# Entrepreneurship Skills and Performance of Small and Medium Enterprises (SMEs) In South-East, Nigeria

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#### Abstract

This study examined the effect of entrepreneurship skills on the performance of SMEs in South-East, Nigeria. The study aimed to investigate; the effect of personality skills on product performance of SMEs and the effect of communication skills on sales performance of SMEs in South-East, Nigeria. Relevant literature were reviewed and the study was anchored on the Schumpeter's theory of innovation and opportunity-based theory. Descriptive survey research design was adopted. The survey instrument used in this study was structured questionnaire with 5 Likert scale response. The population of the study comprised 7061 registered SMES in South-East. The statistical formula by Borg and Gall was employed to determine the sample size of 1377. The instruments were subjected to face and content validity. The reliability of the questionnaire was established through the testretest and Cronbach Alpha. Simple percentage analysis was used in analyzing the research question. Hypotheses for the study were tested using Liner regression analysis. The result from the findings revealed that personality skills had a positive significant effect on product performance of Small and medium enterprises. Communication skills has a significant effect on sales performance of Small and medium enterprises. The study concluded that entrepreneurship skills had a positive significant effect on the performance of small and medium enterprises in in South-East, Nigeria. The study recommended that managements of organizations need to ensure that recruitment of the right job candidates should be based on s personality skills and experience. Business owners should be given some training and retraining of the skills involved in the use of these information technology facilities for effective business performance. The contributed to the theory and practice of entrepreneurship skills on the performance of small and medium enterprises as it relates to management and employees' behavioral outcomes in the small and medium enterprises sector.

Keywords: Personality Skills, Communication Skills, Product Performance and Sales Performance

### INTRODUCTION

Small and medium enterprises performance can be understood from a quantitative perspective: efficiency, financial results, level of production, number of customer market share, profitability, productivity, dynamics of revenues, costs and liquidity and also from a qualitative perspective: goals achievement, leadership style, employee behaviour customer satisfaction, product and process innovation, and marketing innovation (Gupta & Batra, 2016, Alpkan, Yilmaz, & Kaya, 2017, Zimon, 2018). Gopang, Nebhwani, Khatri, and Marri (2017), in their work, considered a series of indicators to describe Small and medium enterprises performance: reputation, productivity, employee satisfaction, profits, sales, prompt order delivery, sufficient working capital, effectiveness in operations of production, product quality, achievement of targets, number of clients, easiness in supervision, reduction in product cost and product diversification. It is not only the study of performance features that is important, it is also relevant to mention that focused on the factors that influence the performance of Small and medium enterprises through digital transformation. Entrepreneurship skills were designed to prepare recipients for entrepreneurship success in self-employment ventures. However, to attain and maintain entrepreneurial success requires certain skills. A skill is any established habit of performing a task in a way that is acceptable by a worker in his specialization. Omowumi (2022) defined skill as the ability and capacity acquired through deliberate, systematic and sustained effort to smoothly and adaptively carry out complex activities or job functions involving ideas (cognitive skills), things (technical skills) and people (interpersonal skills).

Entrepreneurship is founded on innovation with the propensity of opening novel business enterprises in different sections of the labour market. Jain (2023) defined entrepreneurship as behaviour, attitude and an approach to the way people create new values in the market, technology consumption, habits and build sustainable institutions and organizations entrepreneurship entails generating new investment opportunities and successfully harnessing untapped business ideas for productive purposes. Therefore, the inclusion of entrepreneurship studies in business entrepreneurship programmes is very commendable because it goes a long way in improving the quality of the products by equipping them with skills for entrepreneurship success on graduation. According to Ezenwafor and Olaniyi (2017), entrepreneurship skill is a carefully planned programme of instruction aimed at equipping managers with entrepreneurial skills and competencies to enable them start and effectively manage their business enterprises for survival and success. Osuala (2022) defined entrepreneurship skills as a programme or part of the entrepreneurship programmes that prepares individuals with skills to undertake the formation and/or operation of small business enterprises. Entrepreneurship skills is designed to produce proficient owners of small and medium scale business enterprises who would create jobs to increase the rate of entrepreneurship business in Nigeria.

In the context of entrepreneurial success, skill refers to the academic knowledge and practical competencies which are fundamental to the establishment and sustainable operation of SMEs (Ezenwafor & Onokpaunu, 2017). Skills go a long way in helping managers of entrepreneurial business become successful because they would do what is best for the growth and development of the enterprise. Thus, Ezenwafor and Olaniyi (2017) reported that human relation skills, innovative skills and problem-solving skills among others are required for entrepreneurial success. Correspondingly, Olusegun (2022) highlighted other skills such as financial, management,

communication, marketing, information and communication technology, creativity, risk-taking and decision-making skills as important for entrepreneurial business managers to be successful entrepreneurs. Although, researchers and authors have highlighted many skills needed for entrepreneurial success, this study focused on personality skills, communication skills, human relations skills, management skills and business skills.

Personality skills are skills that enable business managers to manage emotions, temperament, anger and personal interest. Raposo Matos-Ferreira, Finisterra do-Poo and Gouveja-Rodrigues (2018) opined that personality skills are motivational set skills that shape and motivate an individual to start-up a business venture. The fact that, the personality of individual has a lot to play in entrepreneurship necessitates the acquisition of personality skills because the possession of certain personality skills will propel an individual toward entrepreneurial exploration in its immediate environment.

Communication skills are skills that enable entrepreneurial business managers to express their opinions and transmit information within and outside the business environment. This is the ability of a business manager to clearly convey important messages to his superiors, subordinates, colleagues and clients or customers in the market place. Managers should be able to communicate well in order to sell their vision to investors, potential clients, team members, and others who are involved in promoting the enterprise in order to achieve success. From the foregoing, it is important for business to intensify the teaching of personality, communication, human relations and management as well as business skills in business entrepreneurship and entrepreneurship training programmes. This is because, without proper development of entrepreneurial skills in the recipients of business entrepreneurship and entrepreneurship programmes, their functions in the business world will be mismatch (Onyesom & Jegbefume, 2022). The essence of incorporating entrepreneurship skills into business become managers and owners of small and medium scale enterprises make use of everyday in their business. This noble purpose seems unrealistic given the alarming rate of unemployment and frequent collapse of business enterprises in the nation. Aremu and Adeyemi (2021) reported that 80 percent of SMEs in Nigeria fold within the first five years of operation. This could be why, Rosli (2021) asserted that knowledge gained from years of experience can assist SMEs owners to track their position, verify priorities as well as communicate and improve performance. It is in this light that this study was conceived to determine SMEs managers rating of skills needed for entrepreneurial success in South Eastern Nigeria

### **Statement of the Problem**

Entrepreneurship is drive and ability of an individual to provide innovative goods and services for profit purpose. Thus, entrepreneurship is a dynamic economic activity geared towards promoting and maintaining monetary resources of business minded individuals in any society. The ultimate benefit of setting up of entrepreneurship ventures is to tackle unemployment. Many entrepreneurship ventures die within their first five years of existence while some go into extinction between the sixth and tenth years. This leaves only a few of these ventures to survive and become successful. Researchers have acknowledged the existence of multifarious factors such as technological changes, societal changes, instability of government and poor policies among others affecting the life span of business enterprise. There are several external factors affecting the entrepreneurial success in Nigeria, the major factors are internal centre on lack of relevant skills. Many practicing entrepreneurs have the initiative to start a new venture but lack the tools, support

and skills needed to succeed. Entrepreneurial business manager are exposed to several skills that will enable them become successful entrepreneurs. Unfortunately, many of these entrepreneurial managers are searching for corporate and government jobs thereby increasing the already high unemployment rate in South-East, Nigeria despite the abundant entrepreneurship opportunities feasible in the region. The problem of this study, therefore, is that entrepreneurial business managers in South-east, Nigeria do not appear to be thriving in entrepreneurship as expected possibly due to lack of relevant skills among other factors. Researchers and authors have outlined personality, ICT, human relation, communication and management skills among others as necessary for entrepreneurial success. However, the extent each of these set skills are needed is likely to differ from state to another and one location to another. Hence, the study investigated the effect of entrepreneurship skills on performance of SMEs in South-East, Nigeria.

# **Objectives of the Study**

The main purpose of this study was to determine the effect of entrepreneurship skills on the performance of SMEs in South-East, Nigeria. Specifically, the study sought to:

- 1. Examine the effect of personality skills on product performance of SMEs in South-East, Nigeria
- 2. Investigate the effect of communication skills on sales performance of SMEs in South-East, Nigeria

# **Research Questions**

The following research questions guided the study.

- 1. To what extent does personality skills affect product performance of SMEs in South-East, Nigeria?
- 2. To what degree do communication skills affect sales performance of SMEs in South-East, Nigeria?

### **Hypotheses**

The following null hypotheses will be tested at 0.05 level of significance.

**H01:** Personality skills has no significant positive effect on product performance SMEs in South-East, Nigeria

**H02:** Communication skills has no significant positive effect on sales performance SMEs in South-East, Nigeria

#### REVIEW OF RELATED LITERATURE

### **Conceptual Review**

### **Entrepreneurial Skills**

Entrepreneurial skills are needed by managers for the development and running of their businesses (Papulová, 2017). It has been defined by Reza, Javadin, Amin, Tehrani and Ramezani (2010) as specialized technical knowledge that entrepreneurs should possess in order to perform their roles and these skills are acquired through learning and experience. Bolarinwa and Okolocha (2016) stated that entrepreneurial skills comprise a wide range of entrepreneurial competencies that are useful to youth entrepreneurs; such as knowledge, skills and personal traits. Amaikwu (2011) asserts that skill training and tertiary entrepreneurship exposes one to business opportunities and

lead to entrepreneurship behavior. It also helps inculcating self- confidence, self- esteem and participation in decision making on entrepreneurs which ensures their full participation in the household and community engagements (Rufai, Abdulkadir & Abdul, 2023).

Entrepreneurial skills are those normally associated with being an entrepreneur, although anyone can develop them. Being an entrepreneur usually means starting and building your own successful business, but people with entrepreneurial skills can thrive within larger organizations, too. Entrepreneurial skills are set of qualities and attributes in a personality of the managers that enable them to effectively manage the working of the organization Kamble (2011). Entrepreneurial skills also can be defined as specialised technical knowledge in certain jobs that managers should possess to perform their duties and roles by organizations where by people can be equipped with skills (Analoui & Al-Madhoun 2022). Entrepreneurial skills are acquiring and learning abilities. In other words, we can say that entrepreneurial skills are a set of behaviours that lead to effective job performance and without them in many cases the knowledge of managers do not have any effects. Katz (2022) defined entrepreneurial skills as the managers' ability to transform information and knowledge into practice. Ikegbusi and Eziamaka, (2016) defined entrepreneurial skills as the competencies required for effective and efficient planning, staffing, organizing, coordinating, controlling and decision-making. Entrepreneurial skills are the ability, knowledge and experience needed for the accomplishment of management tasks and for the attainment of organizational goals and objectives. In this wise, entrepreneurial skills refer to the ability to skillfully and successfully plan, supervise, organize, co-ordinate, control, make decision and initiate actions that would aid and encourage businesses to actualize set goals and objectives.

Entrepreneurial skill can be defined as the ability to create something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence (Hisrich& Peters, 2022). Entrepreneurial skill is the ability to of an individual to exploit an idea and create an enterprise (Small or Big) not only for personal gain but also for social and developmental gain. Formal descriptions/definitions characterize entrepreneurial skills as ability to have self-belief, boldness, tenacity, passionate, empathy, readiness to take expert advice, desire for immediate result, visionary and ability to recognize opportunity. Falobi and Ishola (2018) opine that implementation of entrepreneurial skills in Business entrepreneurship programme entails adequate resources. Ademiluyi (2017) defines entrepreneurship skills as business skills acquired by an individual to be able to function effectively as an entrepreneur in the unstable business environment or in self-employment.

**Personality Skills:** As most roles require people to work with others, personal skills are vital skills for most employees and job candidates. Most employees need basic personal skills, while people working closely with customers and colleagues need advanced personal skills. Highlighting your personal skills can help you secure employment and promotions. In this article, we explain what personal skills are, their importance and ways to improve and promote your personal skills. Personal skills are abilities that help people positively interact with one another. Sometimes called interpersonal skills or people skills, personal skills are soft skills. That means people acquire them naturally or through practice, rather than formal study. People get and develop personal skills by interacting and forming relationships with others. Personal skills help employees interact with customers, colleagues, supervisors and suppliers. People with good personal skills find communicating and collaborating with others easier. Forming connections easily through strong

personal skills can help you succeed and progress in your career. People with strong personal skills typically make the best first impressions on others. People with good personal skills also find maintaining relationships easier. Their personal skills bring cohesion and stability to the teams they're a part of employers prefer candidates with strong personal skills as they know they'll be assets to their business. People with strong personal skills help workplaces operate smoothly and make the lives of all employees easier. Their skills can boost the success of team projects, customer loyalty and profits. As personal skills are inherent, employers may hire applicants with less experience or technical skills than other candidates if their personal skills are very strong.

Communication Skills: Communication is an act of conveying meanings from one entity to another with the use of understood signs, symbols and rules. Communications skills, in a nutshell, are a set of activities you make giving and receiving various kind of information. Some of the examples of communicating are; expressing your viewpoint on a topic, updating new additions on your project, expressing feelings etc. Communication skills involve speaking, listening, observing and empathizing. It also helps to understand how to communicate by phone conversations, face-to-face interactions, digital communications like social media and email. Communication skills enable individuals to understand others and to be understood themselves. A variety of aspects are important in the context of these skills, such as listening, speaking, observing and empathy. In everyday life, these skills are required to communicate ideas to others, develop a confident attitude, respect for others and public speaking. Developing communication skills helps many people make progress in the workplace communication skill can assist in communicating an idea clearly. It is also crucial that company policy is carefully explained to customers and employees and that everyone within the organisation is on the same wavelength. To this end, it is essential that everyone has developed a certain level of these skills.

# Performance of Small and Medium Enterprises (SME)

Typically, performance is ultimate outcome expected in every business activity (Muhammad et al., 2019; Ahmed et al., 2018; Galdeano et al., 2018; Ahmed, Mozammel & Ahmed, 2018; Roespinoedji et al., 2019). SME performance is the total performance of the firm and is showed by the aggregate of performance of finance, business, and human resource functions of the organization in a given time. Firms formulate goals and objectives to be achieved within a given time frame. Performance measures the organizations' effectiveness against these set objectives. Thus, organizational performance refers to the ability of an organization to attain its goals such as high-profit margin, product quality, and larger market share, better financial results at a stipulated time and by applying the relevant strategy. Organizational performance has many dimensions which may be difficult to quantify (Rowley, 2011) opines that, both financial and non-financial indicators have been used to measure performance. The financial indicators were sales growth and percentage profit margin. In the service industry, employee productivity has been used as a measure of performance (Mishra, 2018). Gavrea, Ilies and Stegerean, (2011) SME performance shows the actual output or results of an organisation as measured against its proposed outputs (or goals and objectives). It is one of the most important variables in the field of management research today. Although the concept of SMEs performance

is very common in academic literature, its definition is not yet a universally accepted concept. Richard et al, (2016) view SMEs performance as comprises three specific areas of firm outcomes: financial performance (profits, return on assets, return on investment and others product market

performance (sales, market share, etc.); and shareholder return (total shareholder return, economic value added, others.

Waiganjo, Mukulu & Kahiri, (2016) note that SMEs performance may be assessed in terms of its multiple objectives of profitability, employee satisfaction, productivity, growth among many other objectives. Proponents of the balanced score card performance management system have suggested a broader performance appraisal approach that recognizes both the financial and non-financial measures including sales, profitability, return on investments, market share, customer base, product quality, innovation and company attractiveness. Richard et al. (2019) explains that SME performance includes the actual output or results of firms as measured against its intended outputs (goals and objectives). Kunze (2023), has defined SME performance as consisting of both SME and operational dimensions of performance. To survive and succeed in a potentially austere environment, Small and medium enterprises must effectively deploy and combine their physical, human and organisational assets. Thus, they will develop long-term competitive advantages and, in turn, achieve superior performance (Lonial & Carter, 2015).

### **Theoretical Framework**

Theoretically, this research hinged on Schumpeter's theory of innovation. Innovation Theory of Schumpeter was propounded by Joseph Schumpeter in (1949). The theorist proposed that entrepreneurship is the catalyst that disrupts the stationary circular flow of the economy and thereby initiates and sustains the process of development. Embarking upon new combinations of the factors of production - which Schumpeter succinctly called, innovation entails how the entrepreneur activates the economy to a new level of development. To Schumpeter, entrepreneurs are individuals motivated by a will for power; their special characteristic being an inherent capacity to select correct answers, energy, will and mind to overcome fixed talents of thoughts, and a capacity to withstand social opposition. Schumpeter introduced a concept of innovation as key factor in entrepreneurship in addition to assuming risks and organising factors of production. Schumpeter defined entrepreneurship as "a creative activity. An innovator who brings new products or services into economy is given the status of an entrepreneur. The theorist regards innovation as a tool of entrepreneur. The entrepreneur is viewed as the "engine of growth" and sees the opportunity for introducing new products, new markets, new sources of supply, new forms of industrial organization or for the development of newly discovered resources. The concept of innovation and its corollary development embraces five functions: The introduction of a new product with which consumers are not yet familiar with or introduction of a new quality of an existing product. The introduction of new method of production that is not yet tested by experience in the branch of manufacture concerned, which need by no means be founded upon a discovery scientifically new and can also exist in a new way of handling a commodity commercially. The opening of new market that is a market on to which the particular branch of manufacturer of the country in question has not previously entered, whether or not this market has existed before. Conquest of a new source of supply of raw material and carrying out of the new organisation of any industry

Schumpeter is the first major theorist to put the human agent at the centre of the process of economic development. Schumpeter is very explicit about the economic function of the entrepreneur. The entrepreneur is the prime mover in economic development; his function, to innovate or carry out new combinations. Schumpeter makes a distinction between an innovator and an inventor. An inventor discovers new methods and new materials. On the contrary, an

innovator is one who utilizes or applies inventions and discoveries in order to make new combinations. An inventor is concerned with his technical work of invention whereas an entrepreneur converts the technical work into economic performance. An innovator is more than an inventor because he does not only originate as the inventor does but goes much farther in exploiting the invention commercially

Schumpeter Innovation theory has some relationship with the current study in that when business entrepreneurship graduates would enter the business space with innovate skills to create, introduce and market new products that would enhance their entrepreneurial success in Nigeria, particularly South-East, Nigeria. Going by this theory, business entrepreneurship graduates will need to require innovation, foresight, and creativity that have kept small and medium scale enterprises managers successful in South-East, Nigeria.

The Innovation Theory focuses on an entrepreneur, who is an adaptable and can overcome all sorts of economic difficulties and obstacles. But in social and political field, he may be quite weak. Therefore, Schumpeter's regards for innovations as the main cause of economic development is far from reality because economic development of a country does not depend on innovations only but also on many economic and social factors. As a result of these drawbacks, the next theory, opportunity-based theory is reviewed.

# **Empirical Studies**

Empirical studies that are relevant to this study are reviewed under this section. Yahya, Fatt, Othman, Rahman and Moen (2021) investigated management skills and entrepreneurial success of small and medium enterprises (SMEs) in the services sector. Two research questions and two null hypotheses were formulated for the study. The design of the study was descriptive survey. A random sampling method was adopted to select a sample size of 500 entrepreneurs of SMEs in the services sector in Malaysia. A structured and validated questionnaire was used for data collection. Reliability coefficient of 0.87 was established using Cronbach alpha. Mean and standard deviation were used to answer the research questions while t-test and stepwise regression procedures were employed to test the null hypotheses at 0.05 level of significance. Findings of the study revealed that careful budgeting skills, management expertise skills, skills to focus on quality and design of the product or service and skills to arrange organizational structure to be more horizontal were needed for entrepreneurship success. The study also disclosed that planning skills, skills to ensure that financial records are maintained, clear goals and objectives setting skills, skills to detect changes in the market, skills to act quickly (responsiveness), skills to obtain market share that suits the size and capability, skills to secure capital, skills to prepare master plan, good cost control skills, skills to efficiently control and plan changes in the number of employee among others were needed for entrepreneurial success. The study concluded that for SMEs and their entrepreneurs that operate in the services sector in Malaysia, high entrepreneurial success was associated with high operating skills, skills to obtain market share that suits the size and capability, and skills to offer more special service are important. The study recommended among others that entrepreneurs should learn how to have a solid organizational structure, delegate responsibility and nurture management capabilities are also management skills that determine business success.

Ezeani, Ifeonyemetalu and Ezemoyih (2022) examined the entrepreneurial skills required by business related graduates for successful operation of a business enterprise in Enugu commercial centre and environs. Specifically, the study examined the management skills, marketing skills, and accounting skills required by business related graduates for successful operation of a business

enterprise. Three research questions and three hypotheses directed the study. The study employed a survey research design and 300 SMEs managers registered with the chamber of commerce and industry in Enugu constituted the research population. A modified 4-point Likert rating scale made up of 29 structure questionnaire items was used in generating data for the study, while the instrument had a reliability co-efficient of 0.70 using test re-test method. Research question were answered using mean and standard deviation while ANOVA was used to test the hypotheses at 0.05 level of significance. The finding revealed that business related graduates required core managerial skills for successful operation of a business enterprise. The capital based of the managers are not source of significant difference regarding the management, marketing and accounting skills required for successful operation of a business enterprise. The study concluded that business related graduates require management to enable them successfully establish, manage and run a business enterprise of their own after graduation. It was recommended among others that the business related curriculum should be reviewed with a view of dropping old courses that are no longer relevant, while new courses which have relevancy with the demands of the present day society be introduced to ensure the production of business graduates that can face the challenges emanating from employment opportunities and being able to establish, manage and operate business enterprisers of their own.

Olakitan and Banabo, Ndiomu and Koroye (2021) determined the human resource management skills required of tertiary institution administration in Niger Delta states of Nigeria. Four research questions and four null hypotheses were raised for the study. The study adopted a survey research design. The population for the study consisted of 20 senior lecturers, 34 lecturers below senior cedre and 184 non-teaching staff from the 20 tertiary institutions in the four states of South, South zone. The entire population of 238 was studied without sampling. A structured and validated 55 item questionnaire was used for data collection. The instrument internal consistency was determined using Cronbach alpha, which has reliability of 0.89. The research question data were answered using mean and standard deviation while t-test was used to test the hypotheses at 0.05 level of significance. The study found out that staffing skills, training and development skills, motivation skills and employee maintenance skills were required of technical college administrators for human resource management. The result of the four null hypotheses tested showed that respondents did not differ significantly in their mean ratings on the staffing skills, training and development skills, motivation skills and employee maintenance skills were required of technical college administrators for human resource management. The study concluded that, the achievement of the production of highly skilled graduates is linked to proper management of human resources. The study recommended among others that, managers of organization, including entrepreneurship institutions, must show a high level of commitment that guarantee care for employees well-being to increase their commitment to the organizational ideas and goals.

Imeokparia and Ediagbonya (2022) investigated human relations skills possessed by business entrepreneurship graduates for entrepreneurship. Four research questions and three hypotheses guided the study. A survey research design was adopted for the study. The population for the study consists of 130 business entrepreneurship graduates that are from the different higher institutions currently in M.Ed programme in the University of Benin, Edo State. A sample size of 60 was selected using simple sampling technique. A structured and validated questionnaire was used for data collection. Reliability coefficient of 0.79 was established using test re-test method. Mean and standard deviation were used to answer the research questions while Analysis of Variance

(ANOVA) was used to test the null hypotheses. The findings of the study revealed that business entrepreneurship graduates possess enough human relations skills in accounting and secretarial offices. The researchers concluded that the current level of human relations skills possessed by business entrepreneurship graduates are just okay for them to secure employment in the world of work. It was recommended among others that business entrepreneurship students and graduates should seek relevant professional trainings from recognized and registered professional bodies both within and outside the country like Nigerian Institute of Management (NIM), Institute of Chartered Secretaries and Administrators (ICSA), Institute of Chartered Accountants of Nigeria (ICAN) and Institute of Personnel Management (IPM) in order to possess advanced human relations skills needed by 21st century employer of labour.

Akanbi (2021) conducted a research on the investigation of personality on entrepreneurial success. The study sought to examine the impact of gender, locus of control and risk-taking behaviour on the success of an entrepreneur. Six hypotheses guided the study. Descriptive survey design was adopted for the study. The participants in this study were 35 solo entrepreneurs located around Agbowo, University of Ibadan area, Ibadan, Oyo State, Nigeria was studied without sampling. A structured and validated questionnaire was used for data collection. Cronbach alpha statistics was used to establish a reliability coefficient of 0.87 for the instrument Independent t-test, analysis of variance and multiple regression were used to test the hypotheses at 0.05 level of significance. The results showed that risk-taking behaviour and locus of control had no significant interaction effect on entrepreneurial success. There was also no significant difference between risk-taking behaviour and entrepreneurial success. The findings showed that a significant difference existed between internal locus of control and entrepreneurial success. The study also showed that there was no significant difference in the entrepreneurial success based on gender differences and disclosed that personality skills were needed for successful and innovative entrepreneurship venture. On the basis of the findings, the researchers concluded entrepreneurs must take cognizance of their personality because it goes a long way to determine the success or failure of their business enterprise. The study recommended among others that, entrepreneurs should maintain positive attitude when dealing with customers in order to grow their venture.

Akande (2021) investigated the effect of accounting skills on entrepreneur performance for the success of small businesses in Ogun State, Nigeria. The study focused on the effect of business financial skills on small business. Four research questions and one hypothesis were formulated to guide the study. Descriptive survey design was adopted for the study. A simple random sampling technique was used to select a total of 140 small business owners that constituted the sample population. A structured questionnaire was used for data collection. The internal consistency of the instrument was determined using test re-test method which yielded reliability co-efficient of 0.71. Simple frequency was used to answer the research questions and chi-square was used to test the hypotheses at 0.05 level of significance. Findings revealed that most entrepreneurs of small businesses needed the ability to prepare cash flow statement; determines optimal financing strategy and take major financial decisions that affect their business enterprise performance. A non-significant difference between SMEs managers on business financial management skills needed for small businesses success was also discovered. The researchers concluded for small business development, SMEs owners and entrepreneur need to acquire basic business financial management skills. It was recommended among others that; government should make it mandatory for small

business owners to prepare financial statement for performance monitoring so as to be able to assess their performance regardless of tax assessment motive.

Okeke and Okaforcha (2020) ascertain the extent entrepreneurship supervisor skills and SMEs performance in Anambra State. Two research question and two null hypotheses guided the study. Corelational research design was adopted. The population of the study was made up of 6,342 entrepreneurships while the sample for the study was 634 entrepreneurships. Two instruments developed by the researchers were used in data collection. The two instruments were validated by three experts. The reliability of the instrument was established through a trial-test in entrepreneurship in Enugu State. The reliability indices of the instruments using Cronbach alpha method were 0.72 and 0.80 for QPMS and TEQ respectively. The researchers administered the instruments directly on the respondents. Pearson Product Moment correlation coefficient was used in answering while simple regression was used in testing the null hypothesis at 0.05 level significance. Findings indicated that entrepreneurship supervisory skills has positive significant relationship with SMEs performance in Anambra State schools

Giami and Obiechina, (2019) examined entrepreneurship supervisory skills and SMEs performance in Rivers State, Nigeria. Three research questions and three hypotheses guided the study. The study adopted a correlational survey design. The population of the study comprised all the entrepreneurship min Rivers State. The sample size for the study was 589 entrepreneurship using the stratified random sampling technique. Two self-constructed instruments titled: entrepreneurship Managerial Skills Scale and SMEs performance in were used to collect data. Face and content validities of the instruments were ensured. The Cronbach alpha reliability estimates of EMS and SMEP were given as 0.78 and 0.89 respectively which guaranteed the use of the instruments for the study. Pearson Product Moment Correlation Coefficient (PPMCC) was used to answer the research questions while z-ratio was used to test the null hypotheses at 0.05 alpha level. The findings revealed that there is a high positive significant relationship between entrepreneurship managerial skills namely; conceptual, human and technical and SMEs performance in Rivers State, Nigeria.

#### **METHODOLOGY**

This study adopted descriptive survey research design. According to Nworgu (2015), descriptive survey research design involves the collection of opinions, attitudes or feelings of a population or its representative sample using questionnaire or interview to explain existing phenomenon. Descriptive survey research design is considered most appropriate for the study because a questionnaire was used to collect the opinions of SMEs managers on skills needed by business entrepreneurship graduates for entrepreneurial success in South-eastNigeria. This study was carried out in South East, Nigeria. South East is one of the six geopolitical zones of Nigeria representing both a geographic and political region of the country's inland southeast. It comprises five States – Abia, Anambra, Ebonyi, Enugu, and Imo State. The population of the study comprised 1377 SMES in South-East. The entire population was use as the sample size. Therefore, is 1377. The instrument for data collection is a structured questionnaire titled "Entrepreneurial Skills and Performance of SMES Questionnaire" (SESQ). The questionnaire adopted 5 point Likert rating scale which was measure the level of agreement and disagreement with a particle statement to tap the situation or phenomena. The Likert rating scale was wighted thus: 4(strongly agree), 3 (agree), 2 (disagree), 1 (strongly disagree). The instrument for data collection was subjected to

face validity by three experts. The reliability of the instrument was determined through a test-retest and Cronbach Alpha with Alpha co-efficients of 0.80 and 0.85 were obtained. This is high enough for the instrument to be considered reliable. Descriptive statistics of mean and standard deviation was used to answer the research questions and determine the homogeneity or otherwise of the respondents' views. The decision on the research questions was based on the cluster means relative to the real limits of numbers. The need to enhance easy comprehension and analysis prompted the use of simple percentage analysis in analyzing research question through distribution table to present the data gathered. Liner regression analysis was conducted to assess the relative predictive power of the independent variables on the dependent variable. The statistical package for social sciences (SPSS) version 23 was employed to test the hypotheses at 0.05.

### DATA PRESENTATION AND ANALYSIS

The data generated in this study were presented and analyzed in three main sections namely, demographic data of the respondents, answer to the research questions and test of hypothesis. In doing the analysis, frequency tables and simple summary statistics were used to analyze the demographic characteristics of the respondents and the research questions which were structured to take the format of the Likert scale. Liner regression analysis were used to test and verify the various null hypotheses formulated to guide the objectives of the study and strengthen the analysis. 1036 copies of the questionnaire were issued out, 1021 were completed and returned thus showing a response rate of 74 percent were return. The table also shows that 1021copiesof valid questionnaire were return. 300 copies of questionnaire were missing showing 22 percent response rate while 56 copies of questionnaire were invalid showing 4 percent response rate.

# **Analysis of Research Question**

**Research Question One:** To what extent does personality skills affect product performance in Small and medium enterprises South-East in Nigeria?

Table 4.6: Response on the effect of personality skills and product performance

S/N	Items of the Questionnaire	Alternative Responses			Total		
		SA	A	D	SD	UND	
1.	Personality skills like moderate	459	500	30	20	12	1021
	risk-taking propensity	(45.0%)	(49.0%)	(2.9%)	(2.0%)	(1.2%)	(100.0)
2.	Personality skills enhance locus of	441	493	36	31	20	1021
	control of an individual in	(43.25)	(48.35)	(3.55)	(3.0%)	(2.0%)	(100.0)
	organizations						
3.	Personality skills associated with	457	478	45	21	20	1021
	both business creation and	(44.8%)	(46.8%)	(4.4%)	(2.1%)	(2.0%)	(100.0)
	entrepreneurship success						
4.	Personality skills improves	461	500	25	20	15	1021
	business conscientiousness and	(45.2%)	(49.0%)	(2.4%)	(2.0%)	(1.5%)	(100.0)
ī	emotional stability						

5.	Personality skills moderate risk- taking propensity and preference for energetic		501 (49.1%)	31 (3.0%)	19 (1.9%)	12 (1.2%)	1021 (100.0)
	Total	2276	2472	167	111	79	1021
		(44.6)	(48.2)	(3.3)	(2.2)	(1.5)	(100.0)

Source: Researcher's Field Survey, 2024

The analysis in Table 4.9 shows presents effect of Personality skills affect product performance in Small and medium enterprises in South-East in Nigeria. Regarding the issue bordering on the Personality skills like moderate risk-taking propensity, 459 (45.0%) of the total sample strongly agreed, 500 (49.0%) agreed. However, 30 (2.9%) disagreed, 20 (2.0%) strongly disagreed and 12 (1.2%) were undecided. On whether the personality skills enhance locus of control of an individual in organizations, 441(43.25) respondents strongly agreed and 493(48.35) agreed. On the other hand, 36(3.55) respondents disagreed, 31 (3.0%) strongly agreed and 20 (2.0%) were undecided. On questions that bordered on whether personality skills associated with both business creation and entrepreneurship success, 457(44.8%) respondents strongly agreed and 478(46.8%) agreed. Conversely, 45(4.4%) disagreed, 21 (2.1%) strongly disagreed and 20 (2.0%) were undecided. On whether personality skills improve business conscientiousness and emotional stability, 461(45.2%) respondents strongly agreed and 500(49.0%) agreed. On the other hand, 25 (2.4%) disagreed, 20 (2.0%) strongly disagreed and 15 (1.5%) were undecided. The result on Table 4.3.1 indicates that 458 (44.9%) respondents strongly agreed that personality skills moderate risk-taking propensity and preference for energetic, 501(49.1%) agreed, 31 (3.0%) disagreed, 19 (1.9%) strongly disagreed and 12 (1.2%) were undecided. Using a cutoff point of 2.50 for the rating scale, all the items had mean scores above the cutoff point. This implies that effect Personality skills affects product performance in Small and medium enterprises in South-East in Nigeria.

**Research Question Two:** To what degree does Communication skills affect sales performance in manufacturing company South-East in Nigeria?

Table 4.7: Communication skills and sales performance

S/N	Alternative Responses				Total		
		SA	A	D	SD	UND	
1.	Entrepreneurial constant use of	452	487	37	25	20	1021
	non-verbal and writing skills with	(44.3%)	(47.7%)	(3.6%)	(2.4%)	(2.0%)	(100.0%)
	clear, and concise language						
2.	Entrepreneurial always make use	453	489	32	25	22	1021
	of active listening and hearing skill	(44.4%)	(47.9%)	(3.1%)	(2.4%)	(2.2%)	(100.0)
	in order to reduce						
	misunderstanding						

3.	Entrepreneurial use open-ended		469	40	31	20	1021
	question when in doubt to get	(45.2%)	(45.9%)	(3.9%)	(3.0%)	(2.0%)	(100.0)
	information						
4.	Entrepreneurial adequate use of	501	455	25	20	20	1021
	inter-personal communication	(49.1%)	(44.6%)	(2.4%)	(2.0%)	(2.0%)	(100.0)
5.	Entrepreneurial constant use of	450	501	25	25	20	1021
	non-verbal and writing skills with	(44.1)	(49.1)	(2.4)	(2.4)	(2.0)	(100.0)
	clear, and concise language						
	Total	2317	2401	159	126	102	5105
		(45.4)	(47.0)	(3.1)	(2.5)	(2.0)	(100.0)

# Source: Researcher's Field Survey, 2024

Note: (SA = Strongly Agree; A = Agree; D = Disagree; SD = Strongly Disagree and UND = Undecided).

The analysis in Table 4.9 shows presents effect of communication skills on sales performance in Small and medium enterprises in South-East, Nigeria. Regarding the issue bordering on the entrepreneurial constant use of non-verbal and writing skills with clear, and concise language, 452(44.3%) of the total sample strongly agreed, 487(47.7%) agreed. However, 37 (3.6%) disagreed, 25 (2.4%) strongly disagreed and 20(2.0%) were undecided. entrepreneurial always make use of active listening and hearing skill in order to reduce misunderstanding, 453(44.4%) respondents strongly agreed and 489 (47.9%) agreed. On the other hand, 32 (3.1%) respondents disagreed, 25 (2.4%) strongly agreed and 22 (2.2%) were undecided. On questions that bordered on whether entrepreneurial use open-ended question when in doubt to get information, 461 (45.2%) respondents strongly agreed and 469(45.9%) agreed. Conversely, 40 (3.9%) disagreed, 31 (3.0%) strongly disagreed and 20 (2.0%) were undecided. On whether entrepreneurial adequate use of inter-personal communication, 501 (49.1%) respondents strongly agreed and 455(44.6%) agreed. On the other hand, 25 (2.4%) disagreed, 20 (2.0%) strongly disagreed and 20(2.0%) were undecided. The result on Table 4.3.2 indicates that 450 (44.1) respondents strongly agreed that entrepreneurial constant use of non-verbal and writing skills with clear, and concise language, 501 (49.1) disagreed, 25 (2.4) strongly disagreed and 20(2.0) were undecided. Using a cutoff point of 2.50 for the rating scale, all the items had mean scores above the cutoff point. This implies that communication skills affect sales Small and medium enterprises in South-East, Nigeria

# Test of Hypotheses Hypothesis One

Ho: Personality skills has no positive significant effect on product performance of Small and medium enterprises in South-East, Nigeria

Ho<sub>1</sub>: Personality skills has a positive significant effect on product performance of Small and medium enterprises in South-East, Nigeria

Table 4.4.1: Regression analysis showing the effect of Personality skills and product performance of Small and medium enterprises

Model	Unstand Coeffi		Standardized Coefficients	T	Sig.
	В	Std. Error	Beta (β)		
Product performance	34.044	2.662		12.786	.000
Personality skills	2.752	.168	.636	16.431	.000

# \*p<0.05

Table 4.4.1 revealed that personality skills has a positive significant effect on product performance of Small and medium enterprises in South-East, Nigeria. (t =16.431,  $(\beta)$ .636 p<0.05). The null hypothesis is rejected. The table indicates a significant multiple correlation between the predictor variable (personality skills) and product performance of Small and medium enterprises in South East, Nigeria (r = 0.636, p<0.05). The value of the coefficient of determination ( $R^2$ = 0.404) indicates that personality skills accounted for about 40.4% ( $R^2$  x 100) of the observed variance in product performance of Small and medium enterprises in South East Nigeria, while the remaining 59.6% unexplained variance is largely due to other variables that can account for product performance of Small and medium enterprises in South East, Nigeria. The calculated F-ratio (269.971) is statistically significant at 0.05 level of significance. This implies that the predictor variable provides a significant explanation for the variation in product performance of Small and medium enterprises in South East, Nigeria.

# **Hypothesis Two**

Ho: Communication skills has no significant positive effect on sales performance of small and medium enterprises in South-East, Nigeria

Ho<sub>1</sub>: Communication skills has a significant effect on sales performance of Small and medium enterprises South-East in Nigeria.

Regression analysis showing the effect of Communication skills of sales performance in of Small and medium enterprises

Model	Unstand Coeffi		Standardized Coefficients	T	Sig.	
	В	Std. Error	Beta (β)			
Sales Performance	36.496	1.834		19.901	.000	
Communication skills	2.696	.119	.750	22.613	.000	

 $Multiple \ R=0.750, \ Multiple \ R^2=0.562, \ Adjusted \ R^2=0.561, \ F_{1.398}=511.350$ 

# \*p<0.05

The table revealed that communication skills has a positive significant effect on sales performance of Small and medium enterprises South-East in Nigeria. (t =22.613,  $\beta$ .750 p<0.05). The null hypothesis is rejected. The table indicates a significant correlation between the predictor variable

(communication skills) and sales performance of Small and medium enterprises in South East Nigeria (r = 0.750, p<0.05). The value of the coefficient of determination ( $R^2 = 0.562$ ) indicates that communication skills accounted for about 56.2% ( $R^2 \times 100$ ) of the observed variance in sales performance of Small and medium enterprises in South East Nigeria while the remaining 43.8% unexplained variance is largely due to other variables outside the regression model which are otherwise included in the stochastic error term. The calculated F-ratio (511.350) is statistically significant at 0.05 level of significance. This implies that the predictor variable provides a significant explanation for the variation on sales performance of Small and medium enterprises in South East Nigeria.

# **Summary of findings**

The result of the analysis shows that:

- 1. Personality skills has a positive significant effect on product performance of Small and medium enterprises in South-East, Nigeria.
- 2. Communication skills has a significant effect on sales performance of Small and medium enterprises South-East in Nigeria.

### **Conclusion**

This study examined the effect of entrepreneurship skills on the performance of small and medium enterprises in in South-East, Nigeria. Data were sourced from primary sources and were analyzed using Liner regression analysis, the result shows that personality skills has a positive significant effect on product performance of Small and medium enterprises; communication skills has a significant effect on sales performance of Small and medium enterprises of Small and medium enterprises in South-East, Nigeria. Therefore, the study concluded that entrepreneurship skills had a positive significant effect on the performance of small and medium enterprises in South-East, Nigeria.

### Recommendations

In line with the findings of the study, following recommendations are proffered:

- 1. Managements of organizations need to ensure that recruitment of the right job candidates should be based on s personality skills and experience. In fact, selecting the wright candidates with the wright personality skills will not only influence the overall organizational performance but also evaluation of organizational performance.
- 2. Business owners should be given some training and retraining of the skills involved in the use of these information technology facilities for effective business performance.

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