

**INFLUENCE OF ENTREPRENEURIAL CHARACTERISTICS ON
BUSINESS PERFORMANCE IN EDO STATE**

Sarah Chidinma EMMANUEL

EDU1908233

UNIVERSITY OF BENIN

BENIN CITY

OCTOBER 2023

**INFLUENCE OF ENTREPRENEURIAL CHARACTERISTICS ON
BUSINESS PERFORMANCE IN EDO STATE**

Sarah Chidinma EMMANUEL

EDU1908233

**A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF
VOCATIONAL AND TECHNICAL EDUCATION, FACULTY OF
EDUCATION, IN PARTIAL FULFILLMENT OF THE AWARD OF
BACHELOR OF SCIENCE (B.SC. ED.) DEGREE IN BUSINESS
EDUCATION OF THE UNIVERSITY OF BENIN, BENIN CITY**

OCTOBER 2023

CERTIFICATION

This is to certify that this research work was carried out by **Sarah Chidinma EMMANUEL** with Matriculation Number **EDU1908233** from the Department of Vocational and Technical Education, Faculty of Education, University of Benin in partial fulfillment of the requirements for the award of Bachelor of Science (B.Sc. Ed.) degree in Business Education (Accounting Option).

Dr. E. Iyamu
(Project Supervisor)

Date

Dr. S.B. Abusomwan
(Project Coordinator)

Date

Dr. R.O. Owenvbiugie
(Head of Department)

Date

DEDICATION

This project is dedicated to God.

ACKNOWLEDGEMENTS

The researcher's gratitude goes to her supervisor and lecturer, Dr. E. Iyamu for his support and direction during the course of this research project. Her sincere gratitude also goes to Mr. O. Peter for his special contribution and relentless effort towards ensuring that this research project is completed.

Her utmost appreciation goes to her family; her parents, Pastor and Mrs. Boney Emmanuel, for their emotional and financial support during her stay in school. To her siblings, Jennifer and Wisdom Emmanuel, thank you for your moral and financial support.

Her deepest gratitude also goes to her friends; Olaoye Anuoluwapo who has always been there to support her closely in her academic journey, Odudu Happiness, and her study group for their friendly support and encouragement. Finally, her appreciation also goes to BLM family and every friend out there that contributed in one way or the other to the success of her academic journey.

TABLE OF CONTENTS

TITLE PAGE	ii
CERTIFICATION	iii
DEDICATION	iv
ACKNOWLEDGEMENTS	v
ABSTRACT	ix
CHAPTER ONE: INTRODUCTION	
Background of the Study	1
Statement of the Problem	8
Purpose of the Study	9
Research Questions	9
Significance of the Study	10
Scope of the Study	11
CHAPTER TWO: REVIEW OF RELATED LITERATURE	
Conceptual Framework	12
Entrepreneurial Characteristics	15
Concept of Business Performance	20
Entrepreneurial Competencies on Business Performance	24
Innovation on Business Performance	26
Skill Acquisition on Business Performance	27
Factors Affecting Entrepreneurship Development in Nigeria	28

Approaches to Entrepreneurship	30
Summary of Literature Reviewed	34
CHAPTER THREE: METHODOLOGY	
Design of the Study	35
Population of the Study	35
Sample and Sampling Technique	36
Instrumentation	37
Validity of the Instrument	37
Reliability of the Instrument	38
Method of Data Collection	38
Method of Data Analysis	38
CHAPTER FOUR: PRESENTATION OF RESULTS AND DISCUSSION OF FINDINGS	
Presentation of Results	39
Discussion of Findings	42
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS	
Summary	45
Conclusion	46
Recommendations	46
Suggestions for Further Studies	47
REFERENCES	48

ABSTRACT

The study investigated the influence of entrepreneurial characteristics on business performance. The purpose of the study was to determine the influence of entrepreneurial competency, innovation and skill acquisition on business performance, also to identify the factors affecting entrepreneurial development in Nigeria. Four research questions guided the study.

A descriptive survey research was used for the study. The population of the study was 430 entrepreneurs and the sample was 86 entrepreneurs within the University of Benin community. Data was collected through the use of a well-structured questionnaire and the copies were administered, collected and analyzed. Mean was used for the data analysis.

The findings revealed that entrepreneurial competency, innovation and skill acquisition influence business performance. The study recommends amongst others that on-the-job trainings and conferences should be encouraged in firms to increase entrepreneurs' competency and competitive strategies, practical entrepreneurship approach should be adopted in teaching entrepreneurship in schools, also infrastructures such as electricity, good roads, should be put in good shape to ensure the survival of business enterprise and the creation of new business venture.

CHAPTER ONE

INTRODUCTION

Background of the Study

Overtime, it has been proven that there is persistent rate of industrial growth in human consumption and innovation in the world and most especially in Nigeria. Nigeria's economic situation demands ever pressing needs of finding out the performance level of her several businesses and enterprises. This will link the traits of an entrepreneur to metrics that gauge the success and profitability of businesses. The main focus of entrepreneurial traits is capacity building, which emphasizes value creation by assembling a special set of resources to take advantage of an opportunity and improve business performance and growth (Oni & Maiwada, 2009).

The motivations and personality traits of individual entrepreneurs shape the business environment. Because of their unpredictability, complexity, and ability to change requirements mid-process, business situations are frequently unlike any other. In order to show that they can act as investors, inventors, accountants, dispute investigators, leaders, technologists, marketing experts, and top sellers, entrepreneurs need to be able to possess the traits of multiple personalities at once. Because of this, the entrepreneur's knowledge and skill set should be as extensive as possible.

There is a certain type of person who decides to take on business risks. The desire for success is a major factor in driving risk-taking in the business world.

Successful people are willing to accept reasonable risks in exchange for feedback regarding the caliber of results attained in order to reach the goals that have been set. Entrepreneurs are motivated by an internal feeling, that is, they believe their own actions have shaped their own destiny. They have the traits of entrepreneurial personalities—they are self-sufficient, independent, and autonomous. The qualities that define an individual as an entrepreneur are known as entrepreneurial traits (Tonga, 2009). These characteristics characterize a prosperous businessperson.

Entrepreneurial characteristics, such as competency is one essential quality that enhances business performance. Entrepreneurial competency is defined as the individual characteristics, including attitude and behavior, which allow the entrepreneur to achieve business success (Sarwoko et al., 2013). They can be viewed as the total ability of the entrepreneur to perform his role successfully. Consequently, competencies are changeable and learnable, allowing intervention in terms of the selection, training and development of entrepreneurship. Man et al. (2002) identified six major areas of entrepreneurial competencies in relation to an SME context, including opportunity, relationship, conceptual, organizing, strategic, and commitment competencies. These competencies are supposed to play different roles in influencing a business performance with their direct and indirect effects. Entrepreneurial competencies therefore, include those clusters of related knowledge, attitudes, and skills which an entrepreneur must acquire through managerial training

and development to enable him produce outstanding performance, and maximize profit, while managing a business venture or an enterprise.

The extent of innovativeness of a business is a key component in the success of that business. Innovativeness is the business capacity to engage in innovation; that is, the introduction of new processes, products, or ideas in a business organization. According to Freeman (2004), innovation is the endeavor of businesses to create, manufacture, and sell new products for the market by utilizing information and technology. To put it another way, innovation is the discovery or modification of concepts for ongoing development and improvement in order to satisfy client needs. Through the introduction of new technologies, new applications for goods and services, the creation of new markets, and the introduction of new organizational structures, innovation is a means to continue to build and develop an organization (Widodo, 2012). An entrepreneur views innovation as a daily endeavor that helps them accomplish their objectives.

Entrepreneurship is a creative process of identifying and pursuing value-creating opportunities, often in the face of uncertainty and risk (Baron, 2018). Entrepreneurship can be seen as a process which involves the effort of an individual (or individuals) in identifying viable business opportunities in an environment and obtaining and managing the resources needed to exploit those opportunities. Nurturing entrepreneurship can have a positive impact on an economy and society in

several ways.. First of all, entrepreneurs start new companies, develop new products and services that lead to jobs, and frequently set off a chain reaction that spurs further and further development. Current companies might stay in their specific markets and eventually reach a revenue ceiling. However, new goods and technologies open up new markets and generate new revenue. High rates of self-employment have been shown to impede economic growth. If improperly regulated, entrepreneurship can result in unethical business practices, corruption, and income inequality in society due to overabundance of entrepreneurs. All things considered, however, entrepreneurship is a vital force behind innovation and economic expansion. As a result, encouraging entrepreneurship is crucial to global and Nigerian policies for economic growth.

Due to its beneficial impact on business and economic development, particularly at the local level, entrepreneurship development and skill acquisition are seen as crucial links to the country's overall economic growth and development (Barringer & Ireland, 2012; Weirich et al., 2018). According to research, the primary factor in utilizing the entrepreneurship opportunity for self-employment and business development and growth is the acquisition of entrepreneurship skills (Ekpe et al., 2012). Acquiring entrepreneurship skills is essential for business owners who want to operate their companies profitably or add value, both of which will promote the growth of their companies. According to Agu, Chiaha, and Ikeme (2013), acquiring entrepreneurship skills requires the right kind of education in order to focus them on

enhancing small and medium-sized business ventures that will benefit the entrepreneurs' personal finances as well as the communities in which they reside.

An organization's business performance is determined by a number of factors, including employee motivation and incentive compensation plans' efficacy in addition to management style, customer relationship management, and service quality. Business performance is a process, or collection of processes, for creating a common understanding of the goals to be met and for managing and growing personnel in a way that maximizes the likelihood of both short- and long-term success.

It is about improving both results and the quality of an organization success. Commercial effectiveness, which is an umbrella of business performance, is the ability of an enterprise, a department or an individual to achieve its objectives and expected results. The notion of commercial effectiveness thus covers issues of costs, deadlines, quality and profitability. It is measured using qualitative and/or quantitative KPIs (key performance indicators). The KPIs that are directly related to commercial effectiveness in terms of turnover, sales volume, market shares, margins, and other metrics are explained by the type of business sector in which an organization operates, the economic environment, seasonality, or the intensity of competing products in the market. The ability of an enterprise to implement optimal organization with the goal of providing a product or service that meets the

expectations of consumers and customers determines business performance, which is closely related to commercial effectiveness.

According to a review of the literature, entrepreneurial traits like age, gender, education, work experience, and managerial aptitude affect how well a business performs (Mahmoud, 2011); business traits include the size, location, sector, and length of time the company has been in operation (Khan et al., 2011). Since McClelland (1961) published his report on his study of entrepreneurs, in which he listed nine traits of an entrepreneur, numerous other authors have expanded upon this list. The need for achievement, desire for responsibility, preference for moderate risks, perception of success probability, simulation by feedback, energetic activity, future orientation, organizational skill, and attitude toward money were all listed by McClelland (1961) as traits of an entrepreneur.

An entrepreneur is an innovating individual who initiates and nurtures to growth, a new and an ongoing business organization which non-existed before. He is an individual who successfully thinks or conceives of a new business concern, organizes or initiates action to start it, and manages it through its initial problems and struggles for survival. An individual that identifies develops and brings vision to life under a condition of risk and a considerable uncertainty (Basheer, 2005). An entrepreneur is an innovator who implements changes within a market through the carrying out of new combinations. This carrying out of new combinations can take

several forms; the introduction of a new good quality, the introduction of a new method of production, the opening of a new market, the congress of a new source of new materials or parts, the carrying out of the new organization of any industry. Furthermore, an entrepreneur is an individual that identifies, develops and brings vision to life under condition of risk and a considerable uncertainty. The vision may be an innovative idea, an opportunity or simply a better way to do something (Mamma, 2010).

This explains why it's commonly stated that while every human being is an entrepreneur, not every entrepreneur is a human being. According to this proverb, entrepreneurs are unique individuals with recognizable traits or attributes. As a result, an entrepreneur is focused on the future, results, creativity, and innovation. They are also self-assured, disciplined, and have positive interpersonal skills. Above all, they are profit-oriented.

Many businesses fail because their founders are unable to demonstrate entrepreneurial traits in the day-to-day operations of their company; as a result, these businesses do not endure over time. The manner in which small and medium-sized businesses fail in Nigeria makes this clear. It is against this background that the researcher sees the subject matter of this research: the influence of entrepreneurial characteristics on business performance worthy of empirical investigation.

Statement of the Problem

Due to the unique characteristics required for businesses to prosper in the dynamic and cutthroat business world, businesses in the business sector worldwide are more likely to fail. Businesses in Nigeria seem to have a low survival rate because entrepreneurs launch companies but are unable to make them profitable ventures. Furthermore, the majority of newly established businesses do not progress through the stages of existence, success, takeoff, and resource maturity. Several traits and elements have been recognized as important predictors of a company's ability to survive, albeit with insufficient empirical evidence. With business survival rate generally low, it is necessary to establish an understanding of key entrepreneurial characteristics and business practices that can help in the understanding and promotion of business long-term survival. It is alleged that if business owners and managers are good at managing their businesses, then they will do extremely well in terms of ensuring the continuous survival of their business. On this basis, businesses deserve much more attention, especially in regards to the entrepreneurial characteristics and business practices of the entrepreneur, which are often developed as part of the entrepreneur's personal life strategies. These business practices and personal life strategies are used as a means of earning a living, which in turn is largely influenced by the entrepreneur's personality characteristics. Furthermore, given that entrepreneurial characteristics can influence both the type of firms to be created and the manner in which they are managed, little has been established on

which of these characteristics and business practices influence the long-term survival of businesses and the extent of its impact. Based on the gaps identified, this study seeks to determine which key entrepreneurial characteristics and business practices the entrepreneurs possess, that would influence the long-term survival and sustainability of businesses.

Purpose of the Study

The main purpose of this study is to examine the influence of entrepreneurial characteristics on business performance in Edo State. Other specific purposes are;

1. To examine the influence of entrepreneurial competency on business performance.
2. To evaluate the impact of innovation on business performance.
3. To evaluate the impact of skill acquisition on business performance.
4. To identify the factors that affect entrepreneurship development in Nigeria.

Research Questions

To achieve the purpose of the study, research questions were formulated as follows:

1. To what extent does entrepreneurial competency influence business performance?
2. What is the impact of innovation on business performance?
3. What is the impact of skill acquisition on business performance?

4. What are the factors that affect entrepreneurship development in Nigeria?

Significance of the Study

The study will provide a deeper understanding of the role of entrepreneurial characteristics in business performance and how those characteristics can be developed and nurtured, business organizations in Nigeria will greatly benefit from it. Through the identification and comprehension of these critical traits, companies can enhance their operations and achieve greater success. Individual businesses and entrepreneurs as well as the economy may benefit from this.

Students interested in entrepreneurship will also benefit greatly from the study's findings, which will help them comprehend which qualities are most crucial and how to cultivate those qualities. They will benefit from this in their future professional endeavors.

The study will be beneficial to researchers as well because it contributes to the existing literature on entrepreneurial characteristics and business performance by providing new insights into the role of specific characteristics and how they can be developed. This will help to advance the field of entrepreneurship research and inform future studies in this area.

Furthermore, this study will be beneficial to scholars in the fields of entrepreneurship, business studies, and management, as it adds to the understanding

of how entrepreneurial characteristics can influence business performance. It also provides new insights into how these characteristics can be developed, which could have implications for management education and training.

Scope of the Study

The study covers the influence of entrepreneurial characteristics on business performance in Edo State. The content scope covers skill acquisition, government support and entrepreneurial characteristics. The geographical area covered by this study is Ovia North East Local Government, Edo State. The population for this study is the Entrepreneurs within University of Benin community.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter is concerned with the review of literature related to the study.

This review of related literature was carried out under the following sub-headings;

- Conceptual Framework
- Entrepreneurial characteristics
- Concept of Business Performance
- Entrepreneurial Competencies on Business Performance
- Innovation on Business Performance
- Skill Acquisition on Business Performance
- Factors Affecting Entrepreneurship Development in Nigeria
- Approaches to Entrepreneurship
- Summary of Literature Reviewed

Conceptual Framework

Concept of Entrepreneur

The German word "unternehmen" and the French verb "entrepredre," both of which mean "to undertake," are the roots of the English word "entrepreneur." Meaning is "Between Takers." Another term for a risk-taker is an entrepreneur. In the early 16th century, it was used to describe expedition commanders. Nevertheless, it was employed in relation to other kinds of adventures, such as architects and

contractors for public works, circa 1790 A.D. French economist Richard Cantillon first used the term "entrepreneur" to refer to a businessperson in the early 1700s. Ever since, the term "entrepreneur" refers to someone who assumes the risk of starting a new business or presenting a novel idea, good, or service to the public.

A person who innovates and takes reasonable risks is an entrepreneur. An entrepreneur is someone who plans and controls the risks associated with their business. An entrepreneur is a person who starts a business and manages resources and employees to produce goods. The ability to use the three factors of production—land, labor, and capital—to create new products or services is the unique role of the entrepreneur. An entrepreneur sees possibilities. In addition to starting new businesses, he works to enhance organizational units by bringing about positive changes. The most crucial element in the process of economic development is the entrepreneur. He occupies the central place in the growth process because he initiates development in a society and carries it forward. As a change agent, the entrepreneur is the first and foremost a catalyst for change.

Concept of Entrepreneurship

Scholars and researchers from a variety of disciplines have struggled with a wide range of interpretations and definitions to conceptualize this abstract concept throughout the theoretical history of entrepreneurship. An additional review of the literature shows that different researchers have defined entrepreneurship in different

ways. An adequate number of definitions exist to elucidate the notion of an entrepreneur and entrepreneurship. The times and societies in which the various researchers created them determine their meanings (Di-Masi, 1999). British economists from the 19th century, including David Ricardo, John Stuart Mill, and Adam Smith, defined entrepreneurship as the general English term for business management (Burnett, 2014). Schumpeter counters that Mill actually emphasizes the importance of entrepreneurship for economic development and growth, whereas Smith and Ricardo's writings seem to have undervalued it. He goes on to say that becoming an entrepreneur takes "no ordinary skills" and bemoans the lack of a suitable English word that captures the precise meaning of the French term.

The study of entrepreneurship is an ever-evolving field, with an increasing focus on the traits and principles of entrepreneurship (Audretsch, 2017) and how they support economic growth and competitiveness (Glancey & McQuaid, 2014). One way to look at entrepreneurship is as a way to help people become self-employed. The term "entrepreneurship" is now widely used. It is a topic of discussion among academics, economists, policymakers, and even university researchers. Worldwide, there are yearly seminars, conferences, and workshops that highlight the value of entrepreneurship for a nation's economy, society, and personal growth (Béchar & Toulouse 2018; Schaper & Volery 2014; Matlay & Westhead 2015). One of the main factors influencing the 21st-century societies' continued globalization and increasing complexity is entrepreneurship (Praag & Versloot, 2017). Inquisitive people are

proactively investigating and capitalizing on opportunities for a variety of purposes, such as achieving self-actualization, generating profits, providing for their families, meeting consumer needs, or even bolstering national economies. This can apply to large corporations, small- to medium-sized enterprises (SMEs), or startups. In the modern world, entrepreneurship is a hot topic of conversation in developing nations. It offers options to state-owned businesses that are malfunctioning or failing in developing economies across the globe.

Entrepreneurial Characteristics

Various authors have classified the term "entrepreneur" in different ways. The following categories of entrepreneurial characteristics were identified by Hisrich et al. (2008): age, work experience, education, moral support system, and professional support system. Sorensen and Chang (2006) claim that psychological factors, which are traits of the individual as well as those found in psychological literature, are among the entrepreneurial characteristics that determine the success of a business. Personal traits, locus of control, and the need for achievement are psychological factors that impact business performance. The founder's or owner's educational background has a positive correlation with the success of the company. Higher education is thought to have a greater influence on entrepreneurship since it shows that people are more capable of. Establishment of the entrepreneur's character is

influenced by a number of internal and external factors, namely the environment, education, personal values, and work experience (Shane et al., 2003).

Personality Trait: Personality trait is defined as stable qualities that a person shows in most situations (Coon, 2014). Personality trait theory is a psychological theory, like any other psychological theories, the level of analysis is the individual (Landstrom, 2018). Three personality traits—risk-taking propensity, personal values (duty, responsibility, etc.), and the drive for achievement—have appeared frequently in writings about entrepreneurship. According to this perspective, entrepreneurship is a tendency that emerges gradually in a person as a result of socialization (Owoseni & Akanbi, 2011). The traits or innate potentials of entrepreneurs can be deduced from their personality traits. People are more likely to take advantage of chances presented by others who possess the necessary skills since entrepreneurs serve as the engine for entrepreneurship (Frese, 2017; Shane, 2017). Initiative, assertiveness, the capacity to recognize and seize opportunities, efficiency orientation, care for high-quality work, methodical planning and monitoring, adherence to the employment agreement, and an appreciation of the value of business relationships are examples of personality traits.

Risk Taking: Harold (1994) stated that entrepreneurs take personal risks in initiating change, and they expect to be rewarded for it. They need some degree of freedom to pursue their ideas, this in turn requires that sufficient authority be delegated. An entrepreneur is a change agent, an innovator and risk-taker who seizes business opportunities in his community and makes efficient use of resources to create new

technologies, creates new goods and services to optimize his earnings, and makes a substantial contribution to the advancement of society. This viewpoint takes into account the desire of the business owner to maximize revenue and improve the social and economic well-being of society. It presents the entrepreneur as someone who is also endowed with the capacity to plan a business endeavor with the aim of achieving significant objectives or outcomes. According to reports, an individual's inclination towards entrepreneurship can be positively influenced by risk-taking, innovation, need for achievement, and tolerance for ambiguity. These traits can also act as a catalyst for economic or business activities (Mohar et al.,). Recent findings on risk taking strengthens earlier empirical studies which indicates that aversion to risk declines as wealth rises, that is, one's net assets and value of future income. Risk-taking was historically a key characteristic associated with entrepreneurship. It originally referred to the risks individual take by working for themselves rather than being employed. Entrepreneurs are people who take decisions under uncertainty and therefore are willing to bear risk. They are usually moderate risk takers but successful entrepreneurs will always prefer to take on those risks that they can manage.

Demographic Factors: In their research, Goldberg, Sweeney, Merenda, and Hugher (2018) found four demographic factors: age, gender, ethnic/racial status, education level, and level of education. The five major personality traits are (a) extraversion/surgency vs. introversion, (b) agreeableness/benevolence vs. belligerence, (c) conscientiousness/dependability vs. undependability, (d) emotional

stability vs. neuroticism, and (e) intellect/imagination vs. lack of intellect. These authors came to this conclusion. Although they are not investigated in this study, these personality traits have an impact on entrepreneurs' performance. Because demographic factors are used to determine personal information such as income level, gender, educational attainment, race, ethnicity, family size, and location, identifying them is crucial for business.

Entrepreneurial Orientation: The first framework on entrepreneurial orientation was created by Miller (1983), and it placed a strong emphasis on taking risks, being creative, and being proactive. The original Miller (1983) framework, which concentrated on three dimensions of entrepreneurial orientation and was further defined as those businesses where senior managers use operating management philosophies and entrepreneurial management styles, was adopted by Covin and Slevin (1986). Lumpkin and Dess (1996) defined entrepreneurial orientation as the procedures, methods, and choices made that resulted in new market entry. The success of an organization greatly depends on the orientation that a person possesses, such as creativity, commitment, innovation, and self-confidence. Most entrepreneurs struggle to perform when these attributes are absent, and this shows in the longevity of their companies (Padilla & Aguila, 2006).

Innovation: Sarmah and Singh (1994) stated that an entrepreneur is one who can transform raw materials into goods and services, effectively utilize physical and financial resources for creating wealth, income and employment, innovate new

products, standardize or upgrade existing products for creating new markets and new customers. Innovation, according to Schumpeter (1934) is described as the creation and implementation of new combinations. Innovative behavior of an entrepreneur can also be said to be the ability possessed by an entrepreneur to generate new ideas that are very industrious and profitable to the entrepreneur and the society, at large. Innovation to an entrepreneur is an everyday activity that leads them towards the achievement of their aims or goals. According to Okpara (2007), innovation is defined as adding something new to a existing product or process. It is the successful exploitation of new ideas. Okpara (2007) further explained that innovation is a process by which entrepreneurs convert market opportunities into workable, profitable and marketable ideas. Innovation is an application of something creative that has a significant impact on a business organization or society.

Entrepreneurial Competencies: According to Sarwoko et al. (2013), entrepreneurial competency is the set of personal qualities, such as attitude and behavior, that enable an entrepreneur to succeed in business. Entrepreneurial competencies, according to Man, Lau, and Chan (2002), are a collection of higher-level attributes including knowledge, abilities, and personality traits. They can be seen as the entrepreneur's overall capacity for carrying out his job well. Furthermore, Kiggundy (2002) pointed out that an entrepreneur's total set of necessary qualities for a successful and long-lasting business venture includes their mindset, behavioral tendencies, knowledge, skills, abilities, personality, wisdom, and expertise in social, technical, and

managerial domains. According to Bird (1995), competencies are seen as behavioral and observable, but only partly intra-psychic characteristics of an entrepreneur. As a result, competencies can be altered and learned, enabling intervention in the areas of entrepreneurship development, training, and selection. In the context of SMEs, Man et al. (2002) distinguished six key domains of entrepreneurial competencies: opportunity, relationship, conceptual, organizing, strategic, and commitment competencies. These competencies are expected to have both direct and indirect effects on business performance, each with a distinct role. Therefore, the clusters of related knowledge, attitudes, and abilities that an entrepreneur needs to pick up through managerial training and development in order to manage a business venture or enterprise with exceptional performance and maximum profit are considered entrepreneurial competencies. Other crucial qualities are self-assurance, dedication, leadership, ambiguity tolerance, inventiveness, experience, education, etc. Each of these qualities is crucial for an entrepreneur.

Concept of Business Performance

Business performance can be seen from the level of sales, profitability, rate of return of capital, the rate of turnover and gained market share. Li et al. (2015) used three (3) indicators for performance measurement; efficiency, growth and profit. Business performance is the phenomenon of multiple aspects that is difficult to quantify (Sanchez & Marin, 2015). A variety of literatures show that both

quantitative and qualitative indicators have limitations and are recommended to be used interchangeably, measuring quantitatively such as Return on Investment (ROI), profit, sales, and so on. Even though qualitative measurements are frequently referred to as performance indicators, performance is actually measured using a specific scale of performance variables, such as labor productivity, corporate environmental responsibility, knowledge and business experience, the ability to provide high-quality goods and services, the ability to develop new goods and processes, and the capacity to manage and work in groups. Small and medium-sized business performance was evaluated by Carnison, Sanchez, and Marin (2015) using the three criteria of market, productivity, and profitability. In contrast, Lee and Tsang (2011) employed performance effort as exemplified by the growth venture, which consists of increases in sales, asset growth for the business, and profit growth.

Measures of Business Performance

From the perspective of accounting literature, business performance is dependent on the profitability of the company and the performance of its stocks on the capital market. Based on existing research, firm performance metrics can be broadly categorized into two groups: market-oriented metrics and accounting-oriented metrics. Evidence supporting boards' preference for accounting-oriented metrics over market-oriented metrics in assessing managerial performance was presented by Furtado and Karan (1994). Since accounting-based measures offer the

most data, they are used as performance measures in this study. An overview of popular market and accounting-based measures is provided in this section. Because they look backward, accounting performance metrics like Return on Assets (ROA) have an advantage. According to Khatab et al. (2011), return on assets (ROA) indicates how effectively management uses its assets to generate earnings. It is commonly calculated by dividing total assets by profit after taxes. An alternative method is to divide total assets by Earnings before Interest and Tax (EBIT). Since the profit for the period is compared to the sales for the current period, this accounting-based performance measure can be classified as forward-looking. The formula for calculating profit margin is to divide net sales or turnover by profit after taxes. Its main function is to give information about the percentage of profit that sales can produce.

Profitability: The main objective of any business endeavor is to be profitable. The long-term survival of the business is contingent upon profitability. Income and expenses are used to calculate profitability, which is then typically split into gross profit and net profit. As a marketing metric, gross profit is the amount of profit that a company makes (Pandey, 2015). It is computed as the total sales less the selling price. For the marketing manager, net profit is a financial metric of equal importance. It is often referred to as the bottom line and shows whether or not the business is still profitable after all costs have been incurred. The net profit margin is the marketing metric that represents the ultimate profitability of the firm expressed in percentage

and it is useful in comparing one period against another or comparing one company with another. An indicator of how effectively assets are used overall to generate net income from operations is return on assets (ROA). Not only does it show how well management deploys capital, but it also shows that it is possible to be efficient and yet misaligned in terms of capital utilization. Return on assets, which can be understood as a ratio of income to total assets, is computed by dividing profit after tax (PAT) and interest by total assets. The most effective way to gauge operating performance overall is most likely to look at return on assets. It connects the resources used to generate those results with the operations' outcomes. Additionally, it is not too difficult to understand (Pandey, 2015).

Market Share: The percentage of total sales that a company has in relation to the market it serves is known as its market share. Market share is the proportion of a market's or industry's total sales that a specific company earns over a given duration of time (Pandey, 2015). Market share is computed by dividing the company's sales during that time period by the total sales of the industry during that same time frame. This measure is intended to provide a broad understanding of a company's size in respect to its industry and rivals. Gaining more market share can help a business grow its operations and boost profitability. Market share and Profitability are the two dependent variables in the study. Market share is one of the marketing metrics that is constantly talked about in the field of marketing as a discipline. Market share compares the revenue of the firm with the total revenue of the market in question

over a period of time. The purpose behind measuring market share is to establish the relative position or share of the firm within the broader market place. And in relation to this study, the share of the firm in the market will be determined in relation to the extent of the promotional strategy. In effect, it helps to understand the relative success of the firm in penetrating the market place, thus the relative market share of a company attempts to compare a firm's market share with that of its nearest rivals.

Customer Satisfaction: Customer satisfaction is a critical component of business strategy and is essential to the long-term viability of businesses. By contrasting a product's or service's perception with what customers expect, the degree of customer satisfaction is determined. Numerous studies have demonstrated the connection between customer satisfaction and entrepreneurial traits (Abdullahi et al., 2015; Al-Dhaafri et al., 2013). Furthermore, these studies have demonstrated that customer satisfaction and perceived value are positively impacted by business image. Additionally, it has been suggested that perceived value positively affects customer satisfaction.

Entrepreneurial Competencies on Business Performance

The general qualities (skills and abilities) of company owners are known as entrepreneurial competencies (Kiggundu, 2002). The personal traits, such as disposition and conduct, that enable an entrepreneur to succeed in business are known as entrepreneurial competencies. According to Boyatzis (1982), entrepreneurial

competencies specifically comprise entrepreneurial traits, motivations, self-image, attitude, behavior, skills, and knowledge. Entrepreneurial skills have made businesses more successful and give them a long-term competitive edge. Important abilities, such as risk-taking, birth, and survival skills, are among the elements that are strongly linked to entrepreneurial competencies and have also contributed to the small- and medium-sized business's successful performance. Personal qualities, self-confidence, and innovativeness, are some of the terms which are positively associated with the entrepreneurial competencies. The performance of small and medium-sized businesses is impacted by a number of competencies, including opportunity, learning, commitment, operational, and personal competencies. In addition to these elements, ethical, conceptual, and strategic competencies that are generated for business success in small and medium-sized businesses are referred to as entrepreneurial competencies. Numerous studies have discovered a connection between entrepreneurial competencies and venture performance (Tehseen & Ramayah, 2015).

The skill and ability (competence) of the owners/managers as well as the employees will determine the organization's or business's success. Business growth is impacted by entrepreneurial competencies like the capacity to communicate the mission and objectives of the company (Baum & Edwin, 2014). According to Ahmad et al. (2010), the decision-maker's role should be centered on the advancement of entrepreneurial competence. The organization's capabilities, the level of the competition, and the company's performance were all significantly impacted by entrepreneurial

competence (Sanchez, 2011). While they may have a negative impact on the company's short-term profit, entrepreneurial competencies may have a positive medium- and long-term impact on the development of new products.

Innovation on Business Performance

Innovation is the willingness of the entrepreneurs or firms to engage in creativity of ideas in terms of production process and product and service delivery and trialing the new ideas in the market (Adisa et al., 2016). Innovation, according to Baker and Sinkula (2009), is a reflection of a basic willingness to move beyond the state of the art and diverge from practices or technologies that are currently in use. According to Adisa et al. (2016), innovation can take many different forms, such as a determined attempt to become an expert in the newest goods or technological advancements, or a willingness to try a new product line or experiment with a new advertising medium. Though they approach things differently, innovative organizations have a similar perspective on the world. According to Adisa et al. (2016), it is the capacity to transform imaginative concepts into something tangible, distinct, or original. For businesses and organizations to succeed in the operating industry, innovation is a crucial tool. It is important for start-up entrepreneurs to be innovative if they want to stand up against the industry competition.

Skill Acquisition on Business Performance

Acquiring skills is a particular type of education. A type of prolonged learning about a family of events is referred to as skill acquisition. By repeatedly matching similar stimuli with specific responses, an individual can start building knowledge representations of how to react in different scenarios. Since these representations are easier to retrieve and more dependable than memories of individual events, they have a kind of privileged status in memory. Thus, under some circumstances, skilled behaviors can become automatic and even routine. Due to its favorable impact on business and economic development, particularly at the local level, skill development for entrepreneurship is seen as a crucial component of the country's overall economic growth and development (Barringer & Ireland, 2012; Weirich et al. 2018(). According to research, the primary factor in utilizing the entrepreneurship opportunity for self-employment and business development and growth is the acquisition of entrepreneurship skills (Ekpe et al., 2012). Acquiring entrepreneurship skills is essential for business owners who want to operate their companies profitably or add value, both of which will promote the growth of their companies. According to Agu, Chiaha, and Ikeme (2013), acquiring entrepreneurship skills requires the right kind of education in order to focus them on enhancing small and medium-sized business ventures that will benefit the entrepreneurs' personal finances as well as the communities in which they reside.

Factors Affecting Entrepreneurship Development in Nigeria

Globally, a number of factors frequently impact the development of entrepreneurship. But according to Amabile (1996) and Ward (2006), entrepreneurship and creative business practices have been used interchangeably. According to Hamidi et al. (2008), prior experience and early exposure to entrepreneurial activities continue to be highly significant positive predictors of the intention to start a business. The success or failure of entrepreneurship is determined by a number of other factors, both internal and external. Several factors influence the growth of entrepreneurship in Nigeria, including but not limited to;

- i. Power Supply:** Anywhere in the world, this is a critical component in the field of entrepreneurial development. The unreliable power supply in Nigeria poses a number of difficulties for business owners and those aspiring to become business owners. Due to Nigeria's inadequate power supply, entrepreneurs look for alternate sources of energy to help them reach their goals. The cost of doing business in Nigeria will go down once the Federal Government and the private sector can resolve the power dispute, which will positively multiplied on efficiency and prices..
- ii. Knowledge and Skills:** Knowledge is said to be a major source of strength. However, most prospective entrepreneurs are unable to scale through while setting up businesses due to lack of requisite knowledge and skills. A thorough understanding of the business environment and its dynamics remain a veritable

tool towards success. Current and prospective entrepreneurs must seek and continue to seek knowledge and requisite skills in order to excel in many positive ways.

iii. Security: A stable and secure environment is necessary for any significant development to occur. It is imperative for the government to establish an enabling environment to facilitate the actualization of entrepreneurial development, since such development cannot be accomplished in a chaotic setting. Foreigners will move to the nation once it is safe and livable, which will ensure sufficient knowledge transfer and an influx of foreign direct investment.

iv. Government Policy: One of the major determinants of business success is government policy. In any economy, it has the power to either strengthen or weaken entrepreneurial activity. To avoid becoming victims of ignorance, entrepreneurs should be aware of the political, economic, sociocultural, and technological aspects that are specific to the nation. Entrepreneurs will be more productive if they are well-versed in the legal framework of their nation.

v. Availability of Credit Facilities: A lack of credit prevents the majority of Nigerian entrepreneurs from experiencing significant growth. Large corporate conglomerates are frequently treated more comfortably by commercial banks, while small business owners have extremely difficult access to funding. The establishment of strategic frameworks, with or without collateral, is required by

the government in order to provide funds to entrepreneurs operating as sole proprietors or cooperatives through the various microfinance institutions.

- vi. Exposure to Modern Technology:** The level of technological advancement of any country determines the success of entrepreneurs. Nigeria is said to be emerging technologically and once technological apparatus are in place to encourage the big and the small entrepreneurs, then it will be possible for businesses to be built to a greater level and boost more development in the country just like China, Korea, Malaysia, etc.
- vii. Inadequate Infrastructures:** The state of a country's infrastructure could make or mar entrepreneurial intentions. Existing entrepreneurs often find it relatively difficult to excel in an economy with poor infrastructures as it can negatively affect their ability to deliver quality customer service, slow down business and cause undue stress to the entrepreneurs.
- viii. Corruption:** The level of corruption in a country remains a challenge to entrepreneurial development. Series of bottlenecks in obtaining licenses and permits etc. due to unnecessary barriers by the bureaucrats involved.

Approaches to Entrepreneurship

Numerous investigations have been carried out to comprehend the traits of entrepreneurs and to elucidate how these traits operate. Five primary research approaches have been identified by these studies to study the characteristics of entrepreneurs: the trait approach, the economic approach, the demographic/social

approach, the behavioural/managerial approach, and the human capital approach (Ucbasaran, 2014). Field (2015) identified these approaches. Below is an explanation of these strategies in more detail;

Economic Approach

Many schools of thought regarding the economist's perspective of the entrepreneur have emerged as a result of economists' recent concern with entrepreneurship, which they saw as a role played by businesspeople in the economy (Chell et al., 1991). Cantillon was the first acknowledged researcher and Frenchman to coin the term "entrepreneur," a concept that came to be known as the "French school of thought." He connected the administrative decision-making processes of entrepreneurs with risk and uncertainty. Under the presumption that they are unable to estimate the risk involved in a decision, entrepreneurs confront unknown uncertainties. It is also assumed that the entrepreneur takes a risk, even in the event of extreme poverty, as this is the opportunity cost of pursuing an entrepreneurial endeavor as opposed to a safe one. This analysis also brought up a number of other issues that were thought to be crucial to a modern understanding of the role of entrepreneurs, including the nature of risk and uncertainty that entrepreneurs face when making decisions, the role of capitalists and entrepreneurs in an economy, and the innovative function of the entrepreneur (Chell et al., 1991). According to Cantillon, an entrepreneur should not be an innovator; rather, they should be aware of the level of supply and demand. (the entrepreneur is not expected to create a demand).

Trait/Psychological Approach

The psychological or trait approach to the study of entrepreneurship is perhaps the most widely represented area in the literature studies. The trait approach focuses on personal disposition of individuals and their traits (Nandram & Samson, 2017). It was believed that characteristics like gregariousness, anxiety, and energy existed in the people to whom they were applied (Chell et al., 1991) and set entrepreneurs apart from other groups of people (Westhead & Wright, 2014). This is a result of the presumption that entrepreneurs were a specific, fixed species that could be illustrated in a field guide. Additionally, Timmons and Spinelli (2015) and Caird (2013) identified traits like the need for achievement, the locus of control and risk-taking propensity, commitment and determination, leadership, creativity, self-reliance and adaptability, motivation to excel, need for power, need for affiliation, etc. as traits of successful entrepreneurs in their study on the traits that entrepreneurs possess.

Demographic/Social Approach

One of the most significant variables affecting a business's competitiveness and performance is frequently cited as the demographics of the entrepreneur (Man, Lau & Chan, 2012). The demographic approach is predicated on the idea that individuals with comparable backgrounds share stable, underlying traits that can be utilized to create an entrepreneur's profile (Kanungo, 2018). According to this method, business owners are seen as products of their surroundings, with external influences that are out of their control (Field, 2015). According to Henry et al. (2013), studies

looking into the demographic or social approach concentrated on the effects of the entrepreneur's level of education, work experience, culture, and religion, and finally, the entrepreneur's age at the time the business was started. According to Ucbasaran (2014), the demographic approach suggests that an individual's social context such as family and ethnic background, gender, education, and incubator employment experience shape aspirations and career choices.

Human Capital Approach

Human capital refers to the acquisition of an inclusive formal education and training that is relatively transferable across firms and industries (Carrera et al., 2013). With regards to entrepreneurs, general human capital is measured using the entrepreneur's age; educational qualifications (undergraduate degree and postgraduate qualifications) and the total years of working experience (Colombo & Delmastro, 2011) since entrepreneurs with superior levels of human capital are both in better positions to identify an opportunity and later exploit it. Macroeconomic development theory is the field from which the human capital theory originated. According to Schultz (2013), improving a company's personnel and assets is essential to boosting productivity and maintaining a competitive edge. The idea that knowledge gives people a boost in their cognitive capacities and, consequently, more productive and efficient activities to pursue is supported by the human capital approach. This is predicated on Shanes' (2015) assertion that an entrepreneur's capacity to recognize opportunities is influenced by prior knowledge, which is a

component of human capital. The opinions of these researchers led to the division of the entrepreneurs' attributes into two categories: general and specific human capital.

Summary of Literature Reviewed

The literature review centered on the concepts of entrepreneurial characteristics such as innovativeness, competency, skill acquisition. It also briefly discussed some measures of business performance such as profitability, market share, and customer satisfaction. Based on the review of literature, the relationship existing between the variables, entrepreneurial characteristics and business performance could be identified in detail. This reviewed literature also discussed briefly on some factors affecting entrepreneurial development in Nigeria, these factors could either improve or limit entrepreneurial development in the country depending on the extent of utilization.

CHAPTER THREE

METHODOLOGY

This chapter describes the methods and techniques used in carrying out the study under the following sub-headings:

- Design of the Study
- Population of the Study
- Sample and Sampling Technique
- Instrumentation
- Validity of the Instrument
- Reliability of the Instrument
- Method of Data Collection
- Method of Data Analysis

Design of the Study

This study adopted the descriptive survey research design. A group of items or people is studied by collecting data and analyzing such data from a population. The design was used to analyze the influence of entrepreneurial characteristics on business performance in Edo State.

Population of the Study

The population for this study consists of entrepreneurs operating within University of Benin community.

Group of Respondents

Class of Respondents	Number of Respondents
Traders	280
Service Providers	150
Total	430

Source: SUG Office, 2023

Sample and Sampling Technique

The sample for this study was selected using simple random sampling. Due to the researcher's incapacity to thoroughly examine all of the entrepreneurs under investigation, a representative sample size population was selected. For the study, 86 entrepreneurs made up the sample. The sample size was determined by applying the following Yamane formula:

$$n = \frac{N}{1 + N (e)^2}$$

Where:

N is the Population

1 is the constant

e is the degree of error expected

n is the sample size

$$n = \frac{430}{1 + 430 (0.1)^2}$$

$$\frac{430}{1 + 430 (0.01)}$$

$$\frac{430}{1 + 4}$$

$$\frac{430}{5}$$

$$n = 86$$

Instrumentation

The instrumentation is a structured questionnaire. The questionnaire consists of 20 items to be presented to the respondents for answers using graphic rating scale. The instrument is divided into A1, A2, A3, and A4 according to research question 1, 2, 3 & 4 respectively. The graphic rating scale attracted the following points: Strongly Agree (SA) = 4 points; Agree (A) = 3 points; Disagree (D) = 2 points; Strongly Disagree (SD) = 1 point.

Validity of the Instrument

The research instrument was given to the researcher's supervisor and two experts in the Department of Vocational and Technical Education (Business Education) to certify for face validity. Necessary corrections and adjustments were made.

Reliability of the Instrument

A Cronbach alpha test will be used to determine the reliability of the instrument. The instrument was administered to ten (10) respondents within University of Benin community who are not part of the sample. The result of the reliability test was 0.74 which signifies that the test is highly reliable.

Method of Data Collection

The researcher personally administered the questionnaire to the students and the collection was done on the spot to facilitate ease and prompt return. The researcher also made use of an online platform (Google forms) to administer and retrieve entrepreneurs' response.

Method of Data Analysis

Data collected for this study was analyzed using mean to make a decision; the cutoff point was 2.50. Mean score above 2.50 was regarded as Agree of the item statement while mean score below 2.50 was regarded as Disagree.

CHAPTER FOUR

PRESENTATION OF RESULTS AND DISCUSSION OF FINDINGS

This chapter deals with presentation of results and discussion of findings. The results of the analysis are presented in the order of the research questions that guided the study.

Presentation of Results

Research question one: To what extent does entrepreneurial competency influence business performance?

Table 1: Entrepreneurs response on the influence of entrepreneurial competency on business performance

S/N	ITEM	N	Mean	SD	Remarks
1.	A business led by individuals with strong entrepreneurial competence tend to perform better in the long run	86	3.65	0.47	Agreed
2.	Enhancing competency of entrepreneurs is a panacea for eliminating poor business performance	86	3.55	0.49	Agreed
3.	Entrepreneurs with strong competence are more likely to build valuable networks and collaborations that benefit their business	86	3.5	0.5	Agreed
4.	Highly competent entrepreneurs tend to be more customer-focused which can lead to improved business performance	86	3.4	0.66	Agreed
5.	Competency of entrepreneurs have led to business being more successful and provides sustainable competitive advantage	86	3.4	0.58	Agreed
Average Mean			3.5		Agreed

In response to research question 1, Table 1 shows that the respondents rated the item 1-5 to be the influence of entrepreneurial competency on business performance. The average mean of 3.5 is above the decision mean of 2.50 which shows that entrepreneurial competency has influence on business performance.

Research question two: What is the impact of innovation on business performance?

Table 2: Entrepreneurs response on the influence of innovation on business performance.

S/N	ITEM	N	Mean	SD	Remarks
6.	Innovation is an essential attribute for the success of a business	86	3.65	0.47	Agreed
7.	An entrepreneur's ability to innovate can have a positive effect on the business performance	86	3.85	0.35	Agreed
8.	A business that prioritizes innovation tend to outperform their competitors	86	3.25	0.62	Agreed
9.	A business that is not innovative is more likely to lose customers	86	3.05	0.58	Agreed
10.	Innovation helps entrepreneurs adapt to changing market conditions and customer needs.	86	3.50	0.5	Agreed
Average Mean			3.46		Agreed

In response to research question 2, Table 2 shows that the respondents rated the item 6-10 to be the influence of innovation on business performance. The average mean of 3.46 is above the decision mean of 2.50 which shows that innovation has influence on business performance.

Research question three: What is the impact of skill acquisition on business performance?

Table 3: Entrepreneurs response on the influence of skill acquisition on business performance

S/N	ITEM	N	Mean	SD	Remarks
11.	Proficiency in consistent skill upgrade can heighten the performance of business	86	3.5	0.59	Agreed
12.	Businesses that focuses on skill acquisition tend to outperform their competitors	86	2.85	0.72	Agreed
13.	There is a measurable improvement in productivity of the business as a result of skill acquisition	86	3.45	0.58	Agreed
14.	A diverse range of skills contributes to an entrepreneur's overall resilience and ability to face challenges	86	3.45	0.66	Agreed
15.	Investing in skill acquisition is essential for a business long term success	86	3.6	0.48	Agreed
Average Mean			3.35		Agreed

In response to research question 3, Table 3 shows that the respondents rated the item 11-15 to be the influence of skill acquisition on business performance. The average mean of 3.35 is above the decision mean of 2.50 which shows that skill acquisition has influence on business performance.

Research question four: What are the factors that affect entrepreneurship development in Nigeria?

Table 4: Entrepreneurs response on the factors affecting entrepreneurship development in Nigeria?

S/N	ITEM	N	Mean	SD	Remark
16.	Insufficient infrastructure poses challenge to entrepreneurial activities in Nigeria	86	3.45	0.58	Agreed
17.	Adequate entrepreneurial knowledge can significantly enhance the success of business startups in Nigeria	86	3.6	0.58	Agreed
18.	Government policies and initiatives are effective in supporting and promoting entrepreneurship in Nigeria	86	3.0	0.89	Agreed
19.	The unavailability of power poses challenge to the effectiveness and efficiency of businesses in Nigeria	86	3.7	0.45	Agreed
20.	Use of modern technology enhances entrepreneurial activities and business performance	86	3.75	0.43	Agreed
Average Mean			3.49		Agreed

In response to research question 4, Table 4 shows that the respondents rated the item 16-20 to be the factors affecting entrepreneurship development in Nigeria. The average mean of 3.49 is above the decision mean of 2.50 which shows that the listed items are the factors affecting entrepreneurial development in Nigeria.

Discussion of Findings

The findings of research question 1 revealed that the competencies of entrepreneurs go a long way in influencing business performance. It revealed that a business led by individuals with strong entrepreneurial competence tend to perform

better in the long run. It shows that entrepreneurs with stronger competencies are able to build valuable networks and collaborations, they are able to have sustainable competitive advantage and be more customer focused. This finding is in agreement with Abdullahi and Kaplan (2017) whose study revealed that entrepreneurial characteristics and entrepreneurial competencies are positively related to the overall business performance.

Secondly, the results of research question two depicted that innovation influences business performance of entrepreneurs. It concludes that innovation is an important attribute for the success of a business, as it gives the entrepreneur an edge in outperforming their competitors and in adapting to changes in market conditions and customer needs. The outcome is consistent with the research of Okunbanjo, Adewale, and Akinsulire (2017), which demonstrated that innovation has a significant positive impact on sales growth. According to the study, business owners who generate fresh concepts to boost their inventiveness and creativity see improvements in both their financial and non-financial performance.

Thirdly, it was revealed in question three that entrepreneurs who acquire skills and upgrade their skills level tend to have a positive improvement in their business performance and also outperform their competitors. It also depicted that diverse range of skills possessed by an entrepreneur contributes to his/her overall resilience and ability to face challenges which in turn heightens the performance of the business.

This finding is in consonance with Keh et al. (2007) who concluded in their study that marketing, information acquisition, entrepreneurial orientation and information utilization are common entrepreneurial skills that produced the success of serial entrepreneurs.

Finally, the research question four shows the factors affecting entrepreneurship development in Nigeria. It revealed that insufficiency of infrastructure, adequacy of entrepreneurial knowledge, government policies and initiatives, the unavailability of power, and the use of modern technology are factors that enhances entrepreneurial activities and business performance in Nigeria. This finding is in consonance with Onugu (2005), whose work revealed that among the challenges faced by Nigerian entrepreneurs are a lack of capital, a lack of focus, inadequate market research, an excessive concentration on one or two markets for finished goods, a lack of a succession plan, inexperience, improper bookkeeping, an inability to keep business and personal finances separate, a lack of a business strategy, an inability to distinguish between revenue and profit, a lack of official patronage of locally produced goods and services, the dumping of foreign goods, and an excessive reliance on one (key) person, usually the owner.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter presents the summary, conclusion and recommendations to the study.

Summary

This study investigated into the influence of entrepreneurial characteristics on business performance. It covered areas such as entrepreneurial competency, innovation and skill acquisition. Four research questions were raised to guide the study. The population of the study was made up of 430 entrepreneurs within University of Benin community with a sample of 86 entrepreneurs using the Taro Yamane formula. The study employed a descriptive survey research design, a questionnaire developed in four Likert scale was used to obtain data. In order to determine the validity, the instrument was given to the researcher's supervisor and two lecturers in the Department of Vocational and Technical Education, Faculty of Education, University of Benin, Benin City. To also determine the reliability of the instrument, the data was analyzed using Chronbach's alpha method after administering the questionnaire and it yielded a reliability coefficient of 0.74. The data collected from the field were analyzed using mean (\bar{x}) and Standard Deviation (SD) statistics for the research questions.

The major findings of this study were outlined below:

1. Entrepreneurial competency has high influence on business performance.

2. Innovation has high influence on business performance.
3. Skill acquisition has high influence on business performance.
4. Power supply, infrastructure, modern technology among others can positively or negatively affect entrepreneurship development in Nigeria.

Conclusion

Based on the study's findings, the researcher came to the conclusion that, despite certain factors that hinder the development of entrepreneurship, entrepreneurial traits improve a business enterprise's ability to manage itself effectively by interacting with human capital to influence decisions about the formation, performance, and expansion of ventures. The more competent, inventive, and skillful the entrepreneurs are, the more successful their businesses will be. Consequently, a better business performance is mediated by the entrepreneurial traits. Strong entrepreneurial traits are likely to make entrepreneurs or business owners more competent, which will eventually boost the performance of the company in terms of profitability, market share, customer happiness, and expansion.

Recommendations

The following suggestions are made in order to make it easier for entrepreneurial traits to be effectively used in business enterprise management:

- To improve entrepreneurs' competitive strategies and competency, companies should support conferences and on-the-job trainings.

- When teaching entrepreneurship in schools, a practical approach to entrepreneurship should be used.
- Infrastructures like electricity and well-maintained roads should be kept in good condition to ensure the survival of business enterprises and the creation of new ones. This will help shape students' character into future entrepreneurs with great entrepreneurial trait and good flair for creation of business enterprise.

Suggestions for Further Studies

The following suggestions are made for further studies by other researchers:

1. Effect of entrepreneurs demographic and personal characteristics on the performance of small and medium enterprises
2. Influence of entrepreneurial characteristics on learning institutions in Nigeria.
3. The study should be replicated involving other states in Nigeria to create room for wider geo-political area to allow for full representation of the entire country.

REFERENCES

- Abdullahi M., & Burcin K. (2017). Entrepreneurial characteristics and competencies as determinants of corporate performance: a study on small enterprises in Mogadishu, Somalia. *International Journal of Research -Granthaalayah*, 5(5),243-254.
- Abdullahi, M. S., Abubakar, A., Aliyu, R. L., & Umar, M. B. (2015). Empirical Review on the Determinants Influencing Firm Performance in Developing Countries. *International Journal of Scientific and Research Publications*,5(6):1-10.
- Adisa, M. K, Adeoye, A.O, & Okunbanjo, O. I (2016). The impact of entrepreneurship orientation on entrepreneurs compensation in Nigeria. *International Journal of Economics, Business and Management Studies*, 3(3): 102-116.
- Al-Dhaafri, H. S., Yusoff, R. Z., & Al-Swidi, A. K. (2013). The Effect of Total Quality Management, Enterprise Resource Planning and the Entrepreneurial Orientation on the Organizational Performance: The Mediating Role of the Organizational Excellence. A Proposed Research Framework. *International Journal of Business Administration*, 4(1):66-85.
- Aliyu S. M., Rogo B. H. & Mahmood R. (2015), Knowledge Management, Entrepreneurial Orientation and Firm Performance: The Role of Organizational Culture, *Asian Social Science*, 11(23)
- Avlontis, G.J. & Salavou, H.E. (2017). Entrepreneurial orientation of SMEs, product innovativeness, and performance. *Journal of Business Research*, 60(5), 566-75.
- Bakar A. H., Mahmood R. & Ismail H. N. N. (2014), Combined Effect of Knowledge Management and Entrepreneurial Orientation on Performance of Small and Medium Enterprises, *Knowledge Management International Conference*.
- Béchar, J. P. & J. M. Toulouse (2018). "Validation of a didactic model for the analysis of training objectives in entrepreneurship." *Journal of Business Venturing* 13: 317-332.
- Bleeker, I. (2011). The influence of entrepreneurial orientation on the innovation process: An empirical research on manufacturing SMEs. A Master Thesis Submitted to Department of Business Administration, University of Twente.

- Burnett, D. (2014): “*Hunting for Heffalumps: The Supply of Entrepreneurship and Economic Development*” (in *Technopreneurial.com*), *History of Entrepreneurship Theory*, pp. 1-3.
- Covin, J.G. & Slevin, D.P. (1989). Strategic management of Small Firms in hostile and benign environments. *Strategic Management Journal*; 10(1), 75-87.
- Di-Masi, P. (2014): “Defining Entrepreneurship”. Generated at e-mail pauljude@centrin.net.id.
- Endi, S., Surachman, A., & Djumilah, H., (2014). Entrepreneurial Characteristics and Competency as Determinants of Business Performance in SMEs. *IOSR Journal of Business and Management (IOSR)*, 7(3), 32-38.
- Field, V. (2015). Understanding the Entrepreneur: Entrepreneurial trait. [Online] Retrieved from http://www.google.co.za/search?hl=en&source=hp&q=contingency+characteristics+of+entrepreneurs&fandaqi=andaql=andoq=andgs_rfai=. [Accessed 25th April 2010].
- Hughes, M. & Morgan, R. E. (2017). Deconstructing the relationship between entrepreneurial orientation and business performance at the embryonic stage of firm growth. *Industrial Marketing Management*. 36: 651-661.
- Isaga N. (2015), Owner- Managers’ Demographic Characteristics and the Growth of Tanzanian Small and Medium Enterprises, *International Journal of Business and Management*, 10(5).
- Iyiola O. & Azuh D. (2014), Women Entrepreneurs as Small- Medium Enterprise (SME) operators and their Roles in Socio-Economic development in Ota, Nigeria, *International Journal of Economic, Business and Finance*, 2(1), pp 1-10.
- Keh, T., Nguyen, M., & Ng, P. (2007). The effects of entrepreneurial orientation and marketing information on the performance of SMEs. *Journal of Business Venturing*, 22(4), 592–611. <https://doi.org/10.1016/j.jbusvent.2006.05.003>
- Kiggundu, M.N. (2014). Entrepreneurs and Entrepreneurship in Africa: what is known and what needs to be done. *Journal of Development Entrepreneurship*, 7(3), 239-258.
- Kropp, F., Lindsay, N.J., & Shoham, A., (2006). Entrepreneurial, market, and learning orientations and international entrepreneurial business venture

- performance in South African firms, *International Marketing Review*, 23(5), 504-523.
- Kusumawardhani, A., McCarthy, G. & Perera, N. (2009). Framework of entrepreneurial orientation and networking: A study of SMEs performance in a developing country. *Proceedings of the Australian and New Zealand Academy of Management Conference (1-16)*. Adelaide, Australia: Australian and New Zealand Academy of Management
- Laguna M., Wlechetek M. & Tallk W. (2012), the Competencies of Managers and Their Business Success, *Central European Business Review*, 1(3).
- Lazar N. & Paul G. (2015). Entrepreneurial Competencies in a Business Enterprise- An Overview, *International Journal of Scientific Research*, 4(1).
- Lee D.Y. & Tsang, E.W.K. (2014). The Effect of Entrepreneurial Personality, Background and Network Activities on Venture Growth, *Journal of Management Studies*, 38(4), 583-602.
- Lumpkin, G.T. & Dess, G. (2001). Linking Two Dimensions of Entrepreneurial Orientation to Firm Performance: The Moderating Role of Environment and Industry Life Cycle. *Journal of Business Venturing*, 16: 429-451.
- Lumpkin, G.T. & Dess, G.G. (2016). Clarify the EO construct and linking it to performance. *Academy of Management Review*, 2(1), 135-172.
- McClelland, D. C. (1965): "Need Achievement and Entrepreneurship: A Longitudinal Study". *Journal of Personality and Social Psychology*, 1, 389-392.
- McClelland, D. C. (1965): *The Achieving Society*. (Princeton, New York: Van Nostrand Press).
- McClelland, D. C. & Winter, D. G. (1969): *Motivating Economic Achievement*. (New York: The Free Press).
- Miao C. (2015), Individual Traits and Entrepreneurial Intentions: The Mediating Role of Entrepreneurial Self-Efficacy and Need for Cognition, *Retrieved on January 03, 2016 from*
- Miller, D. & Friesen, P.H., (1984). A Longitudinal Study of the Corporate Life Cycle, *Management Science*, 30 (10), 1161-118.
- Miller, D. (1983). The correlates of entrepreneurship in three types of firms. *Management Science*; 29(7), 770-791.

- Miller, D. (1987). Strategy making and structure: Analysis and Implication for performance. *Academy of management Journal*, 30 (1): 7-37.
- Murad, H. A., & Rula, A. A., (2015).The Impact of Entrepreneurs' Characteristics on Small Business Success at Medical Instruments Supplies Organizations in Jordan. *International Journal of Business and Social Science*, 6 (8), 164-175.
- Najim, A, Naser A. A., & Mohamed, I. A. (2014).Impact of the Entrepreneurial Attributes on Business Performance in a Sample of Jordanian Institutions. *International Journal of Professional Management*, 9 (1), 1-18.
- Okunbanjo, O. I., Adewale, M. O., & Akinsulire, H. O., (2017).Effect of Entrepreneurs' Character On Smes Performance In Lagos State. *Journal of Management and Science*, 7(3), 17-29.
- Onugu, B. N. (2005), Small and Medium Scale Enterprises in Nigeria: Problems and Prospect (Doctoral thesis).
- Oyeniya, O.J & Adeniji, A.A. (2010). Entrepreneur psychological traits and performance: implications for Nigerian non-oil SMES exporting companies. *Review of Economic and Business Studies*, 3(2),211-220
- Padilla-Meléndez, A. & Aguila-Obra, A. R. (2006). The influence of entrepreneur characteristics on the success of pure dot.com firms. *Int. Journal of Technology Management*, 33(4), 373
- Rasheed, H. S. (2002): “Developing Entrepreneurial Characteristics in Youths: The Effect of Education and Enterprise Experience”. *International Journal of Entrepreneurship Education*, 2 (1), 21-36.
- Reynolds, P. (1999): “Nascent Entrepreneurship in Northern Europe, in EIM (Ed.)” Entrepreneurship in the Netherlands. (The Hague/Zoetermeer: EIM/EZ).
- Sancez, J., (2011). The Influence of Entrepreneurial Competencies On Small Firm Performance. *Revista Latinoamericana de Psicolog*, 44 (2), 165-177.
- Sanchez, A.A. & Marin, G.S. (2015). Orientation Management, Characteristic, and Performance. A Study Spanish SME's, *Journal of Small Business Management*, 43(3), 287-306.
- Sarwoko, E., Surachman, A. and Djumilah, H., (2013). “Entrepreneurial Characteristics and Competency as Determinants of Business Performance in SMEs”, *IOSR Journal of Business and Management*, 7 (3), 31-38.

- Schaper, M. & T. Volery (2014). „Entrepreneurship and small business: A Pacific Rim perspective“. *Milton, Queensland, John Wiley and Sons Australia Ltd.*
- Schumpeter, J. (1934): *The Theory of Economic Development*. (Cambridge, Mass: Harvard University Press).
- Schumpeter, J.A. (1942), *Capitalism, Socialism, and Democracy*, New York: Harper and Brothers.
- Stewart, W. H., Watson, W.E., Carland, J. C. and Carland, J. W. (1999): “A Proclivity for Entrepreneurship: A Comparison of Entrepreneurs, Small Business Owners and Corporate Managers”. *Journal of Business Venturing*, 12 (2), 189-214.
- Storey, D. (1982): *Entrepreneurship for Small Firm*. (London: Groom Helm).
- Storey, D. J. (1987): “Strategic Intention”. *The International Journal of Entrepreneurship and Innovation*, 4 (1), 265-274.
- Storey, D.J. (1991): “The Birth of New Firms – Does Unemployment Matter?: A Review of the Evidence”. *Small Business Economics*, 3, 167-178.
- Storey, D.J. & Johnson, A.M. (1987): *Job Generation and Labour Market Change*, (London: McMillan Press).
- Taylor, P (2013). The Effect of Entrepreneurial Orientation on the Internationalization of SMEs in Developing Countries. *African Journal of Business Management*, 7(19), 1927-1937
- Tehseen S. & Ramayah T. (2015). Entrepreneurial Characteristics and SMEs Business Success: The Contingent Role of External Integration, *Mediterranean Journal of Social Sciences*, 6(1).
- Tonge, J. (2001): A Review of Small Business Literature, (Part 2): “Birth, Growth and Death of The Small Business”, *Working Paper Series, Manchester Metropolitan University Business School*.
- Van Praag, C. M., & Versloot, P. H. (2017). What is the Value of Entrepreneurship? A Review of Recent Research. *Small Business Economics*, 29(4), 351–382.
- Weber, M. (1930): *The Protestant Ethic and the Spirit of Capitalism*, (London, United Kingdom: Allen and Unwin Press)

- Wekesa, L., Maalu J.K., Gathungu J., & Wainaina, G.(2016).Effect of Entrepreneur Characteristics on Performance of Non-Timber Forest Products Small and Medium Enterprises in Kenya. *DBA Africa Management Review*, 6 (3), 16-26.
- Wiklund J, & Shepherd, D (2015). Entrepreneurial Orientation and Small Business: A Configurational Approach. *Journal of Business Venture*.20(1), 71-91.
- Yen M. W., Teoh, Choy S., & Chong (2017). Theorizing a Framework of Factors influencing Performance of Women Entrepreneurs in Malaysia, *Journal of Asia Entrepreneurship and Sustainability*, 3(2).

APPENDICES

APPENDIX A

INTRODUCTION LETTER

Department of Vocational and
Technical Education,
University of Benin,
Benin City,
Edo State, Nigeria.

Dear Sir/Madam,

REQUEST FOR ADMINISTRATION OF QUESTIONNAIRE

I am a 400L student of the Department of Vocational and Technical Education, University of Benin, Edo State. I am currently carrying out a research on **“Influence of Entrepreneurial Characteristics on Business Performance”**

Therefore, your honest response to this question will be highly appreciated as they will help the research work to a great extent.

Be assured that all information given will be specifically used for academic purpose and will be treated with ultimate confidentiality.

Thank you for your co-operation.

Yours faithfully,

Sarah Chidinma EMMANUEL
(Researcher)

APPENDIX B

QUESTIONNAIRE

DEPARTMENT OF VOCATIONAL AND TECHNICAL EDUCATION

FACULTY OF EDUCATION

UNIVERSITY OF BENIN

QUESTIONNAIRE ON INFLUENCE OF ENTREPRENEURIAL

CHARACTERISTICS ON BUSINESS PERFORMANCE

Kindly indicate the extent to which you agree or disagree with the following statements.

Key: Strongly Agree (SA)

Agree (A)

Disagree (D)

Strongly Disagree (SD)

S/N	Influence of Entrepreneurial Competency on Business Performance	SA	A	D	SD
1.	A business led by individuals with strong entrepreneurial competence tend to perform better in the long run				
2.	Enhancing competency of entrepreneurs is a panacea for eliminating poor business performance				
3.	Entrepreneurs with strong competence are more likely to build valuable networks and collaborations that benefit their business				

4.	Highly competent entrepreneurs tend to be more customer-focused which can lead to improved business performance				
5.	Competency of entrepreneurs have led a business more successful and provides sustainable competitive advantage				
S/N	Influence of Innovation on Business Performance	SA	A	D	SD
6.	Innovation is an essential attribute for the success of a business				
7.	An entrepreneur's ability to innovate can have a positive effect on the business performance				
8.	A business that prioritizes innovation tend to outperform their competitors				
9.	A business that is not innovative is more likely to lose customers				
10.	Innovation helps entrepreneurs adapt to changing market conditions and customer needs				
S/N	Influence of Skill Acquisition on Business Performance	SA	A	D	SD
11.	Proficiency in consistent skill upgrade can heighten the performance of business				
12.	Businesses that focuses on skill acquisition tend to outperform their competitors				
13.	There is a measurable improvement in productivity of the business as a result of skill acquisition				
14.	A diverse range of skills contributes to an entrepreneur's overall resilience and ability to face challenges				
15.	Investing in skill acquisition is essential for a business long term success				

S/N	Factors Affecting Entrepreneurship Development in Nigeria	SA	A	D	SD
16.	Insufficient infrastructure poses challenge to entrepreneurial activities in Nigeria				
17.	Adequate entrepreneurial knowledge can significantly enhance the success of business startups in Nigeria				
18.	Government policies and initiatives are effective in supporting and promoting entrepreneurship in Nigeria				
19.	The unavailability of power poses challenge to the effectiveness and efficiency of businesses in Nigeria				
20.	Use of modern technology enhances entrepreneurial activities and business performance				