

## Proactiveness and Organizational Resilience among Small Scale Business in Lagos State

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### ABSTRACT

*The focus of this study was to examine the impact of proactiveness on organizational resilience among Small and Medium-sized Enterprises (SMEs) operating in Lagos State, Nigeria. One of the major drivers of economic growth in any nation is the small and medium scale enterprise sector. Proactiveness is an element of entrepreneurial orientation which enables a business organization to easily identify business opportunities in the market place thereby keeping them ahead of competition for relevance in the market. This study adopts a descriptive research design using a sample size of 500 business owners from various SME sectors a self-structured questionnaire was used as the research instrument. The finding of this study shows that there is a positive correlation between business organization proactiveness and organizational resilience. This implies that proactiveness positively influence organizational resilience among small and medium scale enterprises in Lagos state. The study therefore recommends that business owners especially the start-up show always respond raptly to issues that will make them stay relevant in the market place. This include introducing innovative ideas to their business on regular basis.*

**Keywords:** Proactiveness, Organizational Resilience, Small and Medium Scale Enterprises (SMEs)

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### INTRODUCTION

Entrepreneurial orientation and organizational resilience have surfaced as factors that provide entrepreneurs with protection against the risks posed by challenges or changes in the business environment. In Irvine and Anderson`s (2016) term, "entrepreneurial resilience" refers to the capability of a firm or business to endure threats as well as challenges and its potential to quickly rebound and restore itself to its initial condition following disruptions or disturbances. Resilience is the dynamic ability of entrepreneurs to continually pursue future goals despite the unpredictable market conditions, relying on adaptation and flexibility. Also, entrepreneurial failure may arise from factors outside the entrepreneur's control, even when meticulous planning and calculations have been undertaken. (Bullough and Renko, 2013).

One of the elements of entrepreneurial orientation is business proactiveness. According to Baba and Nwuche (2021), proactiveness affords organizations a more substantial and competitive positioning within their environment and markets as it not only builds on feedback from the environment, it tends to also allow for the adoption of measures best suited in ensuring the organization remains abreast and aware of its environment, drives its capacity for change responsiveness and adaptability and also ensures organizations effectively address their

vulnerabilities in a manner that assures them of operational continuity (Al-Omouh, Simón-Moya, & Sendra-García, 2020).

The enduring viability of a nation hinges on the enduring viability of its small and medium enterprises (SMEs), given their pivotal contribution to job generation and economic expansion. It is essential to comprehend how entrepreneurs endure uncertainty and what motivates them to engage in entrepreneurship during challenging periods. Resilience pertains to the capacity to adjust and remain unwavering in the face of challenging conditions. According to Reivich and Shatte (2002), Business resilience encompasses a company's capability towards surpassing expectations amidst a crisis while also upholding the ethical, societal, and political values embedded in the foundational culture of the business. Entrepreneurs can enhance their resilience by fostering stronger networks, both through connecting with professional coaches and mentors and by embracing change as an inevitable aspect of life. Viewing crises as surmountable challenges is also crucial. Understanding how entrepreneurs navigate uncertainty and stay motivated during difficult periods is essential. High stress, obstacles, and uncertainty about business outcomes often weigh heavily on entrepreneurs' minds (Ligthelm, 2012).

The undertaking of entrepreneurial activities can be highly demanding since entrepreneurs often need to make decisions based on uncertainties and difficult circumstances, taking risks to achieve profitability and success. Consequently, a lack of resilience in an entrepreneur while making decisions can lead to unproductive outcomes, which ultimately hinders business survival (Singh and Pavlovich, 2021). Moreover, an inadequate management system has an adverse effect on an entrepreneur's self-assurance and impedes the expansion of their business. The willingness to adopt innovative business concepts and embrace risks becomes burdensome. SMEs are particularly vulnerable and lack the resilience necessary to navigate the ever-evolving economic environment and global rivalry. As a result, it becomes imperative to enhance the competitive edge of SMEs in the marketplace. Ensuring vigilant oversight of their operations and maximizing the use of all accessible resources, particularly informational resources, becomes paramount for their survival and prosperity amidst intense market rivalry (Oladimeji et al., 2017).

A substantial portion of enterprises consists of Micro businesses, Small business, and Medium-scale businesses (MSMEs), playing a vital role in employment generation by engaging over 65% of the workforce. The vitality of the business sector holds immense importance for the advancement of the nation and the sustenance of its job creation dynamics. However, these enterprises are vulnerable to disasters and associated risks, irrespective of their scale. Many of these businesses lack an understanding of the advantages offered by long-term resilience development and face limitations in effectively managing disaster risks due to constraints in finances, human resources, and technical capabilities (Ligthelm, 2021).

Resilience is usually triggered by situations of crisis called “disasters” which can be unexpected and potentially traumatic (Akanbi and Ofoegbu, 2011). Therefore, for small and medium enterprises (SMEs) to withstand challenges and maintain their competitiveness within a demanding business environment, it becomes essential to prioritize an enhanced comprehension and awareness of the competitive factors that shape and impact the environment. The main aim of this study is to explore the correlation between entrepreneurial orientation and organizational resilience among small-scale enterprises situated in Lagos state.

### **Statement of the Problem**

Achieving resilience is challenging yet highly sought after by entrepreneurs. The business environment presents numerous hurdles for SMEs, causing setbacks in their performance. The heightened competitiveness prevalent in the business environment has added

to the challenges faced by SMEs in their quest for success. Failing to adapt to certain delicate and financial consequences can lead to significant financial issues for ventures (Branzei, and Abdelnour, 2020). The potential devastation resulting from a failed venture can push entrepreneurs towards engaging in illicit business activities. Furthermore, acquiring resources for entrepreneurial endeavors has become more challenging due to the limitations entrepreneurs face. The declining dynamism in Nigerian businesses is causing growing concerns. The increasing failure rates in the entrepreneurship sector indicate that the entrepreneurial journey is far from effortless. However, despite the challenges, the pursuit of entrepreneurship remains worthwhile due to the economic value it brings, including job creation and innovation. (DeTienne, Shepherd, and De Castro, 2008).

SMEs face a significant and daunting obstacle in managing change due to the impact of globalization, population shifts, technological advancements, and evolving marketing trends. As a result, contemporary managers are required to face and adjust to these continuous shifts in the business environment. Grasping these dynamics is imperative to secure a competitive advantage in the marketplace (Haswell, and Holmes, 2019; Mitchell et. al.2002). this study therefore attempt to investigate the impact of business proactiveness on the organizational resilience among SMEs in Lagos State

### **Objective of the Study**

The primary aim of this study is to investigate the impact of pro-activeness on organizational adaptiveness among small scale enterprises in Lagos state.

### **Research Questions**

The following research question will guide this study:

- i. What is the impact of pro-activeness on organizational adaptability of SMEs in Lagos State?

### **Research Hypotheses**

For the purpose of this research study, the following null hypothesis is formulated:

H01. There is no significant relationship between pro-activeness and organizational adaptability of SMEs in Lagos State.

## **LITERATURE REVIEW**

### **Small and Medium Enterprises (SMEs) in Nigeria**

As described by Akanbi and Ofoegbu in their study conducted in 2011, SMEs plays a crucial role and serve as a noteworthy intermediate factor in driving the progress, advancement, and enlargement of contemporary global economies. They stand as the foundational elements and crucial supporters in both well-established and emerging nations across the world, constituting approximately 80% of global industries. Consequently, they possess the potential to foster wealth generation and job creation within countries. The economic well-being of any country relies considerably on the input of SMEs. Their influence on enhancing living standards and alleviating poverty among nations has been substantial. As stated by Kazungu (2018), SMEs not only enhance productivity but also play a pivotal role in driving the socio-economic expansion, growth, and expansion of nations.

SMEs play an important part in facilitating a nation's enduring progress. The indicators of a nation's sustained advancement encompass both economic and societal elements. The viability of SMEs has a pivotal impact on the generation of employment, the mitigation of poverty, and the maintenance of sustainable economic expansion. Throughout the years, the Nigerian economy has acknowledged the indispensable position occupied by SMEs. However, deliberations persist concerning the potential and difficulties encountered by entrepreneurs within this pivotal economic sector. On a global scale, enterprises encounter substantial financial challenges as they navigate their way towards sustainability (Betakova et. al. 2014).

With an immediate priority, SMEs must proactively seize opportunities and adapt to evolving circumstances by making product adjustments and embracing novel technologies whenever they arise.

The marketing environment in Nigeria exhibits unpredictability, uncertainty, and a constantly evolving nature, primarily driven by the surge of globalization, swift technological progress, diverse cultural influences, and other transformative market factors. These factors have resulted in increased competitive challenges. For SMEs, leveraging a competitive edge within such an environment becomes exceedingly challenging (Recia 2016).

The escalating impacts of globalization, coupled with the swift technological advancements, stand as pivotal contributors to the process of worldwide economic integration. Various dimensions of entrepreneurial endeavors are influenced by this progression. Navigating the entrepreneurial journey can be notably demanding, given that entrepreneurs often find themselves making decisions amid perplexing and intricate circumstances, risking profitability and success. Hence, the absence of resilience in an entrepreneur during decision-making can lead to unproductive outcomes, overshadowing business performance and jeopardizing its continuity (Singh and Pavlovich, 2021).

Furthermore, an ineffective management system undermines an entrepreneur's self-assurance and hampers business growth, resulting in a reluctance to embrace fresh business concepts, initiate entrepreneurial ventures, and undertake risks. Through the cultivation and development of available resources, indigenous businesses can bolster regional resilience, nurturing stability and long-term sustainability within the locality (Santos, Caetano, and Curral, 2016). These enterprises also have the capacity to inform and guide consumers while also serving as advocates for the advancement of sustainable progress (Potts, 2020). Successful entrepreneurs establish business goals in the midst of a competitive and ever-changing business environment. Frequently, entrepreneurs encounter insufficient, unclear, and perpetually changing information. In such situations, entrepreneurs who demonstrate resilience and flexibility tend to achieve success more effectively, largely because of their preparedness to face and overcome challenges (Ayala and Manzano, 2014).

### **Pro-activeness**

Proactiveness pertains to the inclination of enterprises to adopt a proactive marketing strategy as the foremost approach, aiming to introduce novelty in products, processes, technologies, and services that surpass competitors' offerings (Yu-Ming et. al. 2018). Proactiveness is the tendency of firm to take initiative to compete aggressively against its competitors. It is the tendency to seize new opportunities in the business world. This is ability of an entrepreneur or manager of a business organization to act in anticipation of future problems, needs or change in the business. To attain a competitive edge, organizations need to capitalize on the market ahead of their competitors by introducing innovations and products that confer a leadership edge. (Jia et. al., 2016). Consequently, businesses endowed with proactiveness tend to recognize new opportunities in the market more promptly, take swift actions on these opportunities, and consequently implement innovative enhancements to their operations. (Wiklund et. al. 2015, as cited in Yu-Ming, et al. 2018).

Enterprises characterized by proactiveness are anticipated to exhibit strengthened environmental scanning abilities, improved capacity to identify opportunities, and enhanced discovery skills when contrasted with other enterprises (Anand and Khanna, 2020, as cited in Yu-Ming, et al., 2018). In the face of potential growth prospects, firms are positioned to proactively gather information resources from external sources (competitors, customers, markets, etc.) (Keh et. al. 2017, and Yu-Ming, et al., 2018). Endowed with a heightened absorptive capacity, firms can accurately and expeditiously comprehend these information

resources, seamlessly integrate them with their existing knowledge, and thereby catalyze the conversion of novel insights. This increased efficiency in transforming knowledge into products and services subsequently enhances enterprise innovation performance.

If proactiveness is conceived as the anticipation and addressing of future challenges, needs, or alterations, it emerges as a cornerstone of entrepreneurial resilience, signifying a forward-looking perspective that dovetails with innovative or novel ventures. Despite its close alignment with competitive aggressiveness, a noteworthy distinction exists between the two concepts. Proactiveness focuses on the manner in which businesses interact with market opportunities when entering new markets, with the objective of shaping trends and potentially stimulating the generation of demand (Al-Dhaafri et al., 2016). Proactiveness, as viewed by Al-Dhaafri et al. (2016), encapsulates a company's willingness and ability to anticipate new developments. Intuitiveness, on the other hand, underscores an entrepreneur's capability to motivate company employees towards undertaking value-added activities that benefit themselves, society, and the organization (Murad et. al. 2015).

Proactiveness suggest that a progressive perception that is supported by innovative activities. Lumpkin and Dess (1996) as cited by Baba and Nwuche (2021) opine that proactiveness is a trait that is used to identify business organization that is fast to innovate and first to introduce new product in the market. In other words it is the ability off an organization to take the first mover advantage and anticipate future occurrence with standby solution to any challenges that might arise in the future. An innovative entrepreneur should be proactive so that he/she will always be first opportunity taker. Venkatraman (1989) suggest that proactiveness refers to processes aimed at anticipating and acting on future needs by "seeking new opportunities which may or may not be related to the present line of operations, introduction of new products and brands ahead of competition, strategically eliminating operations which are in the mature or declining stages of life cycle".

### **Organization Resilience**

The concept of organizational resilience illuminates the differing trajectories of investors—some exiting the scene while others navigate challenges to achieve success (Yemisi and Robert, 2017). The essence of organization resilience lies in an entrepreneur's decisions, elucidating their capacity to surmount entrepreneurial hurdles and persevere through unfavorable circumstances and unforeseen outcomes. This attribute empowers entrepreneurs to sustain a hopeful perspective despite demanding market dynamics and unexpected adversities (Ayala and Manzano, 2014).

Praag (2003) underscores that the entrepreneur's role is crucial in influencing the duration of survival and the triumph of their venture. The entrepreneur's influence extends to setting conditions, defining boundaries, establishing characteristics, and ultimately shaping the firm's value creation potential. Non-resilient individuals may exhibit limited capacity to undertake essential entrepreneurial actions, often opting for cautious and apprehensive responses to the uncertainties of the business realm, as highlighted by Bullough and Renko (2013). Conversely, resilient entrepreneurs are shielded from negative reactions by their optimistic emotions, fostering their growth rather than their demise (Fredrickson, Tugade, Waugh, and Larkin, 2003). As posited by Sine, Haveman, and Tolbert (2015), entrepreneurship inherently involves risks, making the survival of a business contingent on multifaceted factors, both under the entrepreneur's influence and beyond their control (Cooper, Folta, and Woo, 2015).

In alignment with Ayala and Manzano (2014), the entrepreneurial environment often requires decisions to be made amid ambiguous, evolving, or incomplete information. Consequently, entrepreneurs may lack comprehensive data for optimal decision-making during

challenges. Relying on their cognitive abilities and past experiences, entrepreneurs make determinations that significantly impact the firm's survival prospects (Ireland & Miller, 2004). For instance, scholars have noted that entrepreneurs exhibit hesitancy in abandoning or shuttering underperforming ventures (Pierce, Kostova, and Dirks, 2021), even in scenarios with limited future potential. This phenomenon is attributed to psychological ownership, a deep psychological attachment entrepreneurs develop with their ventures. Resilient entrepreneurs possess the ability to guide underperforming businesses; reversing the course from potential failure to eventual success. Their persistence in sustaining the business signals their commitment to making it thrive. Consequently, their capability to navigate uncertainty and swiftly adapt to change distinguishes resilient entrepreneurs, better positioning them for success (Ayala and Manzano, 2014).

### **Theoretical Perspective of Proactiveness and Organizational Resilience**

Freedman introduced the concept of stakeholder theory in 1984, positing that all individuals or entities with vested interests in a business entity form the organization's stakeholders. This encompasses managers, employees, customers, suppliers, bankers, government bodies, and the local community. The stakeholder theory provides guidance for managers to give precedence to the interests and well-being of all stakeholders, not just shareholders. Scholars have expanded stakeholder theory to encompass ethical norms, morals, and standards that relate it to the various stakeholders (Jones et. al. 2018; Freeman et. al. 2010). However, integrating moral and economically viable decisions that cater to all stakeholders' interests without compromising the organization's bottom line has proven to be a challenge (Freeman et. al. 2010).

Organizations can strengthen their sustainability by embracing the values upheld by each stakeholder, which holds significance for the organization (Smirnova et. al. 2017). A sustainability strategy focused on stakeholders identifies their roles within the organization and the influence they have on its success. Engaging employees in innovation, planning, and decision-making transforms them into invaluable assets for an organization (Schilpzand et. al. 2018). A motivated workforce and a positive work environment cultivate employee well-being, enhancing morale, productivity, financial performance, and ultimately the sustainability of the organization (Ruzic et. al. 2018).

Customers represent another crucial stakeholder group for organizations. Prioritizing customer satisfaction and loyalty fosters repeat business and word-of-mouth referrals, thereby contributing to the organization's marketing efforts (Hosseinia and Ramezani, 2016). The business community is yet another vital stakeholder group. Organizations contribute socially and environmentally to communities, supporting initiatives such as infrastructure development, education, and environmental preservation. These contributions benefit both the community and the organization, adding economic value in the long run (Hoi, Wu, and Zhang, 2018). Organizations that implement strategies aligned with stakeholders' interests cultivate long-lasting relationships, enhancing overall sustainability (Matzembacher and Meira, 2019). While various stakeholders impact organizations differently (Rajhans, 2018), some hold greater influence than others. In this study, employees, customers, government, and the community are identified as key stakeholders.

The significance of stakeholder theory in this study arises from its utilization by researchers to pinpoint crucial stakeholders within organizations and the sustainability approaches implemented by organizational leaders. This includes incorporating economic, social, and environmental values into the organizational strategy. When an organization embraces a sustainability strategy, it can assess the effects of its activities on stakeholders, leading to the provision of economic, social, and environmental value (Garg, 2017).

The Industrial Organization Theory, conceived by Pecotich Blancker in 1989, posits that a business' success and survival can be effectively explained through the examination of the industry's existing forces and structure within which the firm operates. To reinforce this perspective, Teece et al. (2017) asserted that industry structure significantly influences competition levels and the strategies available to businesses. In alignment with this viewpoint, Pecotich et al. (1989) further reinforced this argument by their suggestion that the analysis of industry competition is closely linked to the behavior of established firms, the structural makeup of the industry, and the broader external environment.

The work of Marko (2019) has bolstered the credibility of this study in terms of applying the Industrial Organization Theory, as well as in the endeavor to gauge, oversee, and bolster the performance and longevity of enterprises. This expansion of perspective has facilitated businesses in obtaining the essential data and information needed to make well-founded decisions. The theory suggests that a company's performance and survival are impacted by its ability to gather and disseminate organizational intelligence. SMEs need to amass relevant information to facilitate learning, comprehension, and the creation of interlinked relationships that can assess prevailing realities within the company facilitates guiding actions toward intended objectives. The streamlining of information collection, assessment, and dissemination nurtures an atmosphere in which decision-makers at various organizational tiers can easily assess, acquire, comprehend, analyze, cooperate, innovate, and participate in social networks to boost the company's performance, as emphasized by Marko (2019).

Additionally, this theory has also been embraced by Koseoglu et al. (2021) to authenticate findings concerning the performance of SMEs. Their investigation disclosed that the implementation of organizational intelligence exhibits limited variation based on sector and employee scale, despite activities being executed with an emphasis on strategic and tactical viewpoints. Furthermore, Gaspareniene et al. (2013) revealed that the theory offers utility in assessing the adoption of competitive intelligence within a company, highlighting that the availability of funds and classified competitor information significantly impacts the utilization of competitive intelligence.

In alignment with the aforementioned arguments, Marko (2019) pinpointed crucial domains within the Industrial Organization Theory that contribute to enterprise management. These domains encompass performance measurement and evaluation, the imperative to comprehend and interpret strategic reporting, fostering collaboration, managing innovation, cultivating a culture of learning, and ensuring regulatory compliance (Oladimeji et al., 2017).

#### **Effect of Pro-activeness on organization**

Irvine and Anderson (2016) and Munoz et al. (2019) conducted a research study focused on the utilization of pro-active crisis management strategies. Using follow-up interviews, their study revealed that firms possessing a comprehensive array of crisis management strategies tend to have a lengthier operational history and a larger workforce. These firms also exhibit more extensive experience in dealing with crises and are subject to greater government regulations. The leaders within these organizations frequently play an active role in crisis management activities. Additionally, these firms learn from past crises and leverage that experience to formulate effective crisis management strategies. The study further observed that these companies display notable signs of recovery in the months following a crisis. In contrast, SMEs that lack a structured crisis plan often exhibit a less robust market position, limited resources, and inadequate readiness for handling crises.

In a separate investigation, Ruff and Aziz (2016) explored the pro-active measures taken by SMEs during crisis management. Their study utilized interviews and questionnaires,

yielding findings that demonstrate how small businesses with well-structured crisis plans exhibit greater resilience and more effective recovery in the aftermath of crises. However, none of the firms surveyed reported engaging external crisis experts in their crisis management efforts. The study's implications suggest that the establishment of a robust crisis management system can contribute to the prevention of future crisis events or mitigate potential losses in subsequent crises. Notably, small firms with enhanced preparedness tend to rebound more swiftly from challenging situations.

### **METHODOLOGY**

This research has employed a survey research design, a methodology particularly adept at delineating the attributes of a substantial population, thereby facilitating the acquisition of precise and specific results that serve as a basis for drawing conclusions and subsequently making impactful decisions. The survey approach is advantageous for gathering primary data from a wide-ranging audience, aligning with the scope of this study.

The population under consideration include business entities such as SMEs operating within Ikeja, Lagos, which serves as the study location. The various categories of business firms include Firm (A) engaged in Wholesale and Retail, Firm (B) operating in the Education sector, Firm (C) in the Hospitality industry, Firm (D) specializing in Real Estate and Properties, Firm (E) as a Professional Service Provider encompassing law, internet services, and civil engineering, Firm (F) focused on Fast Food, and Firm (G) comprising Religious Centers

**Table 1. The propensity rate of registered firms in Lagos State**

S/N	BSINESS FIRMS	Position	N0
1	Wholesale and Retail, Firm	Not all registered	14,358
2	Education Firm	All registered	2,320
3	Hotel and Suit, Firm	All registered	2,259
4	Realtor and properties, Firm	All registered	2,179
5	Professional Service Provider like law, internet providers, civil engineers. Firm	All registered	10,867
6	Fast food Business, Firm	Not all registered	66
7	Religious centers	Not registered	51

Source: [www.directory.org.ng](http://www.directory.org.ng) (2023)

A total sample size of 500 SME owners was selected using a straightforward random sampling approach. This method was chosen by the researcher to ensure an equitable and impartial opportunity for each individual within the intended population to be incorporated into the sample of the study. The research strategy involved the application of both purposive and simple random sampling methods. A five-point Likert scale questionnaire was used to collect data from the respondents. The collected questionnaires were subjected to summarization and analysis through both descriptive and inferential statistics. Descriptive statistics were utilized to analyze and present the demographic attributes of the respondents, as well as to address the research questions by displaying the frequency distribution of responses across different sections of the questionnaire. Frequency tables and percentages were employed for this purpose. On the other hand, inferential analyses were conducted to establish and explore relationships among variables. The data obtained from the structured questionnaire underwent analysis using frequency distribution and percentage calculation, offering a comprehensive view of the socio-demographic and economic traits of the participants, taking into consideration the various measurement scales involved.



## DATA ANALYSIS AND INTERPRETATION

**Table 2: Demographic Characteristics Of Respondents**

<b>Sex</b>	<b>Frequency</b>	<b>Percent</b>
Male	347	70.1%
Female	108	29.9%
Total	455	100.0%
<b>Age</b>		
18 - 25 years	31	6.8%
26 – 35 Years	86	18.9%
36 – 45 Years	197	43.3%
45 & above	141	31.0%
Total	455	100.0%
<b>Ethnicity</b>		
Yoruba	144	31.6%
Igbo	120	26.4%
Others	187	41.0%
Hausa	4	1.0%
Total	455	100.0%
<b>Religion</b>		
Christian	265	58.2%
Muslim	188	41.3%
None	2	.4%
Total	455	100.0%
<b>Educational Qualification</b>		
O Level	54	11.9%
OND/HND	113	24.8%
B.Sc	127	27.9%
Masters	132	29.0%
PhD& Above	29	6.4%
Total	455	100.0%
<b>Years of Experience</b>		
1 - 5 Years	62	13.6%
6 - 10 Years	128	28.1%
11 - 15 Years	136	29.9%
16 - 20 Years	102	22.4%
21 Years& Above	5.9	6.4%
Total	455	100.0%

**Source: Field Survey (2023)**

**Descriptive statistics of Gender** showed that 70.1 percent were male, while 29.9 percent of the total respondents were female, and while male students are excluded in this study. This implies that male genders were sampled.

**Descriptive statistics of Age Group** showed that 6.8 percent of the total respondents were 18 - 25 years, 18.9 percent were between 26 – 35 Years old, 43.3 percent are 36 – 45 Years old, 31 percent are between 45 years above, This suggests that a significant portion of the participants in the study fell within the age range of 36 to 45 years.

**Analysis of Ethnicity** showed that 31.6 percent of the total respondents were Yorubas, 1 percent were Hausas, and 26.4 percent were Igbos, while the remaining 41 percent are other tribes. This implies that minority tribes participated more in the study.

**Descriptive statistics of Religion** showed that 58.2 percent identified as Christians, while 41.3 percent identified as Muslims, while the remaining 4 percent belonged to none religion class. This implies that most of the respondents are sampled.

**Analysis of Qualification** Indicated by the data, 11.9 percent of the respondents possessed O Level qualifications, 24.8 percent had OND/HND degrees, 27.8 percent held B.Sc. degrees, 29 percent had attained Masters qualifications, and the remaining 6.4 percent were individuals with PhDs. This data reveals that a significant portion of the sampled respondents fell within these educational categories.

Research Question 1: What is the impact of proactiveness on organizational Resilience

**Table 3: Pro-Activeness and Organizational Resilience**

Statement	Frequency	Percent
<b>I am implementing the lessons I gained from past failures in my current business endeavor.</b>		
Strongly agree	173	38.0%
Agree	204	44.8%
Undecided	7	1.5%
Disagree	36	7.9%
Strongly disagree	35	7.7%
Total	455	100.0%
<b>I recognize the errors that were responsible for the downfall of our previous venture</b>		
Strongly agree	154	33.8%
Agree	211	46.4%
Undecided	7	1.5%
Disagree	42	9.2%
Strongly disagree	41	9.0%
Total	455	100.0%
<b>I have gained improved skills in managing the new venture following the experience of the previous failed venture</b>		
Strongly agree	221	48.6%
Agree	161	35.4%
Undecided	18	4.0%
Disagree	17	3.7%
strongly disagree	38	8.4%
Total	455	100.0%
<b>I am currently attentive to performance feedback.</b>		
Strongly agree	158	34.7%
Agree	147	32.3%
Undecided	54	11.9%
Disagree	34	7.5%
strongly disagree	62	13.6%
Total	455	100.0%
<b>I have improved my ability to implement a business strategy</b>		

Strongly agree	192	42.2%
Agree	171	37.6%
Undecided	18	4.0%
Disagree	35	7.7%
Strongly disagree	39	8.6%
Total	455	100.0%

**Source: Field Survey (2023)**

**Question 1:** Based on the descriptive statistics, it is evident that 38 percent of the total respondents strongly agree that they actively apply the lessons learned from their past failure experiences to their current business endeavors. Moreover, 44.8 percent agree, 1.5 percent are uncertain, 7.9 percent disagree, and 7.7 percent strongly disagree. This indicates that a majority of the respondents actively apply lessons from their previous failures in their current business ventures.

**Question 2:** The descriptive statistics demonstrate that 33.8 percent of the total respondents strongly agree that they recognize the errors they made that contributed to the failure of their previous business venture. Additionally, 46.4 percent agree, 1.5 percent are unsure, 9.2 percent disagree, and 9 percent strongly disagree. This suggests that most respondents acknowledge the mistakes that led to the failure of their prior business undertaking.

**Question 3:** Descriptive statistics reveal that 48.6 percent of the respondents strongly agree that they have gained insights to enhance the management of their new venture following the lessons learned from their previous failed venture. Furthermore, 35.4 percent agree, 4 percent are uncertain, 3.7 percent disagree, and 8.4 percent strongly disagree. This implies that a significant portion of the respondents have improved their management skills based on their past failure experience.

**Question 4:** The results of the descriptive statistics indicate that 34.7 percent of the respondents strongly agree that they are now attentive to performance feedback. Moreover, 32.3 percent agree, 11.9 percent are unsure, 7.5 percent disagree, and 13.6 percent strongly disagree. This suggests that a notable proportion of the respondents are currently attentive to performance feedback.

**Question 5:** The descriptive statistics highlight that 42.2 percent of the total respondents strongly agree that they have acquired the ability to effectively implement a business's strategy. Additionally, 37.6 percent agree, 4 percent are uncertain, 7.7 percent disagree, and 8.6 percent strongly disagree. This indicates that most of the respondents have improved their capability to execute a business's strategy.

**TABLE 4.11: ORGANISATIONAL RESILIENCE**

Statement	Frequency	Percent
<b>I am well prepared for incoming threats and opportunities</b>		
Strongly agree	202	44.4%
Agree	203	44.6%
Undecided	15	3.3%
Disagree	18	4.0%
Strongly disagree	17	3.7%
Total	455	100.0%
<b>I can cope with uncertainty and unpredictable variations</b>		
Strongly agree	154	33.8%
Agree	211	46.4%
Undecided	7	1.5%

Disagree	42	9.2%
Strongly disagree	41	9.0%
Total	455	100.0%
<b>Pandemic has increased my workload and pressure and forced me to operate virtually</b>		
Strongly agree	206	45.3%
Agree	164	36.0%
Undecided	33	7.3%
Disagree	30	6.6%
strongly disagree	22	4.8%
Total	455	100.0%
<b>Amidst business crises, I have successfully managed to analyze situations and handle challenging or unexpected circumstances with greater effectiveness</b>		
Strongly agree	158	34.7%
Agree	165	36.3%
Undecided	42	9.2%
Disagree	57	12.5%
strongly disagree	33	7.3%
Total	455	100.0%
<b>I have also capitalized on changes to positively address disruptive situations and effectively manage unexpected occurrences.</b>		
Strongly agree	166	36.5%
Agree	143	31.4%
Undecided	44	9.7%
Disagree	61	13.4%
Strongly disagree	50	11.0%
Total	455	100.0%

*Source: Field Survey (2023)*

**Question 1:** The analysis of Question 1 reveals that 44.4 percent of the respondents strongly agree that they possess effective readiness for both incoming threats and opportunities. Furthermore, 44.6 percent agree, 3.3 percent are uncertain, 4 percent disagree, and 3.7 percent strongly disagree. This indicates that a significant majority of respondents feel well-prepared for handling forthcoming threats and opportunities.

**Question 2:** Examination of Question 2's descriptive statistics indicates that 33.8 percent of the total respondents strongly agree that they exhibit the capability to manage uncertainty and adapt to unpredictable variations. Additionally, 46.4 percent agree, 1.5 percent are uncertain, 9.2 percent disagree, and 9 percent strongly disagree. This implies that most of the respondents possess the ability to cope with uncertainty and unpredictable changes.

**Question 3:** Descriptive statistics for Question 3 illustrate that 45.3 percent of the total respondents strongly agree that the pandemic has escalated their workload and pressure, compelling them to operate virtually. Moreover, 36 percent agree, 7.3 percent are uncertain, 6.6 percent disagree, and 4.8 percent strongly disagree. This suggests that a substantial portion of respondents acknowledge the increased workload and virtual operations due to the pandemic.

**Question 4:** The descriptive statistics analysis for Question 4 shows that 34.7 percent of the total respondents strongly agree that they have effectively managed and deliberated on matters

and handled challenging or unforeseen situations during business crises. Furthermore, 36.3 percent agree, 9.2 percent are uncertain, 12.5 percent disagree, and 7.3 percent strongly disagree. This implies that a significant number of respondents believe in their capability to navigate and make effective decisions during business crises.

**Question 5:** The data analysis for Question 5 indicates that 35.5 percent of the respondents strongly agree that they have proactively utilized change to respond positively to disruptive circumstances and manage unexpected events. Additionally, 31.4 percent agree, 9.7 percent are uncertain, 13.4 percent disagree, and 11 percent strongly disagree. This suggests that most respondents have indeed leveraged change to address disruptive situations positively and cope with the unforeseen.

**Test of Hypothesis**

**H01:** There is no significant relationship between pro-activeness and organizational resilience of SMEs in Lagos State

**TABLE 4: Correlation Analysis between Pro-activeness and Organizational Resilience of SMEs in Lagos State**

Descriptive Statistics	Mean	Std. Deviation	N
	I am applying what I learned from my previous failure experience in my new business	2.0781	1.35513
I am always at alert and take to business opportunities when it arrive	1.9297	1.25606	455

  

Correlations		Pro-activeness.	Organizational Resilience.
Pro-activeness	Pearson Correlation	1	.508**
	Sig. (2-tailed)		.001
	N	455	455
Organizational Resilience.	Pearson Correlation	.508**	1
	Sig. (2-tailed)	.001	
	N	455	455

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Source: SPSS Version 24 output**

The initial research hypothesis, suggesting that there isn't a noteworthy correlation between *pro-activeness and organizational resilience* among SMEs in Lagos State, was examined through a Pearson correlation analysis. Table 11 presents the results of the Pearson Correlation analysis, illustrating the strength and direction of the linear association between the dependent variable (*organizational resilience*) and the independent variable (*pro-activeness*). In this analysis, a total of four hundred and fifty-five respondents were surveyed. The data revealed that *Pro-activeness* (Mean: 2.0781; SD: 1.35513) and *Organizational Resilience* (Mean: 1.9297; SD: 1.25606). Furthermore, the correlation coefficient value of 0.508\*\* signifies a moderate and positive correlation between internal *Pro-activeness and Organizational Resilience*. The p-value is calculated to be 0.000, which falls below the significance threshold of 0.05. This suggests that there exists a significant relationship between *pro-activeness and organizational resilience* among SMEs in Lagos State. Consequently, the null hypothesis is rejected, and the alternative hypothesis is accepted at a 5% level of significance. In conclusion, this analysis demonstrates a positive and significant relationship between *pro-activeness and organizational resilience* within SMEs in Lagos State.

## Discussion of Findings

Hypothesis one, which initially posited that there is no significant correlation between proactiveness and organizational resilience of SMEs in Lagos State, was ultimately rejected based on the analysis. The obtained correlation coefficient value of 0.508\*\* indicates a moderate and positive correlation between proactiveness and organizational resilience among SMEs. The computed p-value of 0.000 is below the predetermined significance level of 0.05. This indicates the presence of a substantial relationship between proactiveness and organizational resilience. As a result, the null hypothesis was dismissed, and the alternative hypothesis was embraced at a significance level of 5%. Therefore, it can be deduced that a significant and positive correlation exists between proactiveness and organizational resilience among SMEs in Lagos State.

The results of this study are consistent with previous research carried out by Yu-Ming et al. (2018), which suggests that proactiveness involves a proactive inclination by enterprises to adopt constructive advertising strategies and prioritize innovation in products, processes, technologies, and services, aiming to surpass competitors. Additionally, Jia et al. (2016) support this idea by stating that proactiveness is integral to gaining a competitive advantage. Organizations must capitalize on market opportunities ahead of their rivals by introducing innovative products and solutions that can establish a leadership advantage.

Furthermore, the insights of Wiklund and Shepherd (2015) as cited in Yu-Ming et al. (2018) corroborate that proactive enterprises are more adept at identifying new market opportunities promptly and taking swift actions to leverage these opportunities, thereby fostering innovative performance within the organization. Anand and Khanna (2020) in the same study suggest that enterprises with proactiveness tend to possess enhanced environmental scanning capabilities, along with a stronger aptitude for recognizing and seizing opportunities compared to other enterprises. These proactive firms are inclined to proactively gather information resources from various external sources, such as customers, markets, and competitors, aligning with the principles of high absorptive capacity outlined by Keh, Nguyen, and Ng (2017) in Yu-Ming et al. (2018). This absorption of information allows firms to enhance their understanding, integrate acquired knowledge effectively, and drive the transformation of new knowledge into tangible products and services, thereby amplifying innovation performance within the enterprise.

## Conclusion

It can be concluded that proactiveness of business organization has a significant effect on the organization resilience in that it helps business organization to identify new market opportunities promptly and taking swift actions to leverage these opportunities, thereby fostering innovative performance within the organization. For smaller business to rapidly develop and expand, there is need for business owners to be proactive by provide rapt responses to issues that lead to competing for relevance in the market place. Such issues include continuous introduction of innovative ideas and not procrastinate.

## Recommendations

It is therefore recommended that

1. Business organizations must continuously introduce innovative ideas to their business so as to stay ahead of competition and also expand.
2. To address the unique needs of new enterprises with limited prior crisis exposure, it is advisable to put in place formal documentation mechanisms and comprehensive crisis management strategies. Moreover, SMEs should extend their focus beyond short-term financial considerations. Instead, they should adopt holistic crisis management strategies that encompass both financial and non-financial dimensions. In this pursuit, active

participation of owners, top management, and various personnel tiers is crucial for devising tailored crisis management approaches.

3. Findings from the study underscore SMEs' inclination to explore new market avenues and integrate robust risk management practices into their future growth trajectories. In this light, an enduring commitment to learning and enhancement will serve as a driving force for SMEs to fortify their resilience and renewal strategies. An ethos of continual improvement can catalyze market expansion and bolster market share over the long term.

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