



IMPACT OF ENTREPRENEURSHIP PROCESS ON SMALL AND MEDIUM ENTERPRISES PERFORMANCE IN YOLA METROPOLIS, NIGERIA, NIGERIA

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ABSTRACT

The study examines the impact of entrepreneurship process on small and medium enterprises performance in Yola metropolis, Nigeria, Adamawa State, Nigeria. The study was premised on the fact that poor performance of business could emanate from other factors like a lack of initiative and an administrative framework or linkage to support and sustain small and medium enterprises performance, which to a large extent affect the profit margins of the enterprises. This poor performance of business will have an effect on the economy in different ways: bureaucratic

Introduction

Small and Medium Enterprises (SMEs) play a vital role in propelling economic growth, employment opportunities, and innovation in both developed and developing nations. Researchers and policymakers have directed their attention towards identifying factors that contribute to the triumph and expansion of SMEs due to their notable significance. Among these factors, the process of entrepreneurship has emerged as a pivotal catalyst for the performance of SMEs. The pursuit of economic advancement has been a primary objective for many developing countries worldwide. These nations grapple with challenges such as widespread poverty and unemployment, which impede the achievement of socio-economic progress. To gauge economic development, critical indicators like income per capita, equitable income distribution, citizens' welfare, and quality of life are evaluated. Developed countries have widely employed Small and Medium Scale Enterprises (SMEs) as a significant instrument to realize socio-economic growth. In contemporary times, small-scale industries are regarded as fundamental to modern economies (Wendrell, 2016). Furthermore, in countries like Nigeria, which face unfavorable trade imbalances, the growing involvement of small-scale industries in the nation's exports significantly aids in foreign exchange generation and mitigating the adverse trade balance situation. This is essential because a substantial portion of their production materials are sourced locally, thereby reducing the strain on limited foreign exchange reserves and addressing trade balance deficits. According to Ikharehon (2012), SMEs are recognized to be the cornerstone of the national economy in various aspects, including the development of local technology, promotion of indigenous entrepreneurship, mobilization of domestic savings, job creation, and balancing the industrial landscape in both urban and rural regions. They also contribute to enhancing the competitiveness of domestically manufactured goods through the supply of high-quality



corruption, absence of social consensus on important macroeconomic policy issues, and low profitability. The study is a cross-sectional design in which data were collected through a questionnaire administered to 335 respondents, of which only 324 were successfully returned and valid. The collected data was subjected to inferential analyses, and hypotheses were tested using multiple regression analysis at a significance level of 0.05. The findings revealed that an entrepreneurial mindset has a significant and positive effect on small and medium enterprises performance ($\beta = 0.391$, $t = 8.134$, $p = 0.000$). Also, entrepreneurship innovation has a significant and positive effect on small and medium enterprises performance ($\beta = 0.330$, $t = 6.554$, $p = 0.000$). The finding further revealed that entrepreneurship idea generation affects small and medium enterprises performance significantly in Yola metropolis, Adamawa State. This means that there is a relationship between entrepreneurship process and small and medium enterprises performance in Yola metropolis, Adamawa State, Nigeria. The study recommended that there is a need for entrepreneurs to develop their mindset, innovation, and idea generation in planning their day-to-day business activities, as this will help them to have a positive attitude to meet the changing demands of current customers in their business and increase their independence and their ability to reason beyond the immediate situation and plan for the future as a result of good thinking.

Keywords: Entrepreneurship, impact, medium enterprises, performance, process and small

intermediate products, stimulate technological advancements, and bolster export capabilities while reducing the need for imports (Khan, 2019).

Numerous government-initiated programs and policies have been aimed at SME development, but the sole reliance on government for sustainable economic progress has limitations. This prompted governments to adopt economic reform initiatives that transition from capital-intensive, large-scale industrial projects to Small and Medium Scale Enterprises. These smaller enterprises have better potential for bolstering the domestic economy by producing essential goods and services that drive developmental progress (Oni & Daniya, 2020). The significance of entrepreneurship in the enhancement of individuals' knowledge, skills, behaviors, and attitudes to assume entrepreneurial roles has been recognized by leaders across the world. Consequently, various programs have been established to cultivate authentic entrepreneurial spirit throughout different regions of Nigeria, reinforcing the groundwork for successful initiatives (Yusuf, 2021).

Small and Medium Enterprises (SMEs) are pivotal for driving economic growth, employment, and innovation in both developed and developing countries. The process of entrepreneurship stands out as a key factor influencing the performance of SMEs. Developing nations, like Nigeria, benefit from SMEs by bolstering their export capabilities and domestic economy. While governments have initiated supportive programs, there is a need for broader economic reforms to promote sustainable development. Entrepreneurship is recognized globally as a pathway to enhance skills and attitudes, and this recognition has led to the establishment of confidence-building programs in Nigeria (Owuolah, 2021).

Statement of the Problem

The underperformance of small and medium-scale enterprises (SMEs) may stem from various factors beyond mere size, such as a lack of proactivity, deficient administrative structures, or inadequate support systems for sustaining SME development. These issues significantly impact the enterprises'



profit margins (Alawe, 2019). This subpar SME performance carries implications for the economy in several ways, including bureaucratic corruption, a lack of societal consensus on crucial macroeconomic policies, and reduced profitability. These outcomes might arise from insufficient technological capabilities, dearth of intellectual resources, deficient managerial and entrepreneurial skills, and the consequential absence of strategic, business, and succession planning, as well as appropriate organizational setups, transparent operational systems, suitable training, leadership development, and effective utilization of entrepreneurship processes such as mindset, creativity, and idea generation. Research by Koffi, Hongbo, Zaineldeen (2021), Hossain, Binti, Abdul (2021), Perera, Samarakoon (2021), Fan, Qalati, Khan, Shah, Ramzan, Khan (2021), Kijkasiwat, Phuensane (2020), Chege, Wang (2020) has successfully demonstrated the relationship between the entrepreneurial process and the performance of small and medium enterprises. They have also affirmed that poverty remains a significant hurdle to sustainable development, environmental stability, global equilibrium, and the establishment of a genuinely worldwide market. A crucial strategy for alleviating poverty involves inclusive economic growth that benefits the majority. Enhancing the performance and sustainability of local entrepreneurs and SMEs, which constitute the foundation of global economic activity, can pave the way for this kind of inclusive growth.

Hence, this study is was carried out to examine the effect of entrepreneurship process i.e. (entrepreneurship mindset, entrepreneurship creativity and entrepreneurship idea generation) on small and medium enterprises performance in Yola metropolis, Adamawa State, Nigeria.

Objectives of the Study

The main objective of this study is to examine the impact of entrepreneurship process on small and medium enterprises performance in Yola metropolis, Nigeria. While the specific objectives are to:

- i. examine the effect of entrepreneurship mindset on small and medium enterprises performance in Yola metropolis, Adamawa State.
- ii. ascertain the effect of entrepreneurship creativity on small and medium enterprises performance in Yola metropolis, Adamawa State; and
- iii. assess the extent to which entrepreneurship idea generation affect small and medium enterprises performance in Yola metropolis, Adamawa State,

LITERATURE REVIEW

Concept of Entrepreneurship

The term "entrepreneur" finds its roots in the French word "entreprendre," which translates to "to undertake" (Akanni, 2010). In the context of business, it signifies initiating a business, recognizing business prospects, coordinating resources, overseeing and embracing the risks of a business or enterprise. Furthermore, it characterizes those who take the lead in guiding a project to fruition, yielding valuable outcomes. Essentially, entrepreneurs excel in managing uncertainty and achieving success even amidst formidable challenges that could dismantle a less adept venture. Hornby (2006) defines an entrepreneur as an individual who generates income by inaugurating or operating businesses, particularly when this involves assuming financial risks. Jimngang (2004) portrays an entrepreneur as someone who relocates economic resources from a lower productivity domain to one of higher output and increased returns. This description highlights two key aspects: the manipulation of resources and the pursuit of "higher productivity" and "greater yield."



In 2016, Asogwa and Dim offered a definition of entrepreneurship as the art of identifying a business opportunity, marshaling resources, and persistently exploiting that opportunity. Meanwhile, Minniti and Moren (2010) characterized an entrepreneur as someone who arranges and oversees enterprises, often businesses, with substantial initiative and exposure to risk. The concept of 'entrepreneurship' encompasses numerous interpretations. For example, Putari (2006) noted the absence of consensus among scholars regarding its definition and documented the varying explanations provided by different researchers, including those documented by Sexton (2001). Okpara (2000) outlined entrepreneurship as the capacity and willingness of an individual to discover investment possibilities within an environment and effectively establish and manage an enterprise based on these identifiable prospects.

Concept of Entrepreneurship process

Abianga (2010) provided a definition for the process of entrepreneurship, describing it as the active progression and advancement within a physical environment. Similarly, Hornby (2006) defined entrepreneurship processes as the gradual evolution of something, leading it to become more sophisticated and robust. Over the past decade, a global consensus has emerged regarding the pivotal role of competitive markets and entrepreneurs in driving economic development. Particularly in developing nations, the main impediment to economic growth often lies not in the scarcity of capital, labor, or land, but rather in the deficiency of dynamic entrepreneurs who can synergize these resources, along with the markets and mechanisms required to facilitate this synergy. The entrepreneurship process represents a network of factors influencing entrepreneurial activity, identifiable through six indicators crucial for fostering new businesses (Ahmad & Richard, 2008), as well as for propelling innovation (Kruger, 2004).

Later concepts further elucidate the current supply function as a cornerstone of the entrepreneurship process, achieved through the accumulation of social capital (Jennings, 1994). In the contemporary landscape, socially oriented businesses are actively seeking niches for their development. The entrepreneurship process stands as the foundational instrument for any significant business endeavor. As a result, discussions regarding the entrepreneurship process revolve around entrepreneurial activities and individual characteristics. The concept of the entrepreneurship process operates within the confines of delineated entrepreneurial activities, embracing innovation as a central element. Notably, the entrepreneurship process is bounded by distinctive limitations (Kruger, 2004).

Monday (2012) perceived the entrepreneurship process as the journey of refining entrepreneurial skills and knowledge through structured training and institution-building programs. Moreover, within this study, the entrepreneurship process is dissected into three components—entrepreneurship mindset, entrepreneurship innovation, and entrepreneurship idea generation. These facets are subsequently explored in the following manner:

The Entrepreneurial Mindset

The entrepreneurial mindset refers to a specific mental state that guides individuals toward engaging in entrepreneurial activities and achieving related outcomes. Holistic correlation analyses have demonstrated a substantial connection between the entrepreneurial mindset and the performance of small and medium enterprises (Asenge et al., 2018). Neneh's exploratory study in 2012 proposed that cultivating an entrepreneurial mindset entails relearning self-motivation, embracing risk-taking, and fostering creativity and innovation. Entrepreneurship education plays a pivotal role in nurturing innovative thinking, fostering an entrepreneurial mindset, and developing breakthrough competencies



(Xu, 2020). Strengthening an entrepreneurial mindset and embracing an entrepreneurial orientation equip emerging leaders with the competencies, skills, and adaptability required to navigate organizational ambiguity and complexity (Victor, 2018). A positive enthusiasm for opportunities has a direct correlation with the endurance of small and medium enterprises, serving as a critical success factor in entrepreneurial endeavors (Suvittawat, 2019).

Entrepreneurial Innovation

Innovation stands as another facet of entrepreneurial development. Malerba (2002) characterizes innovation as the practical application of an invention that can be traded, resulting from the integration of invention into economic and societal practices. Kuratko and Hodgetts (2004) define innovation as either the creation of fresh wealth or the modification and enhancement of existing resources to generate new value. The Oslo Manual of 2005 defines innovation as an activity leading to the creation of novel or significantly improved goods (products or services), processes, marketing methods, or business structures (OECD, 2005). Innovation encompasses the generation of ideas, the advancement of inventions, and the introduction of new products, processes, or services to the market (Thornhill, 2006).

Innovation represents a multifaceted phenomenon involving the generation, dissemination, and application of knowledge in the development of new or altered products or services, as well as the evolution of innovative production or processing techniques (Bigliardi, 2013). It embodies a company's inclination to embrace and foster novel concepts, novelty, experimentation, and inventive processes that could lead to fresh products, services, or technological procedures (Lumpkin & Dess, 2006).

Generation of Ideas

Idea generation stands as a critical element of the entrepreneurship process. It is the process of conceiving new ideas, which are essential for driving improvements (Julia, 2019). The idea generation stage, often termed "ideation," is dedicated to the individual or collective identification of new ideas or opportunities and is widely regarded as one of the most impactful points of leverage for an organization (Toubia, 2006). This phase represents the creative juncture where new concepts emerge and new prospects are uncovered. Titus highlights the idea generation phase as a focal point for creative problem solving, involving the generation of fresh, relevant ideas (Titus, 2008). Osborn emphasizes that individuals often encounter the greatest challenges during the idea generation process (Kasper & Clohesy, 2008). These perspectives underscore the pivotal nature of the idea generation phase for innovation success and emphasize the ongoing nature of this stage throughout the innovation process. Not only does idea generation help you create and surface new innovations to develop, it also is a critical element of all the other stages in the process, from developing ways of prototyping selected ideas to conceiving of effective approaches for spreading and replicating a proven innovation (Kasper & Clohesy, 2008).

Small and Medium Scale Enterprise Performance

The performance of small and medium enterprises holds significant importance for a company's top management. When business performance falters, managers must intervene to restore growth momentum. This task becomes even more crucial within competitive markets and a globalized landscape where enhanced competitiveness is demanded. Business leaders are thus compelled to closely monitor business performance, as all operational processes ultimately contribute to the



company's success in various capacities. The achievement level and proximity to set targets are indicative of business success. This success can be evaluated through diverse metrics such as sales growth, capital metrics, employment expansion, production line augmentation, and more.

Quantitative criteria are also employed to define small and medium enterprises. Ayyagari (2007) highlighted the variability across countries in criteria adoption, encompassing factors like employment, sales, or investment. In the context of Oman, the Public Authority for Small and Medium Enterprises, known as Riyada, categorizes such enterprises into micro, small, and medium tiers. "Micro" signifies businesses with 1-5 employees and sales up to 100,000 OR. "Small" encompasses firms with 6-25 employees and sales ranging from 100,000 to 500,000 OR. "Medium" pertains to companies with up to 2699 employees and sales from 500,000 to 1,000,000 OR. Sales figures are derived from both initial estimates of new business owners and the latest audited results (Riyada, 2015).

Business performance is intertwined with the efficacy of operations and the market success of products and services. Customers consistently gravitate towards innovative products and services, which drive their purchasing decisions. To remain competitive in the market, these offerings necessitate continuous and transformative development. Achieving a competitive edge is intrinsically linked with innovation (Rybárová, Štetka, & Šagátová, 2019). Despite ongoing research, a consensus on an ideal performance measure remains elusive. Watson (2010) proposes three variables for assessing small and medium enterprise performance: (i) success or failure rates, where closure signifies failure, (ii) return metrics such as return on equity (ROE), and (iii) return on assets (ROA). The researcher underscores the importance of employing assessment methods characterized by objectivity/verifiability, relevance/representational faithfulness, reliability/freedom from bias, and simplicity/parsimony

Effect of Entrepreneurship Mindset on Performance of Small and Medium Scale Enterprises

In a study conducted by Wanguinjeru (2012), it was discovered that business alertness, innovativeness, and creativity played pivotal roles in influencing business performance. The study concluded that these attributes had a positive relationship with performance and a significant impact on the outcomes of small and medium enterprises, as measured by indicators like market share, sales growth, and employee count. The author defined alertness as the ability to identify opportunities, innovation as the introduction of novel concepts, and creativity as the capacity to generate new ideas.

Regarding the dimension of entrepreneurial intensity known as innovativeness, Kitigin (2017) found a robust positive correlation between this trait and the performance of small and medium enterprises. Alertness, identified by Xu (2020), was seen as the skill to recognize entrepreneurial prospects, highlighting the importance of employing creativity for achieving desired goals.

This suggests that a substantial use of creativity holds great importance in attaining the desired goals. Taking a comprehensive perspective, the regression analysis conducted by Mukiri, Mukulu, & Odihambo (2019) demonstrated that innovation had a favorable and noteworthy impact on the performance of small and medium enterprises. This encompassing innovation approach encompasses practices such as introducing new products, automating processes, exploring new markets, creating unique products, and adopting technology.

Furthermore, through ordinary least square regression analysis, it was determined that a holistic mindset has a positive and significant correlation with annual sales growth. As the mindset embracing a comprehensive approach expands, it leads to heightened sustainability through enhanced creativity and a willingness to take calculated risks (Mulindabigwi and Kayitana, 2018).



Effect of Entrepreneurship innovation on Performance of Small and Medium Scale Enterprises

Calantone's 2002 study delved into the link between a learning orientation, firm innovation, and firm performance among US companies. In 2007, Carol and Marvis explored how innovation relates to the organizational performance of small and medium enterprises in Taiwan's manufacturing and service sectors. Their assessment used firm sales as a performance metric. In 2008, Van, Madrid, & Garcia examined 1,901 Spanish manufacturing small and medium enterprises, revealing a positive correlation between three types of innovation (product, process, and managerial/systems) and performance. Similarly, in 2010, Garrido and Camarero investigated the impact of a learning orientation on innovativeness and performance, finding a significant influence on both factors. Additionally, Terziovski's 2010 research analyzed the effects of innovation practices on the performance of Australian small and medium enterprises, highlighting that an innovative strategy greatly drives their performance. Several studies, including those by Terziovski (2010) and Mensah and Achuah (2015), have focused on assessing the relationship between innovation and performance within small and medium enterprises.

Effect of Entrepreneurship Idea generation on Performance of Small and Medium Scale Enterprises

Entrepreneurship involves establishing novel businesses within uncertain environments (Neck & Greene, 2011). Business incubators serve as mechanisms for fostering new enterprises, with the aim of generating employment and promoting regional development in the realm of entrepreneurship (Mas-Verdú, Ribeiro-Soriano, & RoigTierno, 2015). The financing phase emerges as a pivotal juncture in the entrepreneurial journey, encompassing diverse sources of capital and debt such as angel investors, venture capital, private equity, hedge funds, microfinance, and project finance, among others (Wallmeroth, Wirtz, & Groh, 2018). In contrast to male entrepreneurs, female entrepreneurs display less inclination to secure external funding through debt or equity for their entrepreneurial pursuits (Leitch, Welter, & Henry, 2018).

The decision-making process related to financing is intertwined with the specific nature of entrepreneurial endeavors, though generally, entrepreneurial activities receive support through financing decisions (Wright, Robbie, & Ennew, 1997). Furthermore, the advancement of entrepreneurial ventures through innovation, modernization, and internationalization necessitates diverse forms of debt and equity funding. This imperative arises because even in its initial stages, entrepreneurial activities have been shown to rely on financial backing (Block, Colombo, Cumming, & Vismara, 2018). At its core, entrepreneurship seeks to grasp how opportunities can be conceived, future products and services can be unearthed, and subsequently developed and capitalized upon (Venkataraman, 2019). Recognizing fundamental elements such as culture, beliefs, and societal values in the domain of entrepreneurship is essential, as these factors are intricately interwoven with the role of entrepreneurship in driving economic growth (Aparicio, Urbano, & Audretsch, 2016).

Theoretical Framework

Innovation and Creativity Theory

Joseph Schumpeter's perspective in 1950 highlights innovation as the cornerstone of success within a market economy. This viewpoint gains further validation in today's fiercely competitive and ever-evolving landscape. Survival in the marketplace demands a continual infusion of creativity and innovation within organizations. Both entrepreneurs and enterprises are compelled to consistently foster creativity and innovation to maintain their relevance to customers – a fundamental objective of any business. This sentiment is echoed by Drucker (1985), who asserts that innovation serves as the tool



of entrepreneurship, with both concepts relying heavily on creativity. Creativity, in turn, involves transforming elements within a cultural domain, yielding new concepts like fresh songs, novel ideas, and innovative machinery (Mihalyi, 1997).

At the heart of all innovation resides creativity. However, while creativity is a prerequisite, it is not the sole ingredient for innovation. The process of innovation involves translating creative insights into tangible manifestations. Additionally, creativity is an attitude encompassing an openness to change and novelty, a willingness to explore ideas and potentialities, a flexible perspective, an inclination to appreciate the present while seeking avenues for enhancement. Individuals with creative inclinations acknowledge the existence of alternative possibilities, much like peanut butter and banana sandwiches or chocolate-covered prunes. Harris (1998) defines creative thinking as the art of generating solutions through imaginative reasoning (Okpara, 2011), an exercise of the mind addressing life's queries. In a world marked by dynamism and flux, the challenges faced by humanity also evolve, necessitating profound creative thinking.

In endeavors aimed at improvement, objectives often revolve around augmenting productivity, efficiency, speed, comfort, convenience, and returns. Irrespective of the goal, thinking constitutes an indispensable tool in the arsenal of successful entrepreneurs. This cognitive process commences with internal dialogue and introspection, a practice of self-engagement known as metacognition – contemplating thoughts about thinking itself. The aim is to reach convictions and conclusions regarding necessary steps and strategic approaches. The paramount significance of posing pertinent and incisive questions within the thought process cannot be overstated. Questions serve as the guiding thread, stimulating the mind to address issues and unearth new revelations.

Hence, creative thinking inevitably culminates in the formulation of a strategy. A strategy involves orchestrating available resources to attain desired outcomes, delineating actions, approaches, timing, positioning, and more. It is universally acknowledged that successful entrepreneurs owe their emergence not merely to strength or force, but to a superior strategy born from creative thinking.

Within the scope of this study, the researcher delves into the theory of entrepreneurship encompassing innovation and creativity. This theory resonates closely with the subject matter at hand. It elucidates the ways in which small and medium enterprises ought to infuse entrepreneurial innovation. Moreover, the theory underscores that entrepreneurs should not only be innovative but also possess an intrinsic creative disposition. This holistic perspective equips them with the knowledge and ideas required to cultivate entrepreneurial skills and a self-employed spirit.

Empirical Review

Koffi, Hongbo and Zaineldeen (2021) examine the effect of innovation types on Ivorian small and medium-sized enterprises (small and medium enterprises) Performance and Competitiveness using 250 small and medium enterprises operating in Cote d'Ivoire through a structured questionnaire. The PLS-SEM was the main analytical tool used to analyse the research findings via Smart PLS 3 and SPSS 22. Findings from this study revealed that marketing innovation, product innovation, organisational and process innovations are the innovation dimensions that contribute to small and medium enterprises' performance and competitiveness in Cote d'Ivoire. Marketing innovation contributes more significantly to small and medium enterprises' performance; followed by product innovation; organizational innovation; and process innovation. Additionally, the study found a significant and positive relationship between competitive advantage and small and medium enterprises' performance. This implies that to



remain competitive and profitable, small and medium enterprises operating in developing countries must embrace innovation and constantly seek ways to be innovative remain relevant in the industry. Perera and Samarakoon (2021) conducted study on the effect of entrepreneurial orientation on small and medium enterprises' Innovation Performance in Sri Lanka using self-administrated questionnaire, distributed to the SEM owners and collected seventy-six completed questionnaires. Descriptive statistics and multiple regression analysis were used to analyze the data. Results of the study shown that OE as a whole significantly effects innovative performance. Specifically, while the four dimensions of EO, namely, risk-taking, proactiveness, innovativeness, and autonomy, significantly effect small and medium enterprises' innovative performance. But Competitiveness does not have a significant influence on small and medium enterprises' innovation performance. The study focuses only on OE that influences small and medium enterprises innovation performance. The most considerable significant portion of enterprises in Sri Lankan business sector represents small and medium enterprises.

Ukpabio, Oyebisi and Siyanbola (2021) examine the effects of innovation on performance of manufacturing small and medium enterprises in Nigeria: An empirical study. Using a total of 305 samples was obtained from small and medium enterprises in the textile/leather/apparel and footwear subsector; wood/furniture and woodworks subsector; and domestic/industrial plastic and rubber subsector in South-western Nigeria. Data collected was analyzed using correlation analysis and hierarchical regression analysis. The correlation result shows that all dimensions of innovation (product, process, market, and organizational) had significant positive relationship with firm performance including the control variable 'firm size'. However, the regression result confirmed that process innovation and organizational innovation influences small and medium enterprises performance significantly. Additionally, product innovation had significant effect on innovation with the exclusion of other innovation dimensions from the model and marketing innovation had significant effect on the performance of small and medium enterprises with the exclusion of organizational innovation from the model. Overall, innovation accounts for about 55.7% of variation in the performance of the manufacturing small and medium enterprises. This implies that all dimensions of innovation, and specifically process and organizational innovation are critical elements for the enhancing the performance of small and medium enterprises in Nigeria.

METHODOLOGY

Cross-sectional descriptive survey research design was used in this study. This study was carried out on effects entrepreneurship process on small and medium enterprises performance in Yola metropolis, Adamawa State. The population of this study is covered to 750 registered medium and small scale businesses in Yola metropolis, Adamawa State. The stud made use of systematic sampling technique in selecting the sample from the population. Therefore, a starting number from (750) SMEs is randomly selected from each at regular interval of every 2nd number from entire population and arrived at the sampled unit of 375. Structured questions was designed to gather data that have direct relevance with the research questions to ensure a fair reconciliation of the ideas already contained in the questionnaire. The data to be collected for this study was analyzed using a multiple linear regression with help of Statistical Package for Social Sciences (SPSS) at 0.05 (5%) level of significance.

ANALYSIS AND RESULTS

A total of 375 questionnaires were distributed; 324 were successfully returned and valid, representing 86.4%, while 51 were not returned, representing 13.6%.



Hypotheses Testing

The following hypotheses were formulated to guide the study;

- H₀1: Entrepreneurship mindset does not have significant effect on small and medium enterprises performance in Yola metropolis, Adamawa State
- H₀2: Small and medium enterprises performance is not significantly affected by entrepreneurship creativity in Yola metropolis, Adamawa State
- H₀3: Entrepreneurship idea generation cannot affect the Small and medium enterprises performance significantly in Yola metropolis, Adamawa State.

Model summary of Effect of entrepreneurship process on small and medium enterprises performance

Variables	Coefficient	Std. Error	T-Values	P-Values	Hypotheses
1 (Constant)	2.627	1.846	1.423	.156	
EM	0.391	0.085	8.134	.000	Rejected
EI	0.330	0.091	6.554	.000	Rejected
EIG	0.772	0.092	10.864	.000	Rejected
R	0.881				
R ²	0.777				
Adjusted R	0.774				
F-Stats	370.76				
a. Dependent Variable: SMEP					

(Source: Computed using SPSS 21)

The result in Table above show that the summary of regression model on the effect of entrepreneurship process on small and medium enterprises performance. The result of Person correlation show that the bivariate relationship between dependent and independent variables are strong and positive ($r = 0.881$). The values of the coefficient of determination (R-Square) extracted from the summary of the regression model shows that entrepreneurship process explain about 77.7% variation in small and medium enterprises performance while the about 22.3% are attributed to variables not included in the model of this study. The analysis of variance (ANOVA) results, which represent the goodness of fit of the model is statistically significant ($F_{3, 323} = 370.76, P < 0.05$), implying that the variables in the model have jointly predicted the small and medium enterprises performance.

The regression for the individual contribution of the independent variables as represented by the understadized beta-value of 2.627 indicates that one unit increase in entrepreneurship process account for 2.627 units increase in the level of small and medium enterprises performance and the relationship is significant at 1% level of significance. Hence we conclude that there is relationship between entrepreneurship process and small and medium enterprises performance in Yola metropolis, Adamawa State, Nigeria.

Summary of Findings

The summary of the findings of the study include:

- i. The above analysis also shows that entrepreneurship mindset has significant and positive effect on small and medium enterprises performance ($\beta = 0.391, t = 8.134, p = 0.000$).
- ii. In addition, the results of the regression model in table 4.15 revealed that EI has significant and positive effect on small and medium enterprises performance ($\beta = 0.330, t = 6.554, p = 0.000$).



- iii. Lastly, the finding further revealed that entrepreneurship idea generation affect the Small and medium enterprises performance significantly in Yola metropolis, Adamawa State

Conclusion

On the contrary, an entrepreneurial mindset has a significant and positive effect on small and medium enterprises performance since determination culture allows entrepreneurial attitudes and actions to flourish and focus. From the point of view of the entrepreneur, this is no longer the exclusive property of business owners but all the employees in the business. Entrepreneurship helps in creating value in services and products. It is also believed that curiosity is one of the personal characteristics and motivations that have been found to distinguish entrepreneurs from non-entrepreneurs.

In addition, entrepreneurship innovation has significant small and medium enterprises performance. Because entrepreneurship knowledge helps in the development and growth of a sustainable competitive advantage, entrepreneurs with a positive attitude are better able to meet the changing demands of current customers in their business, and the need for entrepreneurial imagination for small and medium enterprises in Adamawa has arisen all over the world.

It further concludes that entrepreneurship idea generation has an influence on small and medium-scale performance in Yola metropolis, Adamawa State. Since analogy thinking helps entrepreneurs with a clear vision and imagination about the future of the business, brainstorming encourages entrepreneurs to take business problems into consideration from a different point of view. The scamper technique and creative thinking through testing and editing/revision make businesses successful, and employees interpersonal strategies promote their entrepreneurial idea generation and increase market performance.

Recommendations

The study recommends the following to assist in alleviating the problems identified in the course of this study:

1. There is a need for entrepreneurs to develop their mindset in planning their day-to-day business activities, as this will help them to have a positive attitude to meet the changing demands of current customers in their business and increase their independence and ability to reason beyond the immediate situation and plan for the future as a result of good thinking.
2. There is a need for the government to support entrepreneurs who innovate new products that will promote their businesses by providing them with the necessary support and empowerment needed to effectively harness and utilize these new innovations in order to be self-employed and promote the economy of Adamawa State.
3. Since entrepreneurship idea generation has influenced small and medium-scale performance in Yola metropolis, Adamawa State, Entrepreneurs are advised to generate more ideas that will promote their businesses through a clear vision, brainstorming, the scamper technique, creative thinking, and interpersonal strategies that, in turn, will increase sales volumes and market performance.

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