelligence, there has to be some agreement within the field on how to operationalise the intelligence construct. Given the holistic and integrative nature of intelligence, researchers should draw upon already accepted measures within the planning, marketing, knowledge management, information systems, organisational design, analysis and organisational behaviour fields, to name but a few, and to apply them to develop HR professionals' business acumen. The drive towards analytical leadership is a key response to the data challenge facing organisations today in general and HR professionals in particular. In conclusion, HR specialists need to synthesise issues relating to people management functions with general economic and business issues. Therefore, by practising high-level IC, they can position businesses to utilise DC to enhance much-needed business performance improvement in sub-Saharan Africa to alleviate poverty and hunger. The development of the conceptual framework in this article can used to develop a strategy to enhance for human resources business acumen and social capital applications in the African context.

A questionnaire can be developed to measure HR business acumen to enhance SC in the African context. A quantitative study could then follow as well as a follow-up qualitative study to obtain rich data about HR business acumen and SC.

CONCLUSION

This article reported on an investigation of and a case for relevant business acumen for HR professionals and to use their IC and SC to enhance business performance. Organisational intelligence, business intelligence, strategic connectors, market intelligence, competitive intelligence, financial knowledge, accounting knowledge and a strategic perspective are components of business acumen relevant for HR professionals. These intelligences and connectors were specified in the conceptual framework. Cultivating the ability to make good judgements and

quick decisions will reflect strong business acumen characteristics. As the review of the literature suggests, business acumen is not a technical skill but a set of behaviours. Kapoor and Sherif (2012) stated that instead of focusing exclusively on internal HR issues, HR executives should take a balanced and broader approach. By combining an understanding of the various HR techniques and how they influence human behaviour with a thorough understanding of the business, the HR business partner will be able to prioritise activities and demonstrate measurable progress in business performance.

The business context that is required to succeed in Africa has raised the bar on the level at which HR professionals should operate. This industry need is addressed in this article. The SC required by smallholders and entrepreneurs to survive cannot be underestimated. To be more competitive, human resources (HR) professionals could, for example, contribute to the activities of smallholders and entrepreneurs regarding doing business by exhibiting business acumen to support them in the various countries where they do business. This societal need is addressed in this article.

References

Adler, P.S. & Kwon, S. (2002). Social capital: prospects for a new concept. Academy of Management Review, 27(1), 17–40.

Arteta, B.M. & Giachetti, R.E. (2004). A measure of agility as the complexity of the enterprise system. Robotics and Computer-Integrated Manufacturing, 20(6), 495–503.

Ashton, C., Haffenden, M. & Lambert, A. (2004). The “fit for purpose” HR function. Strategic HR Review, 4(1), 32–35.

Baack, T.B.D. & Waterman, B. (2011). Strategic brand association maps: developing brand insight. Journal of Product & Brand Management, 20(2), 92–100.

Baber, A., Waymon, L., Alphonso, A. & Wylde, J. (2015). Strategic connections: the new face of networking in a collaborative world. New York: LLC Gildan Media.

Becker, G.S. (1964). Human capital. 3rd ed. Chicago, IL: University of Chicago Press.

Bendixen, M., Bukasa, K.A. &Abratt, R. (2004). Brand equity in the business-to-business market. Industrial Marketing Management, 33(5), 371–380.

Bongomin, G.O.C., Ntayi, J. M., Munene, J C. &Malinga, C.A. (2018). Institutions and financial inclusion in rural Uganda: the mediating role of social capital. Journal of African Business, 19(2), 244-261. DOI: 10.1080/15228916.2018.1425961

Boxall, P. & Macky, K. (2007). High-performance work systems and organisational performance: bridging theory and practice. Asia Pacific Journal of Human Resources, 45(3), 261–270.

Calof, J.L. & Wright, S. (2008). Competitive intelligence: a practitioner, academic and inter-disciplinary perspective. European Journal of marketing, 42(7/8), 717-730.

Casson, M. & Giusta, D. (2007). Entrepreneurship and social capital: analyzing the impact of social networks on entrepreneurial activity from a rational action perspective. International Small Business Journal, 25(3), 220–244.

Cohen, D. (2015). HR past, present and future: a call for consistent practices and a focus on competencies. Human Resource Management Review, 25(2), 205–215.

Coleman, J.S. (1988). Social capital in the creation of human capital. The American Journal of Sociology, 94, Supplement: Organisation and Institutions: Sociological and Economic Approaches to the Analysis of Social Structure, S95–S120.

Coleman, J.S. (1990). Foundation of social theory. Cambridge: Harvard University Press.

Culver, M. (2006). Using tactical intelligence to help inform strategy. Strategy & Leadership, 34(6), 17–23.

Davenport, T.H. & Harris, J.G. (2010). Leading the way towards better business insights. Strategic HR Review, 9(4), 28–33.

Davidsson, P. & Honig, B. (2003). The role of social and human capital among nascent entrepreneurs. Journal of Business Venturing, 18(3), 301–331.

Deloitte Consulting LLP & Bersin. (2014). Global human capital trends: engaging the 21st-century workforce. New York: Deloitte University Press.

Eisenhardt, K.M. & Martin, J.A. (2000). Dynamic capabilities: what are they? Strategic Management Journal, 21(10-11), 1105–1121

Eswarlal, V.K. & Vallesi, M. (2014). Different stages of business sustainability: a visual metaphor. Management Research: The Journal of the Iberoamerican Academy of Management, 12(3), 308–325.

Fafchamps, M. & Minten, B. 1999. Relationships and traders in Madagascar. Journal of Development Studies, 35(6):1–35.

Fehringer, D., Hohhof, B. & Johnson, T. (2006). State of the art: competitive intelligence.Competitive Intelligence Foundation Report, 205-2006. Alexandria: SCIP. Available from http://www.adec.fr/files_ upload/documentation/200607201528250.f_060608_stateofart_sum.pdf

Food and Agriculture Organization. (2011). Smallholders and family farmers. Available from http://www.fao.org/ fileadmin/templates/nr/sustainability_pathways/docs/Factsheet_SMALLHOLDERS.pdf

Garey, R.W. (2011). Business literacy survival guide for HR professionals. Alexandria, VA: Society for Human Resource Management.

Gilad, B. (2011). Strategy without intelligence, intelligence without strategy. Business Strategy Series, 12(1), 4–11.

Goodge, P. (2006). How to influence decisions as an HR business partner. Strategic HR Review, 5(2), 5-5.

Guiso, L., Sapienza, P. & Zingales, L. (2004). The role of social capital in financial development. American economic review, 94(3), 526-556.

Helfat, C.E. & Martin, J.A. (2015). Dynamic managerial capabilities: review and assessment of managerial impact on strategic change. Journal of Management, 41(5), 1281–1312.

Hsu, L. & Wang, C. (2012). Clarifying the effect of intellectual capital on performance: the mediating role of dynamic capability. British Journal of Management, 23(2), 179–205.

Huhtala, J.P., Sihvonen, A., Frösén, F., Jaakkola, M. & Tikkanen, H. (2014). Market orientation, innovation capability and business performance. Baltic Journal of Management, 9(2), 134–152.

Kapoor, B. & Sherif, J. (2012). Human resources in an enriched environment of business intelligence. Kybernetes, 41(10), 1625–1637.

Kwon, S.W. & Adler, P.S. (2014). Social capital: maturation of a field of research. Academy of Management Review, 39(4), 412–422.

Kwon, S.W., Heflin, C. & Ruef, M. (2013). Community social capital and entrepreneurship. American Sociological Review, 78(6), 980–1008. doi:10.1177/0003122413506440

Laurence, J. (2011). Hunkering down or hunkering away? The effect of community ethnic diversity on residents' social networks. Journal of Elections, Public Opinion & Parties, 23(3), 255–278

Lee, E. & Yu, K.S. (2013). How are global HR competency models evolving for the future? ILR School, Cornell University. Available from http://digitalcommons.ilr.cornell.edu/student/17/

Leung, M.R., Chin, J.J. & Petrescu-Prahova, M. (2016). Involving immigrant religious organizations in HIV/AIDS prevention: the role of bonding and bridging social capital. Social Science and Medicine, 162, 201–209.

Light, I. & Dana, L. (2013). Boundaries of social capital in entrepreneurship. Entrepreneurship: Theory and Practice, 37(3), 603–624. doi:10.1111/etap.12016

Longenecker, C. & Fink, L.S. (2015). Exceptional HR leadership rests on four foundations. Human Resource Management International Digest, 23(1), 21–24.

Manning, P. (2010). Explaining and developing social capital for knowledge management purposes. Journal of Knowledge Management, 14(1), 83–99. doi:10.1108/13673271011015589

McKeever, E.A., Anderson, S. & Jack, L. (2014). Entrepreneurship and mutuality: social capital in processes and practices. Entrepreneurship & Regional Development, 26(5/6), 453-477.

Murray, P.A. (2018). The domains of intellectual capital: an integrative discourse across perspectives. In Syed, J., Murray, P., Hislop, D. & Mouzughi, Y., eds. Palgrave handbook of knowledge management. London: Palgrave Macmillan.

Nahapiet, J. (2009). Capitalizing on connections: social capital and strategic management. In Bartkus, V.O. & Davis, H., eds. Social capital: reaching out, reaching in. Cheltenham: Edward Elgar. pp. 205–235.

Nahapiet, J. & Ghoshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. Academy of Management Review, 23(2), 242–266.

Narasimhan, R., Swink, M. & Kim, S.W. (2006). Disentangling leanness and agility: an empirical investigation. Journal of Operations Management, 24,440–447.

Nel, P.S. & De Wet Fourie, L. (2013). Organizing the human resources function to harness future opportunities: survey results of 2010 forecasted for 2020. Journal of Global Business and Technology, 9(1), 30–43.

Nyberg, A.J., Moliterno, T.P., Hale, D. &Lepak, D.P. (2014). Network theory of organization: a multilevel approach. Journal of Management, 40(1), 316–346.

Ployhart, R.E. & Moliterno, T.P. (2011). Emergence of the human capital resource: a multilevel model. Academy of Management Review, 36, 127–150.

Portes, A. (1998). Social capital: its origins and applications in modern sociology. Annual Review of Sociology, 24(1), 1-24. doi:10.1146/annurev.soc.24.1.1

Portes, A. & Sensenbremer, J. 1993. Embeddedness and immigration: notes on the social determinants of economic action. American Journal of Sociology, 98(6), 1320–1350.

Poteyeva, M. (2017). Social capital. In Encyclopaedia Britannica. Retrieved from http://academic. eb.com/levels/collegiate/article/social-capital/607772

Prince, E.T. (2008). Business acumen: a critical concern of modern leadership development global trends accelerate the move away from traditional approaches. Human Resource Management International Digest, 16(6), 6–9.

Putnam, R.D. (1995). Bowling alone: America's declining social capital. Journal of Democracy, 6(1), 65–78

Putnam, R.D. (2000). Bowling alone: the collapse and revival of American community. New York: Simon & Schuster.

Ranjan, J. (2008). Business justification with business intelligence. VINE, 38(4), 461–475.

Reed, K.K., Lubatkin, M. & Srinivasan, N. (2006). Proposing and testing an intellectual capital-based view of the firm. Journal of Management Studies, 43(4), 867–893.

Rockefeller Foundation. (2011). Annual report. Available from https://assets.rockefellerfoundation.org/app/ uploads/20150530121718/Annual-Report-2011.pdf

Schultz, C. & Van der Walt, H. (2015). Reinventing HR: strategic and organisational relevance of the human resource function. Randburg: Knowledge Resources.

Spencer, L. (2014). Becoming a business partner. Available from http://mtshrm.org/images/downloads/ Presentation/becoming_a_business_partner_mtshrm_2_27_14.pdf

Subramaniam, M. & Youndt, M.A. (2005). The influence of intellectual capital on the types of innovative capabilities. Academy of Management Journal, 48(3), 450–463.

Tallon, P.P. & Pinsonneault, A. (2011). Competing perspectives on the link between strategic information technology alignment and organizational agility: insights from a mediation model. MIS Quarterly, 35(2), 463–486.

Teece, D., Peteraf, M. & Leih, S. (2016). Dynamic capabilities and organizational agility: risk, uncertainty, and strategy in the innovation economy. California Management Review, 58(4), 13-35 Summer

Teklehaimanot, M.L., Ingenbleek, P.T.M. & Van Trijp, H.C.M. (2017). The transformation of African smallholders into customer value creating businesses: a conceptual framework. Journal of African Business, 18(3), 299–319. doi:10.1080/15228916.2017.1297628

Tocher, N.S.L., Oswald, C.L., Shook, G. & Adams, G. (2012). Entrepreneur political skill and new venture performance: extending the social competence perspective. Entrepreneurship and Regional Development Journal, 24(5/6), 283–305.

Tsai, W. & Ghoshal, S. (1998). Social capital and value creation: the role of intra-firm networks. Academy of Management Journal, 41(4), 464–478.

Ulrich, D. & Brockbank, W. (2009). The HR business-partner model: past learnings and future challenges. People and Strategy, 32(2), 5–7.

Ulrich, D., Younger, J., Brockbank, W. & Ulrich, M. (2012). HR from the outside in: six competencies for the future of human resources. New York: McGraw-Hill.

Van der Heijden, K. (2001). Back to basics: exploring the business idea. Strategy & Leadership, 29(3), 13–18.

Wasniewski, N. (2014). Business acumen: what is it and why is it so important for aspiring leaders? Insight Experience. https://www.insight-experience.com/blog/business-acumen-important-aspiring-leaders/

Wright, S. & Calof, J.L. (2006). The quest for competitive, business and marketing intelligence. European Journal of Marketing, 40(5/6), 453-465.

Zhang, M., Qi, Y., Wang, Z., Pawar, K.S. & Zhao, X. (2018). How does intellectual capital affect product innovation performance? Evidence from China and India. International Journal of Operations & Production Management, 38(3), 895–914.