

Nexus between entrepreneurial characteristics and small business productivity in Nigeria

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ABSTRACT

Purpose — *The productivity challenge confronting small businesses in developing countries has been identified among others to include entrepreneurs' characteristics. The objective of the study was to investigate the effects of entrepreneurs' characteristics on the business productivity of SMEs in Nigeria and anchored on the entrepreneur's innovativeness, experience, orientation, and risk-taking propensity.*

Method — *It was a cross-sectional study carried out among entrepreneurs of SMEs in Southwest Nigeria using a descriptive research survey design. Respondents were selected using a convenience sampling technique. A 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.*

Result — *The result of the study revealed that an entrepreneur's characteristics, such as innovativeness, experiences, orientation, and risk-taking propensity, significantly impact productivity. However, innovativeness and risk-taking were paramount among other entrepreneurial characteristics of SMEs in Nigeria.*

Contribution — *The result validated the works of the earlier scholars in the study area and contributed to expanding literature on how entrepreneurs' characteristics, especially their innovativeness, experience, orientation, and desire to take risks, can solve small business challenges in developing economies.*

Keywords: *entrepreneurs' characteristics, business performance, innovativeness, orientation, risk-taking propensity, experience*



INTRODUCTION

Owners' business excellence and operational efficiency are essential to developing and maintaining small and medium-sized enterprises (Jaeger, Matyas & Sihn, 2014). According to Islam, Khan, Obaidullah, and Alam (2011), entrepreneur traits have a key influence on the success of SMEs in most countries worldwide. Given the importance of SMEs to industrial development and national economic growth, it is crucial to continuously conduct studies to enhance SMEs' performance in an economy like Nigeria. SMEDAN (2009) stated that in Nigeria, SMEs represent 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.

Despite not being a simple profession, being an entrepreneur does not ensure a degree of success since some important conditions must be met. Most African countries have not established economic policies conducive to the existence and operations of SMEs, especially in Nigeria. This perspective is in line with Adjebeng-Asem's (1989)'s assertion that African entrepreneurs are active and well-off but lack the passion for starting manufacturing enterprises; and having a preference for non-productive, rent-seeking activities referred to as commercial entrepreneurship, thus, leading to the declining productivity of SMEs in Nigeria.

Changes in entrepreneurial behavior, according to OECD (2010), have a substantial impact on the rates of expansion and innovation because successful entrepreneurship and firm growth depend on enhanced skill sets to navigate the complexity of today's economies (commercial services, project management, financial management, and strategic thinking skills). These skill sets 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). Islam et al. (2011) argue that these entrepreneurial characteristics are related to demographic factors, personal characteristics, individual backgrounds, entrepreneurial orientation, and entrepreneurial readiness, all of which determine business performance.

Developing countries such as Nigeria, faced with high poverty and unemployment rates, often have a record of a poor standard of living. A lot is expected of the government regarding 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. Several programs have been 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, S. A., Ilori, Irefin, Abereijo & Aderemi, 2007](#)). [Kpelai \(2009\)](#) revealed that business failure in Nigeria indicates that many new businesses fail more than the ones that succeed.

The significance of small enterprises to a country's development and standard of living has been emphasized to the point where big-scale industries can only coexist largely due to SMEs' positive activities ([Fabayo, 2009](#)). In Nigeria, however, these expectations have not been met, and little or no value has been added to the economy due to stifling challenges confronting their operations, despite the number of development plans inaugurated by successive governments to empower small businesses. The alarming rate of small businesses' dissolution has propelled researchers to look deeper to proffer solutions to reduce unemployment and boost the gross domestic product output.

Extensive research has been conducted on the factors that influence SME business growth in extant literature. It was found that they range from firm characteristics and entrepreneurial characteristics to issues of institutional settings where the company operates ([Adegbite, Ilori, Irefin, Abereijo & Aderemi, 2007](#); [Genty, Idris, Wahat & Abd, 2015](#); [Anderson, Kreiser, Kuratko, Hornsby & Eshima, 2015](#); [Olekamma & Tang, 2016](#); [Prajogo, 2016](#); [Markin, Swab & Marshall, 2017](#); [Mohamad, Mohd, & Mohezar, 2017](#); [Falahat, Knight & Alon, 2018](#); [Isaga, 2017](#)). [Isaga \(2017\)](#), however, 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

The motivation for conducting this study is based on the challenges small businesses face in the Southwest region of Nigeria concerning their survival and productivity. While previous research has examined the relationship between business survival and productivity, highlighting various environmental factors that can influence both, the productivity of small businesses in the Southwest has not improved significantly enough to generate employment or sustain the businesses themselves. Therefore, it is necessary to investigate the individual characteristics essential for ensuring effective productivity among business owners. Specifically, this study aims to explore the impact of entrepreneur innovativeness, experience, orientation, and risk-taking propensity on business productivity in Nigeria.

METHOD

This study adopted a descriptive survey research design and collected data through primary and secondary data. The study focused on the SMEs in the Southwest, Nigeria, and Osun states and was used as the unit of analysis. In contrast, the Taro Yamane sample size formula was used to obtain the sample size for the study, approximated to 400. Multi-sampling techniques were adopted, starting with convenient sampling and then proportional sampling. Random sampling was the last to be used to administer the questionnaire to the selected respondents from July to December 2022. The study used an adopted questionnaire tailored along Likert's 5-point rating scale and Cronbach's Alpha values for innovativeness, experience, orientation, and risk-taking propensity were 0.870, 0.901, 0.861, and 0.741, respectively. The questionnaire has three sections which were labeled A (demographic information), B (entrepreneur characteristics), and C (productivity). Data were analyzed using descriptive (percentage and distribution table) and inferential statistics (chi-square).

Hypotheses development

Entrepreneur innovativeness

[Schumpeter \(1991\)](#) noted that innovation is the main catalyst of successful entrepreneurship embedded in creativity and opportunism which is necessary to determine break-even in a stiffly competitive market. [Hit and Ireland \(2000\)](#) posited innovation is good for every business but usually an interface between the organization and its environment. This explains why an entrepreneur is an innovator who implements change within markets by introducing new combinations, i.e., new good products or services or quality improvement, discoveries on usage, production, and new markets. This corroborated the position of [Adebayo and Kolawole \(2013\)](#) that there exists a strong link between entrepreneurship and innovation, while [Adeyemo \(2017\)](#) believed that innovation is characterized by new knowledge and discoveries, which is the backbone of economic growth and [Adebanjo \(2018\)](#) posited that innovation gives competitive advantage as it is usually difficult for competitors to understand and duplication in the short-run and on this premise. The first hypothesis was formulated:

H₁: entrepreneur innovativeness has an impact on business productivity

Entrepreneur experience

The entrepreneur experience focused on understanding customers' needs and developing products in line with customers' desire to boost investment returns on business (Mat, Maat & Mohd, 2015). Essel, Adams, and Amankwah (2019) position corroborated this and added that it offers a good platform to discover existing opportunities in the environment, thus providing an avenue to boost productivity since the entrepreneur is more familiar with it the needs and wants of the customers. Olekamma and Tang (2016) posited that entrepreneur experience towards identifying where opportunity exists on account of the needs and wants is behavioral, i.e., entrepreneur experience determines the behavior to be exhibited while annexing the available opportunity presented by the environment through the customers' needs and wants. Entrepreneur experience was considered significant in understanding entrepreneurs' decision however, certain skills should be developed for functionality purposes such as judgmental skills, critical thinking skills, evaluative skills, problem-solving skills etc., (Saga, 2018). Hence the second hypothesis was formulated that:

H₂: entrepreneur experience has impact on business productivity

Entrepreneur orientation

In the words of Merz and Sauber (1995), entrepreneurial orientation was described as the firm's degree of proactiveness (aggressiveness) in its chosen product-market unit (PMU) and its willingness to innovate and create new offerings while Zahra and Neubaum (1998) described it as the sum of a firm's radical innovation, proactive strategic action, and risk-taking activities that are manifested in support of projects with uncertain outcomes. It is therefore evident that entrepreneurial orientation is an organizational activity that are related to proactive decision-making practices that pay attention to innovative strategies, risk-taking and exploiting market opportunities. It is about engaging in product-market innovation, undertaking somewhat risky ventures, and is first to come up with proactive innovations, beating competitors. Anderson, Kreiser, Kuratko, Hornsby & Eshima (2015) believed that the effectiveness of entrepreneur orientation in terms of Proactiveness, innovativeness, risk-taking, aggressiveness, autonomy, competitive energy determines the success entrepreneur product market while Adegbite, et al. (2014) posited that entrepreneur orientation contributed more to entrepreneur success especially in growth. Therefore, the third hypothesis was postulated that:

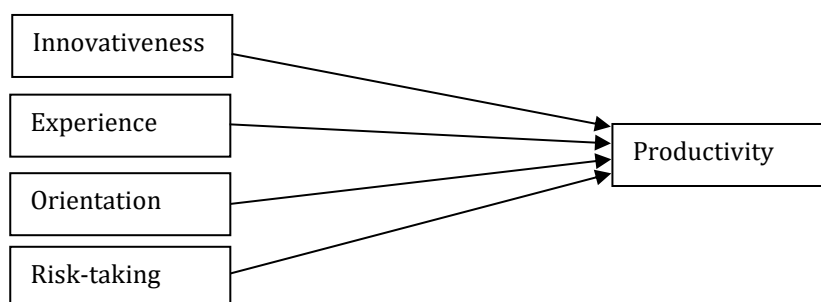
H₃: entrepreneur orientation has impact on business productivity

Entrepreneur risk-taking

Entrepreneurs are known as risk takers, although the degree or level of risk being undertaken differs from business to business and industry to industry. What makes the risk to be high noticeable is the fact that new ways of doing things or introducing new products as it is riskier to introduce new methods or products into business than imitating business an already existing business (Abebanjo, 2018). The position Bahadur, Nadia and Naimatullah (2019) supported this and posited further that entrepreneur's personality plays a major role in risk taking because some are averse to risk while some love it nevertheless, risk is constantly associated with entrepreneur. Essel et al (2019) asserted that it is uncertainty in the business environment that makes the venture of entrepreneurs to be risky due to their inability to know what the outcome of their actions might turn out to be. The earlier work of Adeyemo (2017) had earlier asserted that the source of uncertainty (technical, market) in business is unpredictability in environmental conditions of business and that risks associated with entrepreneur business is not wholistic rather it is segmental being divided into three namely, business risk, financial risk, and personal risk. Since risk taking by its nature involves potential danger and serial pitfalls, would entrepreneur still be mindful of to obtain high financial returns through productivity? Hence, the fourth objective hypothesis formulated that:

H₄: entrepreneur risk-taking has impact on business productivity

Figure 1. Conceptual framework of the study



Source: authors' compilation (2022)

RESULT AND DISCUSSION

Statistics descriptive

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

Table 1. Respondents marital status as classified by 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 (2022)

Table 1 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 above, 33.5% representing 134 respondents were less than 30 years old. 34.5% were 30 and above but less than 40 years; 22.0% 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 - 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

	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 (2022)

Table 2 presents the respondents' number of years as entrepreneur as classified by educational qualification. The result indicates that 156 respondents had been entrepreneurs for less than 5 years in the organization; 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 their educational qualification has influenced the number of years as entrepreneurs. 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"; 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 can acquire and adapt knowledge that serves as key point for the net cycle of innovative 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 (2022)

The participants' opinions on the impact of entrepreneur innovativeness on business productivity are shown in Table 3. The notion that an entrepreneur's capacity for creativity will make a business productive is supported by more than 95% of respondents, as shown in the Table. In a similar vein, over 90% of respondents said that the ability to identify new opportunities and adopt an innovative approach to a business enhances business productivity; consistently

implementing innovation, SMEs can acquire and adapt knowledge, which serves as a key point for the net cycle of innovation implementation; and that the capacity and commitment to overcome setbacks by innovating when faced with challenges all improve business productivity. This suggests that innovation among entrepreneurs substantially impacts the commercial 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 (2022)

The result indicated in the table above shows that over 90% of the respondents agreed that an entrepreneur's experience positively impacts 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 (2022)

The respondents' opinions on how entrepreneur orientation affects business productivity are shown in Table 5 above. More than 90% of respondents, as shown in the table, concur that entrepreneurs' orientation generates entrepreneurial effectiveness since they have an innate understanding of handling challenging conditions. Additionally, entrepreneurs who can spot new opportunities and take innovative approaches to business help make a company productive. This increases the development of new products and the adoption of high technologies for successful businesses, as well as gives a substantial understanding and provides 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 behaviour toward innovation, thus benefiting organizational innovation.	266	102	21	11	400	92.0
The willingness to engage in relatively high levels of risk-taking behaviour 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 can secure superior growth and long-term profitability in contrast to risk avoiders	114	270	12	4	400	96.0
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Source: field survey (2022)

The opinions of the respondents on how a tendency for taking risks affects business productivity are shown in the table above. As indicated on the table, more than 90% of the respondents agreed 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 hypotheses

H₁: There is no significant impact of entrepreneur innovativeness on business productivity in Nigeria

Table 7. Pearson's chi-square test for the impact of entrepreneur's innovativeness and business productivity

	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

Source: authors' computation from processed data (2022)

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.

H₂: There is no significant impact of entrepreneur's experience on business productivity

Table 8. Pearson's chi-square test for the impact of entrepreneur's experience and business productivity

	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	.3914
N of Valid Cases	400		

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

Source: authors' computation from processed data (2022)

According to the top row of the last table's 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 ($p < 0.05$). Hence, the null hypothesis is rejected. This suggests that an entrepreneur's experience has significant impact on business productivity.

H₃: There is no significant impact of entrepreneur's orientation on business productivity

Table 9. Pearson's chi-square test for the impact of entrepreneur's orientation and business productivity

	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	.49
N of Valid Cases	400		

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

Source: authors' computation (2022)

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.

H₄: There is no significant effect of risk-taking propensity of entrepreneur on business productivity

Table 10. Pearson's chi-square test for the impact of entrepreneur's risk-taking propensity and business productivity

	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

Source: authors' computation (2022)

The null hypothesis, which states that an entrepreneur's propensity for taking calculated risks has no significant impact on the performance of SMEs in Nigeria, is rejected since the p-value (0.041) is less than the significance level ($\alpha = 0.05$).

Discussion

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 & Sih, 2014).

One of the study's findings suggested that an entrepreneur's ability to think creatively boosts corporate efficiency. Innovation is the pursuit of novel organizational structures, processes, and products for adoption and commercialization. It is characterized by unpredictability. 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. The distinction between creativity and innovation is imperceptible since innovation is the outcome of creative solutions. To put it another way, creativity serves as the foundation for innovation, or the instillation of creative inspiration. In their respective research, Sofka and Grimpe (2010) and Prajogo (2016) noted that the effects of innovations can include an increase in the number of development projects, an increase in sales from new

goods, or the rate of product launch. This proves 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, \(2018\)](#), [Martínez-Román, Tamayo and Gamero \(2017\)](#) and [Prajogo \(2016\)](#) who reported that innovativeness brings about financial benefits and profitability to an organization. But innovativeness does not only bring 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 and initiating new products and services for the growth and sustainability of the organization. Therefore, based on this finding, it is possible to conclude that innovation efforts can result in productivity benefits for businesses, such that innovations can both boost businesses' productivity and better the products they sell, which in turn increases demand and lowers production costs.

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 demonstrates that innovation is necessary for business growth and sustainability since innovative businesses are more adaptable and quicker to change. In other words, as noted by [Prajogo \(2016\)](#), businesses in challenging business settings frequently work to develop their products in a variety of ways to satisfy customers' unanticipated expectations and successfully compete in their respective industries. 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.

The study's second finding showed that having experience as an entrepreneur boosts a company's productivity. Experiences are a vital component of life in general and have a favourable impact on how well people function. It is necessary to keep in mind that different outcomes necessitate varying levels of accuracy. Entrepreneur's exposure to different circumstances and situations, especially in places where the entrepreneur original experience failures are essential in their development. [Gudmundsdottir \(2012\)](#) argues that to succeed as an entrepreneur, one must be aware of the competitors in the same industry and intimately familiar with their clientele. As a result, successful entrepreneurs must continually consider the effects of both their rivals and their clientele. Failure to foresee or respond to changes in the marketplace, technology, or

competition can put a business in jeopardy. Therefore, education and job experience are crucial to entrepreneurs to provide information, lessen ambiguity and uncertainty in the business, to grow personally, and to assist the future growth of the business. This study's findings are consistent with those of [Fatimah et al. \(2013\)](#), who discovered that enterprises operated by entrepreneurs with prior working experience often had greater success rates than those run by entrepreneurs without experience. The study corroborates [Saleem \(2012\)](#) and [Naqvi \(2011\)](#)'s assertions that an entrepreneur's prior experience has a significant positive correlation with their present success and the success of their company. Considering this, an entrepreneur's experience is essential to the growth of their company. A seasoned entrepreneur reduces the possibility of coming into problems and is very proactive when it comes to problem-solving.

Furthermore, the study showed that the orientation of an entrepreneur significantly affects business productivity. A strategy-making method called entrepreneurial orientation gives businesses a foundation for taking entrepreneurial decisions and activities. It stands for the principles and practices that form the basis for entrepreneurial actions and decisions and as such, it can be viewed as the entrepreneurial strategy-making processes used by major decision-makers to accomplish organizational objectives, uphold the vision, and create competitive advantage(s) for their business ([Covin & Lumpkin, 2011](#)). It takes a company's willingness to seek out new opportunities, accept them, and assume responsibility for bringing about change. The orientation of an entrepreneur is wide and encompasses a variety of traits, such as the tendency to take risks, be proactive, be aggressively competitive, and be autonomous. 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 found that an entrepreneur's tendency for taking calculated risks significantly affects the productivity of SMEs in Nigeria. The entrepreneur's predisposition for taking risks is reflected in their decisions to take on significant debt or commit significant amounts of resources in the pursuit of high returns from market possibilities. Because it can lead to losses and inconsistencies in performance, risk-taking behavior is a key characteristic that sets entrepreneurs apart from other people ([Morris and Kuratko, 2002](#)). However, it is the behavioral aspect of an entrepreneur's orientations that, when properly applied, can yield significant profits for the company. The result of this study therefore agrees with the outcome of a study by [Lumpkin and Dess \(1996\)](#). Due to its high capital requirements, innovation is risky and necessitates numerous firm-specific investments, while the returns on such investments are utterly

unpredictable. This is the reason why the majority of business owners would rather avoid risks than take them.

CONCLUSION

The study 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. Knowledge-based expertise tends to make an entrepreneur more active in uncertain situations and more willing to investigate new chances. 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, it was concluded that individual characteristics either build or destroy his or her business depending on which character outshines the other. Entrepreneurs that are successful in their operations have survival skills, such as marketing, planning, negotiation, technological, high-level managerial, personnel, and customer relations skills. 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 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 take part in frequent training and development to hone their skills capabilities and make them more adaptable to the fast-paced business environment.

Arising from the conclusion and limitations of the study, the suggestions for further study were made along the following areas to conducti similar study in the North, South-East, and South-South of Nigeria, conduct similar study in the developed economies since this took place in the developing economies, and a qualitative approach may be used to carry out similar study as against quantitative approach used by this study.

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