

Effects Of Entrepreneurial Characteristics On Small Business Productivity In Ede, Nigeria

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ABSTRACT

The research investigated the impact of entrepreneur's characteristics on business performance. It was a cross-sectional study carried out among entrepreneurs of SMEs in Nigeria, located in Ede, Nigeria. Respondents were selected using convenience sampling technique. The sample size of 400 respondents was selected for the study and descriptive statistics such as frequencies and percentages were adopted for data analysis. The hypotheses formulated were tested using chi-square at 0.05 level of significance. The result of the study revealed that entrepreneur's characteristics such as innovativeness, experiences, orientation as well as risk taking propensity have significant impact on productivity. Based on the result, recommendations were made and conclusions drawn.

Keywords: Entrepreneurs, characteristics, business, performance, innovativeness, orientation, risk-taking propensity, experience

Introduction

Central to the growth and sustenance of small and medium enterprises (SMEs) are the business excellence and operational efficiency of owners (Jaeger, Matyas & Sihm, 2014). Islam, Khan, Obaidullah & Alam (2011) were of the view that entrepreneur characteristics are significant in determining the success of SMEs in most countries. Given the significance of Small and medium scale enterprises to national economic growth and industrial development, it is important to constantly carry out researches aimed at improving the performance of SMEs in an economy such as Nigeria. SMEDAN (2009) stated that in Nigeria, SMEs are a representation of a transiting industrial and technological phase from traditional to modern; as well as participate in restructuring the Nigerian socio economic landscape through income generation, utilization of local resources and employment generation.

Entrepreneurship, despite not being an easy vocation, does not guarantee a 100% success; as several critical factors are required to achieve a measure of success. Most African countries have not established economic policies conducive to the existence and operations of small scale enterprise, especially in Nigeria. This view is consistent with that of Adjebeng-Asem (1989) which described the African entrepreneur as being alive and well, but lacking the zeal to undertake manufacturing businesses; and having preference for non-productive, rent-seeking activities referred to as commercial entrepreneurship; thus leading to the declining productivity of SMEs in Nigeria.

As suggested by OECD (2010) changes in entrepreneurial behaviour significantly impacts on levels of growth and innovation; as successful entrepreneurship and business growth is dependent on expanded skillset to channel the complexities of today's economies (commercial services, project management, financial management and strategic thinking skills). These skillsets though challenging to SMEs are essential to their growth (OECD 2018). Entrepreneurial activity and development which is key to entrepreneurship growth requires very good entrepreneurial characteristics and skills which have been identified as necessary to the performance of entrepreneurs (Harper, 2003). According to Islam et al. (2011), these entrepreneur traits relate to demographic factors, individual background, personal traits, entrepreneur orientation, and entrepreneur readiness, which are determinants of firm performance.

Extensive research has been conducted on the factors that influence SME business growth in extant literature; and it was found that they range from firm characteristics, entrepreneur's characteristics to issues of institutional localities in which the business functions (Isaga, 2018). Isaga (2018) however pointed out that there have been no conclusive findings on these factors which can be

attributed to the complications associated with the operations of small businesses in developing economies.

Problem of study

Developing countries such as Nigeria faced with high poverty level and high unemployment rate, often have a record of poor standard of living. A lot is expected of the government in terms of job creation, which if not achieved, leads to youth restiveness and crimes. The inability of the government to meet the growing demands of the increasing population has led to the need for entrepreneurship. There have been several programmes put in place to develop entrepreneurs' skills to maximize business opportunities and be productive in Nigeria. However, findings from previous studies have indicated that where some businesses perform below expectations, others thrive due to entrepreneurship training (Adegbite & Abereijo, 2014). Kpelai (2009) revealed that business failure in Nigeria is an indication that a lot of new businesses fail more than the ones that succeed.

So much emphasis has been laid on the importance of small businesses to the growth of a nation and the standard of living; even to the extent that the co-existence of large-scale industries is largely dependent on the healthy activities of SMEs (Fabayo, 2009). In Nigeria, however, these expectations have not been met and little or no value added to the economy due to stifling challenges confronting their operations, despite the amount of development plans inaugurated by successive government to empower small businesses. The alarming rate of small businesses dissolution has propelled researchers to look deeper so as to proffer solutions aimed at reducing unemployment and boosting the gross domestic product output.

Objective of study

The general objective of this study is to examine the effects of entrepreneurial characteristics on small business productivity in Nigeria. Specifically, the study seeks to;

1. Examine the impact of entrepreneur innovativeness on business productivity in Nigeria.
2. Assess the impact of entrepreneur's experience on business productivity.
3. Investigate the extent to which entrepreneur's orientation impacts on business productivity.
4. Assess the effect of risk taking propensity on business productivity.

Research questions

1. What is the impact of entrepreneur innovativeness on business productivity in Nigeria?
2. Is there any impact of entrepreneur's experience on business productivity?

3. To what extent does entrepreneur's orientation impact on business productivity?
4. Is there any effect of risk taking propensity on business productivity?

Hypotheses

- H01: There is no significant impact of entrepreneur innovativeness on business productivity in Nigeria.
- H02: There is no significant impact of entrepreneur's experience on business productivity
- H03: There is no significant impact of entrepreneur's orientation on business productivity.
- H04: There is no significant effect of risk taking propensity of entrepreneur on business productivity

LITERATURE REVIEW

Entrepreneurs' Characteristics

Entrepreneurship is a very common term, and in spite of its popularity, not every entrepreneur is capable of succeeding in entrepreneurial business. To succeed, certain characteristics are required. Murad and Rula (2015) describe entrepreneur characteristics as personal skills possessed by an entrepreneur to be successful in any business venture. Review of previous literature revealed mixed results on the impact of entrepreneurs' characteristics on small businesses (Bouazza et al. 2015).

Some entrepreneurs' characteristics include the following:

Need for Achievement: Entrepreneurship is suggestive of the desire or aim for high achievement. In some studies carried out on entrepreneurs, the need for achievement has been found to be linked to entrepreneurship (Hansermark, 1998 cited in Murad & Rula, 2015). Driessen and Zwart (2007), Smith (2013) and Sajilan et al. (2015) in their study agreed that one of the main characteristics of entrepreneurs' is the need for achievement. Smith (2013) defined need for achievement as the will to attain an internal standard of accomplishment. It is further described as people who aim to be high achievers and strong drive for success (Sajilan et al., 2015).

Experience: Barahona et al. (2006) opined that the tendency and zeal to start a business is often as a result of work experiences and complementary educational activities before graduation. Sandika and Kulasinghe (2010) further explained that experience is one of the characteristics of an entrepreneur, as well as business knowledge and experience. According to Onsongo and Muturi (2015) experience equips entrepreneurs with capabilities and knowledge that will aid in the development of more successful strategies that will result increased growth rates (Murad and Rula, 2015). Hisrich and Drnovsek (2002) explained that managerial experience, knowledge and startup

experience of a business owner have positive influence on a firms' performance. Storey (1994) further explained that firm owners who possess previous experience tend to avoid some costly mistakes than those without prior experience. This implies that in Nigeria, the lack of management skills and experience is one of the major challenges to SMEs' survival.

Risk Taking Propensity: Koh (1996) and Scarlat et al. (2011) cited risk propensity as an important entrepreneurial characteristic. Pendergast (2003) was of the notion that entrepreneurs are also risk-takers; and went on to define risk as the probability of encountering loss as a result of uncertain future events. Murad and Rula (2015) defined risk taking propensity as the tendency for entrepreneurs to make decisions in a turbulent environment with minimal information and unclear results.

Theoretical framework

Human Capital Development Theory

On the minds of most scholars is the question of why some businesses survive and others do not; thus leading to seeking the rationale behind the successfulness and failure of some enterprises. In comparison to the RBV, the human capital theory relates to the entrepreneur's knowledge and capacities to perform efficiently in business (Yaacob, Mahmood, Zin, & Puteh, 2014). To this end, the view of this theory is that the survival and performance of a business is subject to entrepreneurs' knowledge and experience of the entrepreneur. Thus, Oyedele et al. (2014), suggested that entrepreneurs who possess low human capital can be aided by means of training based on the emphasis of the theory on knowledge and capacities (Essel, Adams & Amankwah, 2019). According to Martin et al. (2013) individuals with high levels of knowledge, skills and other competencies tend to perform greater than those with lower levels. Human capital entails investing in individual skills and knowledge necessary for entrepreneurs to perform at their best at the moment of discharging their duties. Obschonka, Silbereisen, Schmitt-rodermund, & Stuetzer (2011) were of the view that the adequate training of entrepreneurs will enable them increase their drive for independence through investment in human capital, understand industrial conditions, and maintain adequate records. Human capital includes the various skills, experiences, knowledge, abilities, and risk taking of the entrepreneurs that are associated with the business. Thus, the rationale behind the human capital development framework is that employees, are assets to a firm and will be influenced by the development. Martin et al. (2013) who describes human capital as the trained and generally literate working force, is of the view that more education and training at all levels are the basic requirements necessary to operating a successful business and national development (Genty, Idris, Wahat & Abd, 2015).

Resource-based view (RBV) theory of firm growth

The resource-based view (RBV) theory formulated by Wernerfelt (1984) and further developed by Barney (1986) is a popular framework used in examining factors that influence the performance of a small-scale business (Rahman & Ramli, 2014). According to the theory, the internal resources and capabilities of a firm is generated from comparative advantages (Barney, 2001). Barney (2001) further opined that the performance of such firm's performance is as a result of unique sets of resources not easily imitated; implying that heterogeneity in resources is the basis of the RBV theory. The RBV theory serves as a framework that can be used to analyze the success of SMEs especially in developing economies where firms are challenged by inadequate access to expertise and resources.

The review of some empirical studies on the characteristics associated with business success, revealed the common attributes to be entrepreneurial competencies such as level of education, skills, personal goals, expertise and experience, which have been found to be quite low in developed economies. This has resulted to various groups seeking means of bridging the knowledge gap and developing it to what is expected of entrepreneurs. Other determining factors include access to financial resources and services from financial institutions, firm characteristics and entrepreneur demographics, all of which reflect and determines the competency of an entrepreneur to succeed (Essel, Adams & Amankwah, 2019).

Empirical framework

Ajani and Oluyemi (2016) conducted a study on the effect of entrepreneurial characteristics on the performance of small and medium scale enterprises, Lagos state. Adopting the survey design, the study collected data through questionnaire which was administered to various entrepreneurs. The data was analyzed by means of descriptive statistics such as SPSS; while the hypotheses were tested using simple regression. The findings made showed that entrepreneurial characteristics, entrepreneurial competency and orientation and the education level of an entrepreneur significantly affect SMEs performance in Nigeria. Based on the findings made, the study recommended that entrepreneurs be exposed to various information sources, as well as educational and specialized training programmes in order to get them acquainted with risk-taking strategies inherent in self-employment and wealth creation.

Bahadur, Nadia and Naimatullah (2019) examined the demographic factors that influenced entrepreneurs' success in Small and Medium Sized Enterprises (SMEs) of Pakistan. The data made use of random sampling technique derived from 230 entrepreneurs. The findings from the result revealed that the success of entrepreneurs in business was interrelated with demographic variables such as gender, age, education and experience

Genty, Idris, Wahat and Abd (2015) carried out a study to ascertain the determinants entrepreneurial success. Data was collected by means of primary sources and analysis was done using Structural Equation Modelling (SEM). The findings of the study revealed a significant relationship between the demographic factors on entrepreneurs' success among SMEs owners in Lagos State, Nigeria. The study further found that entrepreneurs experience is the most predictor of demographic factors in the study. The study however, found no relationship between entrepreneurial training and entrepreneurs' success on the SMEs sampled.

Murad and Rula (2015) examined how entrepreneurs' characteristics impacted on small business success at Medical Instruments Supplies Organizations in Jordan. The study population consisted of the owners and managers of sixty-six organizations. The data for the study was collected by means of questionnaire and the hypotheses tested using statistical techniques such as descriptive statistics, t-test, ANOVA test, correlation, multiple regressions. Based on the analysis done, it was found that entrepreneurs' characteristics had an impact on small business success.

Olekamma and Tang (2016) investigated the influence of entrepreneurial characteristics on access to debt finance by SMEs from banks in Nigeria. Data was obtained by means of questionnaires administered to 110 SMEs operators in Nigeria. Analysis was done using Pearson correlation and logistic regression statistical analysis. The analysis of the data revealed that entrepreneur's gender, age, educational background, networking, managerial competency, and marital status have an influence on their access to finance. In view of this finding, the study recommended the organization of more training for SMEs by government agencies so as to aid them improve on their shortcomings.

METHODOLOGY

To achieve the primary purpose of the present study; a sample of 400 entrepreneurs was conveniently selected from SMEs sectors in Nigeria. This method of convenience sampling was chosen because of the inadequate statistics on this group. The SMEs were selected from furniture makers, saloons, restaurants, spas, printers, etc. The structured questionnaire which was constructed using the four-point Likert scale was the source of data collection. The collected data was analysed using descriptive statistics and the hypotheses formulated were tested using chi-square on the Statistical Package for Social Sciences (SPSS).

DATA PRESENTATION, ANALYSIS AND RESULT

The data was collected from 400 entrepreneurs of SMEs operating in Ede, Nigeria using convenient sampling techniques. The results were collated, analysed and presented below:

4.2. Presentation of Data .

Table 1: Respondents Marital Status as classified by Age

Marital Status Age	Single	Married	Separated	Divorce	Total	Percentage
Less than 30 years	32	91	9	2	134	33.5
30 but less than 40 years	45	73	11	9	138	34.5
40 but less than 50 years	21	37	18	12	88	22.0
50 years and above	19	18	4	1	42	10.0
Total	117	219	42	22	400	100

Source: Field survey, 2020

Table 1 above indicates that the respondents cut across different marital status and ages. About 219 were married while 117 were single. 42 had been separated from their spouse while 4 are divorced. As indicated in the Table. 33.5% representing 134 respondents were less than 30 years old. 34.5% were 30 and above but less than 40 years; 88 were from the age group 40 but less than 50 years; while the remaining 10% representing 42 respondents were

from the age group 50 years and above. The result therefore shows that age influences marital status and those who had been separated or divorce are from the older generation between the ages 30 year 50 years and above. It also shows that the respondents have different characteristics and experience based on their diverse ages and marital status.

Table 2: Respondents number of years as entrepreneur classified by Educational qualification

No of years as an entrepreneur Education	Less than 5 years	5 but less than 10 years	10 but less than 20 years	20 years and above	Total	Percentage
OND/NCE	41	33	12	7	93	23.3
B.SC/HND	77	92	39	11	219	54.8
MBA/MSC	26	14	23	1	64	16.0
Others	11	5	4	3	23	5.8
Total	156	144	78	22	400	100

Source: Field survey, 2020

Table 2 presents the respondents' number of years as entrepreneur as classified by educational qualification. The result indicates that 156 of the respondents had being entrepreneur for less than 5 years in the organization; while 144 had been entrepreneurs for 5 but less than 10 years. 78 had been entrepreneurs 10 years but less than 20 years, while 22 had been entrepreneurs for 20 years and above. The Table also shows that 219 (about 54.8%) of the respondents had BSC/HND, 93 (23.3%) had OND/NCE, 64 (16%) had MBA/MSC and the remaining 23 (5.8%) selected others. The result does not explicitly show that the number of years as entrepreneurs have was influenced by their

educational qualification. However, we can deduce that there is no specific degree that one needs to own to become entrepreneur. As shown in the Table, some entrepreneur had OND/NCE while some had MSC/MBA; some may not even have any form of formal educational certificated as indicated with the number of respondents that selected "others" which might means "no certificate"; but yet can still own and manage a business.

Table 3 : Respondents' opinion on the impact of entrepreneur innovativeness on business productivity

STATEMENTS	SA	A	D	SD	Total	Percentage in agreement (%)
An entrepreneur's capacity to be creative will make a business productive.	192	190	8	10	400	95.5
The ability to identify new opportunities and innovative approach to a business will enhance business productivity.	166	211	9	14	400	94.3
By consistently implementing innovation, SMEs are able to acquire and adapt knowledge, that serves as key point for the net cycle of innovation implementation	199	178	20	3	400	94.3
Ability and commitment to overcome setbacks by innovating when faced with challenges enhances a business productivity	167	201	12	20	400	92.0

Source: Field survey, 2020

Table 3 presents the opinion of the respondents on the impact of entrepreneur innovativeness on business productivity. As indicated in the Table, more than 95% of the respondents are in agreement to the statement that: An entrepreneur's capacity to be creative will make a business productive. Similarly, above 90% of the respondents respectively indicated that the ability to identify new opportunities and innovative approach to a business

enhances business productivity; consistently implementing innovation, SMEs are able to acquire and adapt knowledge, that serves as key point for the net cycle of innovation implementation; and the ability and commitment to overcome setbacks by innovating when faced with challenges, all enhances business productivity. This implies that entrepreneur innovativeness has significant impacts on business productivity of SMEs in Nigeria.

Table 4 : Respondents opinion on the impact of entrepreneur's experience on business productivity

Statements	SA	A	D	SD	Total	Percentage agreement (%)
Having previous experience enables an entrepreneur to avoid some costly mistakes in business	275	101	13	11	400	94.0
Entrepreneur's knowledge of the business makes him better placed to access credit needed to efficiently run the business	162	216	13	9	400	94.5
Older entrepreneurs possess the knowledge and capabilities that can help in developing more successful strategies leading to more growth rate than younger ones	117	267	4	12	400	96.0
Older firms' managers have a higher probability of learning from their experiences to succeed and make a business more productive	262	111	7	20	400	93.3

Source: Field survey, 2020

The result indicated in the table above shows that above 90% of the respondent are in agreement that entrepreneur's experience has positive impact on business productivity. This is so because having previous experience enables an entrepreneur to avoid some costly mistakes in business; it makes

them make better decision on how and where to access credit needed to efficiently run the business; it helps in developing more successful strategies leading to more growth rate than younger ones; and finally, helps them learn from their experiences to succeed and make a business more productive.

Table 5: Respondents opinion on the impact of entrepreneur's orientation on business productivity

Statements	SA	A	D	SD	Total	Percentage agreement (%)
Orientation of entrepreneurs breeds entrepreneurial effectiveness due to their understanding of how to deal with difficult situations intuitively	169	211	17	3	400	95.0
Entrepreneurs with the ability to identify new opportunities and innovative approaches to business help to make a business productive.	266	102	21	11	400	92.0
Entrepreneur's orientation increases the formation of new products, and adoption of high technologies for successful businesses.	192	179	21	8	400	92.8
Entrepreneur's orientation gives a substantial understanding as well as provide certain information relevant to market or product that they are involved in.	114	270	12	4	400	96.0

Source: Field survey, 2020

Table 5 above presents the opinion of the respondents on the impact of entrepreneur's orientation on business productivity. As indicated in the table, more than 90% of the respondents are in agreement that the orientation of entrepreneurs breeds entrepreneurial effectiveness due to their understanding of how to deal with difficult situations intuitively. Also, entrepreneurs with the ability to identify new

opportunities and innovative approaches to business help to make a business productive; it increases the formation of new products, and adoption of high technologies for successful businesses; as well as gives a substantial understanding as well as provide certain information relevant to market or product that they are involved in.

Table 6: Respondents opinion on effect of risk taking propensity on business productivity

Statements	SA	A	D	SD	Total	Percentage agreement (%)
The propensity to take risks propels an entrepreneur towards decision making in a turbulent environment with minimal information and unclear results.	169	211	17	3	400	95.0
Organizations that encourage risk taking can influence employee behavior toward innovation, thus benefiting organizational innovation as a whole.	266	102	21	11	400	92.0
The willingness to engage in relatively high levels of risk taking behavior enables SMEs to seize profitable opportunities in the face of uncertainty which leads to long term profitability	192	179	21	8	400	92.8
Risk taking entrepreneurs are able to secure superior growth and long term profitability in contrast to risk avoiders	114	270	12	4	400	96.0

Source: Field survey, 2020

Table above presents the respondents opinion on the effect of risk taking propensity on business productivity. As indicated on the Table, more than 90% of the respondents are in agreement that the propensity to take risks propels an entrepreneur

towards decision making in a turbulent environment with minimal information and unclear results. It encourages innovation; it leads to long term profitability, as well as secure superior growth and long term profitability in contrast to risk avoiders.

Test of Hypothesis

H01: There is no significant impact of entrepreneur innovativeness on business productivity in Nigeria.

Table 7: TheResult of X²

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.331 ^a	15	.0218
Likelihood Ratio	16.670	15	.0304
Linear-by-Linear Association	.321	1	.0271
N of Valid Cases	400		

a. 18 cells (75.0%) have expected count less than 5. The minimum expected count is 1.03.

In the case of this hypothesis, it seeks to determine impact of entrepreneur innovativeness on business productivity in Nigeria. The outcome from the analysis using SPSS indicates that the P-value (0.0218) is less than the level of significance ($\alpha =$

0.05) as proposed in this study. Following the rule, we reject the null hypothesis and concluded that entrepreneur innovativeness has significant impacts on business productivity in SMEs in Nigeria.

H02: There is no significant impact of entrepreneur’s experience on business productivity

Table 8: TheResult of X²

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.392 ^a	15	.0114
Likelihood Ratio	17.472	15	.0129
Linear-by-Linear Association	.722	1	.0314
N of Valid Cases	400		

a. 21 cells (87.5%) have expected count less than 5. The minimum expected count is .14.

From the top row of the last table, Pearson Chi-Square statistic, $X^2 = 19.392$, and $p < 0.05$ shows that the p-value (0.0114) is less than the significant level proposed in this study ($p < 0.05$). Thus, we

reject the null hypothesis. This implies that entrepreneur's experience has significant impact on business productivity.

H03: There is no significant impact of entrepreneur’s orientation on business productivity.

Table 9: TheResult of X²

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.490 ^a	15	.041
Likelihood Ratio	17.500	15	.012
Linear-by-Linear Association	.066	1	.049
N of Valid Cases	400		

a. 19 cells (79.2%) have expected count less than 5. The minimum expected count is .13.

The p-value (0.041) is less than the significance level ($\alpha = 0.05$), thus, we reject the null hypothesis which implies that entrepreneur's orientation has significant impact of on business productivity.

H04: There is no significant effect of risk taking propensity of entrepreneur on business productivity

Table 10: The Result of χ^2

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.490 ^a	15	.041
Likelihood Ratio	17.500	15	.012
Linear-by-Linear Association	.066	1	.049
N of Valid Cases	400		

a. 19 cells (79.2%) have expected count less than 5. The minimum expected count is .13.

The p-value (0.041) is less than the significance level ($\alpha = 0.05$), thus, we reject the null hypothesis which implies that risk taking propensity of entrepreneur has significant effect on business productivity in SMEs in Nigeria.

Discussion of findings and conclusion

The result from this study has revealed that the general characteristics of entrepreneurs have great implications on business performance in SMEs in Nigeria. This is so because the major decision maker for SMEs is the entrepreneurs. Even in situations where the entrepreneur is different from the managers and other employees of the organization, there are still need for consultation with the entrepreneur before major decisions are taken. This implies that the entrepreneurs are central to the growth and sustenance of small and medium enterprises (SMEs) as pointed out (Jaeger, Matyas & Sihm, 2014).

One of the results of this study indicated that the innovativeness of the entrepreneur brings about business productivity. Innovation is the search for adoption and commercialization of new processes, products and organizational structures, it is characterised by uncertainty. However, innovativeness brings about creativity. Thus, innovative entrepreneur comes up with creative ideas to add values to a new style of thinking; that is, new ideas that take the companies to new level. There is a thin line between creativity and innovation as innovation is the result of creative ideas. In other words, creativity is the starting point for innovation; that is, the implantation of creative inspiration. Sofka and Grimpe (2010) and Laursen and Salter (2006) in their respective studies pointed out that the outcomes of innovations includes the number of development projects, increase in sales from new products, or the frequency of new product launches. This prove the fact that innovative entrepreneur brings about productivity of a business. This result is consistent with that carried out by Falahat, Knight and Alon, (2018); Falahat and Migin, (2017), Martínez-

Román, Tamayo and Gamero (2017) and Wang (2014) who reported that innovativeness bring about financial benefits and profitability to an organization. But innovativeness does not only brings about financial benefits to a firm; it also brings about nonfinancial benefits such as responding efficiently to customers' needs to enhance customers satisfaction and retention as well as initiating new products and services for the growth and sustainability of the organization. Thus, based on this result, it can say that innovation efforts can translate into productivity gains for firms such that innovations can both increase firms' efficiency and improve the products they offer, hence escalates demand and reduces costs of production.

The present business environment is not only facing competitions, but also characterised with changing demand of customers, uncertainties, as well as rapid technical changes which implies that firms can only achieve success and competitive edge if they change their traditional ways of doing things to follow the trend. This shows that innovation is inevitable for firms' growth and sustainability since innovative firms are more flexible and can quickly respond to change. In other words, as pointed out Prajogo (2016), the firms in turbulent business environments usually strive to innovate their products by various means in order to meet the unexpected demands of customers and to compete successfully within their respective industry. This justifies that innovative entrepreneurs have significant impact on productivity in SMEs. In Nigeria, many SMEs ceased to function or folded up within the first five years of their existence. This could be blamed on poor innovation on the part of the entrepreneurs. Until SMEs entrepreneurs learn to be creative and innovative, it is difficult to remain competitive and sustainable.

A second finding of this study revealed that entrepreneur's experience has positive impact on business productivity. Experiences are essential part of the human life generally and have positive effect

in influencing individual performance. Without doubt, it is important to note that different outcome demands different level of marksmanship. Entrepreneur's exposure to different circumstances and situations, especially in places where the entrepreneur original experience failures are essential in their development. According to Gudmundsdottir (2012), to become a successful entrepreneur, entrepreneurs must be aware of the competitors in the same field, they also have to know every inch of their customers, so entrepreneurs have to constantly look at the consequences of the competitors and their customers. Failure to anticipate or react to competition, technology, or marketplace change can lead a business into the danger zone. Thus, work experience and education are important to entrepreneurs for providing knowledge; reduce uncertainty and ambiguity in the business, to develop themselves and to support the business development in future. The result of this study is consistent with Fatimah et al. (2013) who revealed that the current business of entrepreneur with prior working experience tend to be more successful compared to business of entrepreneurs without experience. Similarly, the study agrees with Saleem (2012) and Naqvi (2011) respectively who also support that past experience of the entrepreneur has significant positive relationship with the success of entrepreneurs and the business. Thus, the experience of an entrepreneur is very fundamental to business performance. An experienced entrepreneur is very proactive when it comes to problem-solving and also reduces the probability of encountering problems.

Again the study revealed that that entrepreneur's orientation has significant impact of on business productivity. Entrepreneur's orientation is a strategy making processes that provide organizations with a basis for entrepreneurial decisions and actions. It represents the policies and practices that provide a basis for entrepreneurial decisions and actions, and as such can be viewed as the entrepreneurial strategy-making processes that key decision makers use to enact their firm's organizational purpose, sustain its vision, and create competitive advantage(s) (Covin & Lumpkin, 2011). It is organizational willingness to find and accept new opportunities and taking responsibility to affect change. Entrepreneur orientation is broad and has diverse dimensions including innovativeness, risk taking propensity, proactiveness, competitive aggressiveness, and autonomy. All these dimensions made up the total entrepreneur and thus help in upturning productivity. This result support the outcome of some earlier studies such as: Markin, Swab and Marshall (2017) and Keutmeier (2016) respectively.

Finally, the study revealed that risk taking propensity of entrepreneur has significant effect on business productivity in SMEs in Nigeria. Risk taking propensity is a reflection of activities of the entrepreneur in the firm such as: incurring heavy debt or making large resource commitments, in the

interest of obtaining high returns by seizing opportunities in the marketplace. Risk taking behaviour is a crucial factor that differentiates entrepreneurs from others because it can create losses and inconsistencies in the performance (Morris and Kuratko, 2002), but it is the behavioural dimension of an entrepreneur orientations which when properly taken may result to huge profit to the organization. The result of this study therefore agrees with the outcome of a study by Lumpkin and Dess (1996). Innovation is risky and requires lots of firm-specific investments, because of its intensive needs for capital, but the returns from investment in innovation are purely unpredictable. This is why most entrepreneurs will rather avoid risks than taking one.

Conclusion and Recommendations

The investigated the impact of entrepreneur's characteristics on business performance. Guided by four objectives, the study revealed entrepreneur's characteristics such as innovativeness, experiences, orientation as well as risk taking propensity have significant impact on productivity. An entrepreneur with experience in knowledge-oriented activities tend to be more active under uncertain environment and show more willingness to explore new opportunities. This leads to business breakthrough. This may explain while those who had serve as apprentice seems to do better when they start up theirs than those who have no prior experience. Thus we conclude that individual characteristics either build or destroy his or her business depending on which character outshines the other. Entrepreneurs with survival skill such as marketing, planning negotiation, technological, high-level managerial, personnel and customer relations skills that are needed to sustain in the business environment. Thus, entrepreneurial characteristics are vital determinants of business success given that an entrepreneur's reaction to business challenges is usually based on his or her personal traits. This study therefore concludes that SMEs' productivity is influence by entrepreneur's characteristics such as experience, innovativeness, orientation and risk taking propensity. Based on this result, this study recommends:

That entrepreneur should be willing to explore alternative options to initiate new ideas.

They should be exposed to apprenticeship or any alternative training before starting up their own business in order to acquire all the necessary experience

Entrepreneurs should be willing to take risks, but not haphazardly; they should learn to analyze risk, mitigates where possible and take chances where necessary because it is only by trying that one could know the result.

Finally, the study recommends that entrepreneurs engage in regular training and development to develop their skills and help them fit in the dynamic business world.

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Appendix

QUESTIONNAIRE ON EFFECTS OF ENTREPRENEURIAL CHARACTERISTICS ON SMALL BUSINESS PRODUCTIVITY IN EDE, NIGERIA

Dear Respondent,

I am carrying out a study on “Effects of entrepreneurial characteristics on small business productivity in Ede, Nigeria”, and you have been chosen to be part of the study. This questionnaire is only for academic purpose; it will not be used for any other purpose not otherwise stated. Kindly select the response which applies to you. All information will be kept confidential

SECTION A

SECTION A: DEMOGRAPHIC INFORMATION

Tick (✓) as applicable

1. Sex:
 - a. Male
 - b. Female

2. Age:
 - a. Less than 30 years
 - b. 30 but less than 40 years
 - c. 40 but less than 50 years
 - d. 50 years and above

3. Marital Status:
 - a. Single
 - b. Married
 - c. Divorce
 - d. Separated
 - e. Others [please specify].....

4. Highest Educational qualification:
 - a. School certificate
 - b. OND /NCE
 - c. B. SC/HND
 - d. MBA/M. Sc.
 - e. Others

5. Number of years as an entrepreneur
 - a. Less than 5 years
 - b. 5 but less than 10 years
 - c. 10 but less than 20 years
 - d. 20 years and above

SECTION B:

Instructions: Please tick (✓) as appropriate where

Key: Strongly agree (4), Agree (3), Disagree (2), and strongly disagree (1).

S/N	ITEMS	SA	A	D	SD
RQ1	Impact of entrepreneur innovativeness on business productivity				
1	An entrepreneur's capacity to be creative will make a business productive.				
2	The ability to identify new opportunities and innovative approach to a business will enhance business productivity.				
3	By consistently implementing innovation, SMEs are able to acquire and adapt knowledge, that serves as key point for the net cycle of innovation implementation				
4	Ability and commitment to overcome setbacks by innovating when faced with challenges enhances a business productivity				
RQ2	Impact of entrepreneur's experience on business productivity				
5	Having previous experience enables an entrepreneur to avoid some costly mistakes in business				
6	Entrepreneur's knowledge of the business makes him better placed to access credit needed to efficiently run the business				
7	Older entrepreneurs possess the knowledge and capabilities that can help in developing more successful strategies leading to more growth rate than younger ones				
8	Older firms' managers have a higher probability of learning from their experiences to succeed and make a business more productive				
RQ3	Extent to which entrepreneur's orientation impact on business productivity				
9	Orientation of entrepreneurs breeds entrepreneurial effectiveness due to their understanding of how to deal with difficult situations intuitively				
10	Entrepreneurs with the ability to identify new opportunities and innovative approaches to business help to make a business productive.				
11	Entrepreneur's orientation increases the formation of new products, and adoption of high technologies for successful businesses.				
12	Entrepreneur's orientation gives a substantial understanding as well as provide certain information relevant to market or product that they are involved in.				
RQ4	Effect of risk taking propensity on business productivity				
13	The propensity to take risks propels an entrepreneur towards decision making in a turbulent environment with minimal information and unclear results.				
15	The willingness to engage in relatively high levels of risk taking behavior enables SMEs to seize profitable opportunities in the face of uncertainty which leads to long term profitability				
16	Risk taking entrepreneurs are able to secure superior growth and long term profitability in contrast to risk avoiders				