## Impact of Innovation and Leadership Culture on Entrepreneurial Competitiveness and Sustainability: A Study of Selected SMES In South-South Nigeria

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#### Abstract

The study focused on the effect of innovation and leadership culture on entrepreneurial competitiveness and sustainability: A study of selected SMEs in South-South, Nigeria. The specific objectives sought to achieve in this study, included to: ascertain the effect of innovation culture on entrepreneurial competitiveness of selected SMEs in South-South Nigeria and establish the effect of leadership culture on entrepreneurial sustainability of selected SMEs in South-South Nigeria. A survey research design was adopted for the study. The study had a population size of 1632, out of which a sample size of 321 was realized using Taro Yamanes's formula at 5% error tolerance and 95% level of confidence. The instrument used for data collection was primarily questionnaire. Though out of 321 copies of the questionnaire that were distributed, 298 copies were returned while 23 were not returned. The questionnaire were analyzed using Likert scale and tabulation. The hypotheses were tested using Regression and Pearson Product Moment Correlation statistical tools. The findings indicate that there is significant effect of innovation culture on entrepreneurial competitiveness of selected SMEs in South-South Nigeria and there is significant effect of leadership culture on Entrepreneurial sustainability of selected SMEs in South-South Nigeria. The study recommended that owners of SMEs should constantly embrace all forms of effective revolutionary trends and self-belief in building innovation culture and molding intended behavior regardless of the situations or environmental conditions to improve on entrepreneurial competitiveness as well as that SMEs in conjunction with the government should continually encourage in human capacity building that will capture dynamism nature refinement and molding in order to help them improve entrepreneurial leadership traits inherent for better sales performance and survival at any given time.

*Keywords:* Culture, Innovation, Leadership, Entrepreneurial Competitiveness, Entrepreneurial Sustainability.

#### INTRODUCTION

Silicon Valley is usually conceived of as the cradle of the current startup trend. From the 1960s and 1970s onwards, the area has become a hotbed of technology and growth-seeking entrepreneurship, attracting entrepreneurs, professionals, and investors from all over the world. The region has developed a particular business infrastructure that is characterized by the close cooperation of academic institutions, public research facilities, private companies, and abundant financial resources. This results in a unique entrepreneurial culture based on open and mobile labor markets and an exchange of information and resources both between and within companies (Maas & Ester, 2016; Saxenian, 1996; 2006). Silicon Valley can be construed as the model of a successful startup ecosystem (Valaskivi, 2012), and countries around the world are creating their own Silicon Valleys. The notion of culture is central to the notion of startup entrepreneurship in Silicon Valley. Maas and Ester (2016) note that the Silicon Valley culture is characterised by simultaneous openness and competitiveness. In this duality, ideas of sharing and self-interest go hand in hand. Openness refers to, for example, acceptance of and inclusivity towards new entrants to the market, and sharing one's ideas with the community-exemplified by Tesla Motors' CEO, Elon Musk, sharing the company's electric motor patents with the world in 2014. There is a strong belief in sharing one's knowledge and experiences, and, concurrently, appreciation and expectance of feedback and reflection. According to Saxenian (2006), companies in Silicon Valley 'recognize the value of collaboration in a process of mutually beneficial bootstrapping, which some refer to as "growing up together". Many successful entrepreneurs remain in Silicon Valley to work as investors and business angels, circulating both knowledge and capital in the region (Saxenian, 2006).

A start-up technically is any enterprise that is working on the growth, commercialization, and the creation of brand-new products, services, or mechanisms that are driven by intellectual property or new tech. Startups do not exist in a vacuum but are part of a broader business environment that is focused on generating impactful solutions, thereby acting as vehicles for socioeconomic development and transformation. Since start-ups are centres of novel innovations, they generate jobs, which implies more career opportunities; more employment and leads to a stronger economy, and a healthier economy has a direct bearing on the growth of cities where startups locate. The rise of the startup culture has been an interesting phenomenon to observe over the past several decades. In the twentieth century, the traditional corporate structure was the dominant form of business. This structure was characterized by large, hierarchical organizations with a top-down approach to management. Yet while this model had its advantages, such as stability and predictability, it also lacked dynamism and innovation. In the late 1970s and early 1980s, this began to change. A new generation of entrepreneurs began to emerge, driven by a new set of values and ideals. Rather than trying to fit into the existing corporate structure, these entrepreneurs sought to challenge it. They embraced risk and disruption, seeking to create something entirely new (fastercapital.com, 2023).

Another central feature of the culture is the acceptance of failure and appreciation of risk-taking; failure of a business endeavor is separated from personal failure, meaning that bankruptcy is not a stigmatizing event for an entrepreneur. This can be seen as stemming from, firstly, the startup environment that accentuates ceaseless competition and, secondly, the uncertainty associated with startup entrepreneurship (Maas & Ester, 2016; Saxenian, 2006). As the typical goal of startups is to

develop an innovation or product on an emergent market, the risks are high and the circumstances uncertain at best (Ries, 2011). Failure in the Silicon Valley culture is conceived of as a form of collective learning (Saxenian, 2006). In relation to this, innovativeness and the search for disruption (that is, startups' aim to initiate a profound shift in the market with its product), visionary leadership, and devotion to one's work are identified as the central features of startup culture in its global, popularized form (Hyrkäs, 2016).

In many ways, startup culture and the implied subject of the startup entrepreneur that is brought about in the discourse echoes the discussions on neoliberal subjectivity. With the notions of novelty, risktaking and creative passion, startup entrepreneurship is articulated in the framework of a Schumpeterian understanding of entrepreneurship. The Austrian political economist Joseph Schumpeter saw the entrepreneur as an innovator and a reformer, and, hence, the driving force of the economy. The entrepreneur's aim is to initiate creative destruction in the market, thus paving the way for new economic activities and accelerating the withering of unfit activities (Brockling, 2016; Schumpeter 1954, 2010; Valaskivi, 2012). The entrepreneur is therefore envisioned as a trailblazer, who is continuously looking for new opportunities. This echoes the depiction of the postindustrial ideal citizen, who is construed as proactive, calculative and entrepreneurial in terms of self-reliance and rational choice (Brockling, 2016; Brown, 2015; Miller & Rose, 2008; Ong, 2007; Rose, 1990). Because of the combination of the ideals of risk-taking, vision, and collaboration, startup entrepreneurship can be viewed as the epitome of the entrepreneurial ideals of the post-industrial society. Numerous scholars have pointed out the masculinity of these entrepreneurial ideals (Ahl & Marlow, 2012; Brown, 2015), and indeed, the heroes of the global startup culture-such as Facebook's Mark Zuckerberg, Apple's Steve Jobs, and Tesla's Elon Musk-are almost exclusively male. Startup culture remains altogether gendered and characterized by a masculine ethos (Chang, 2018).

Young people realize that the path is not easy and that it is full of difficulties when it comes to their personal ventures. The economy of Nigeria is considered a constricted and difficult competitive environment, with many obstacles facing the success of entrepreneurship. Entrepreneurs demand that the government constantly find solutions related to start-ups and SMEs.

Obviously to many countries, start-ups culture and innovative SMEs tend to be considered as agents of change in economy, since they implement new products and services as well as more effective practices. They help to stimulate private sector growth and provide employment opportunities, which is essential to develop communities and spur economic development. In the context of Nigeria and elsewhere, this is particularly important, because the unemployment rate has been increasing continuously in recent years, exacerbated by massive influx of immigrants from neighbouring conflicts over recent decades. Government support and frameworks are necessary to incubate start-ups, to facilitate their long-term sustainability (Karani & Mshenga, 2021). Nowadays, many countries lack incubators and funding entities established to support youth entrepreneurship and boost youth employment even in Nigeria and particularly South-South.

## STATEMENT OF THE PROBLEM

Evidently, the growing medium-size enterprises are increasingly affected by the National or government policies and regulations that devoid special concessive support progamme to boost their

growth rate. It is no secret that startup culture is inherently rife with problems. A quick fact is that entrepreneurs have not often been allowed to get away with not prioritizing diversity in the workplace. A country's economic-development strategy should therefore guide the prioritization. For example, if export growth is a priority, medium-size enterprise operating in tradable goods and services could take precedence. Besides institutions, regulations, and policies, the attractiveness of an entrepreneurial career and citizens' entrepreneurial capabilities are also important in increasing the development and survival rates. Risk aversion, fear of failure, and lack of capabilities can be just as significant barriers as lacking the regulatory and institutional support. In developing countries, setting up a Government venture capital fund (GVCF) contribute in providing adequate financial boost to maximize productive options.

Also, SMEs in Nigeria especially in South-South are equally battling with adjusting and adopting to innovation culture that can transform them to lean Industry. The idea of embracing change, technology, and artificial intelligence (AI) has proved to put enterprises to competitive advantage edge. This process allows companies to identify opportunities for improvement and implementation at their facilities. Moreover, SMEs will learn how to roll out progressive human capital practices and job redesign to augment their transformation. Given their high labour intensity, SMEs play a critical role in the global economy's growth with a constant contribution to the economy through generating a significant number of jobs offering creative processes, promoting technological advancement, organizational innovation, income generation and economic competitiveness (Kooli, 2021; Nikolić et al., 2019). Therefore, this work intends to particularly investigate the effect of culture on entrepreneurial competitiveness and sustainability: a study of selected SMEs in South-South Nigeria. The study specifically seek to ascertain the effect of innovation culture on Entrepreneurial competitiveness and establish the effect of leadership culture on Entrepreneurial sustainability of selected SMEs in South-South Nigeria.

## **RELATED LITERATURE REVIEW**

## **Conceptual Framework**

## Culture

Culture is an important differentiator of modern organizations. In the startup stage of an organization, in particular, when a brand has not yet been established, culture helps unite people, bind people, and drive people toward the same goal and future and attracts, retains, and motivates talents (Men, Chen, & Ji, 2018). Culture can be linked to the success indicators of performance and productivity for a business. According to a meta-analysis conducted on the relationship between entrepreneurial orientation and business performance, cultural dimensions of innovativeness, risk-taking, and proactiveness are important contributors to the financial and non-financial performance of an organization (Rauch, Wiklund, Lumpkin, & Frese, 2009). In this chapter, we delve into the topic of startup culture and discuss the definition of culture, various types of culture that are effective for startup growth and development, factors that influence the startup culture, and as how to create a culture that is aligned with startup goals in China.

Culture is generally a set of values, beliefs, assumptions, and symbols that determine how organizational members think and behave (Sriramesh, Grunig, & Buffington, 1992). It answers the

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questions of who we are (identity), what we believe in (values), where we are going (vision), why we exist (mission and purposes), and how we are distinct/unique in the marketplace (character). Culture is often seen as the foundation of organizational decisions, communications, and actions (Sriramesh et al., 1992). Cultural norms define what is encouraged or discouraged and accepted or rejected within an organization or group (Groysberg, Lee, Price, & Cheng, 2018). Groysbert et al. (2018) further identified four core attributes of culture based on the seminal work of leading scholars in the area:

- Shared culture resides in shared behaviors, assumptions, beliefs, and experiences of organizational members.
- Persuasive culture permeates different levels and units in the organization and influences from top management decisions to frontline workers' communications and actions. It can be manifested in behaviors, physical environments, organizational policies and rituals, symbols, logos, and stories.
- Enduring culture is developed over time and can reinforce itself through the attractionselection-attrition model (Schneider, 1987).
- Implicit; although culture can be manifested in different observable forms (e.g., a behavior or story), it is rooted in collective assumptions and beliefs of people, which is below the surface of the organizational activities. It acts as a "silent language" in an organization that people can sense and respond to.

## **Organizational Culture**

The study of organizational culture is recent. Until a few decades ago, organizational culture has been "overlooked" and attention has focused on other organizational aspects which have been considered more important to organizational performance (Davidson, 2003). However, recently, both academics and practitioners realized the importance of exploring organizational culture due to the impact culture has on organizational culture in the literature (CVF item article) such as Schein (1999, 2010), Martins (1992, 2002), Cameron and Quinn (1999) and Denison (1990), as well as variety of instruments to measure organizational culture. One of the most frequently used instruments is the Organizational Cultural Assessment Instrument (OCAI) which is based on the theoretical model - Competing Value Framework (CVF) created by Cameron and Quinn (1999). The OCAI instrument has been empirically validated and proven to be very accurate in assessing the important aspects of organizational culture and performance. This model integrates many of the dimensions proposed by other academics (Helfich et al., 2007). For this reason, this model will be used in this paper to evaluate the organizational culture.

Cross-classifying organizations on these two dimensions result in four types of organizational cultures: Clan, Adhocracy, Market and Hierarchical. Each typology is characterized by separate sets of shared values and beliefs, leadership style and different organization strategies (Helfich et al., 2007).

### **Development of Small and Medium Enterprises in Nigeria**

Small scale industry orientation is part and parcel of Nigeria. Evidence abound in our respective communities of what successes our great grandparents made of their respective trading concerns, yam barns, iron smelting, farming, cottage industries and the likes. Thus, the secret behind their success of a self-reliant strategy does not lie in any particular political philosophy, so much as in the people's attitude to enterprise and if the right incentive is adequate enough to make risk worthy ventures and decisions worth taking.

### **Entrepreneurial Competitiveness**

Economic growth resulting from competitiveness can potentially be explained by the level of entrepreneurial activity in a country. Existing literature suggests that entrepreneurship has a close relationship with introducing innovation, making market changes, increasing competitiveness, and competing in the economic performance of a country (Wong et al., 2005).

The term competitiveness has always been the focal point of policy debate since the late 1980s and early 1990s (Krugman, 1994, Porter, 1990). Also, in relation to the factors influencing the competitiveness of the theory and the various economic theories, technical advances in production and investment in the strengthening and efficiency of human resources are crucial for continuous competitiveness. This matter has become important to the extent that based on the results of the research carried out by many economists, the difference in the rate of economic growth in developed countries is due to the difference in their entrepreneurial level. In fact, high productivity levels indicate a high rate of return, and this rate is one of the main factors behind the growth rate of the economy (Martin et al., 2010).

### **Entrepreneurial Sustainability**

Sustainable entrepreneurship is opportunity oriented and aims at generating new products, services, production processes, techniques, and organizational modes which substantially reduce social and environmental impacts and which increase the quality of life. Several definitions of sustainable entrepreneurship draw upon the Austrian tradition and the definitions provided by Shane and Venkataraman (2000) for the notion of business entrepreneurship. Dean and McMullen (2007) define sustainable entrepreneurship as the process of discovering, evaluating, and exploiting economic opportunities that are present in market failures which detract from sustainability, including those that are environmentally relevant. Cohen and Winn, (2007) based on Venkataraman (1997), define sustainable entrepreneurship as the examination of "how opportunities to bring into existence "future" goods and services are discovered, created and exploited, by whom and with what economic psychological, social and environmental consequences.

### **Theoretical Framework**

The basic application of this theory to entrepreneurship is seen in terms of planning. In order to describe entrepreneurial planning behaviour, four action processes have been suggested; opportunistic, complete planning and review (Baum, Frese, & Baron, 2014). Based on Frese's theory, early-stage entrepreneurs are likely to observe a new task. Also, this occurs repeatedly and this occurrence of the action is likely to feature in the coming few years. Furthermore, it highlights the fact cognitive ability

is much more crucial to entrepreneurs. Compared to the other two theories, this theory is significantly less criticized.

This study anchored on the following key theories among others;

- i.) Innovation theory by Schumpeter, which had a greater thrust with start-up culture. To him the focus of the theory was that entrepreneurs do not operate with conventional technologies and do not believe in making small changes to the existing production method. Rather their main goal is to develop new technologies and products that can bring widespread changes and can help them to shift the paradigm altogether.
- ii.) Drucker's Entrepreneurship theory, the frontier of start-up start-up culture underpinned on Drucker's theory that is based on two important factors which are innovation and resources; innovation depends on resources and resources gain importance only when perceived to possess economic value.
- iii.) Also, Rotter Locus of control theory, the linkage of start-up culture underscored the thought that entrepreneurs with internal locus believe that emergence of success is due to their capabilities and actions. While entrepreneurs with external locus assume chances of success or survival are driven by institutional and external forces.
- **iv.**) Finally, Action regulation theory strengthens the locus on how individuals control their cognitive behaviour with the help of cognitive processes which consist of selection and development, orientation, monitoring and planning and processing feedback.

## METHODOLOGY

The study adopted survey research design which utilized primary data from questionnaire, interviews and direct observations to gather data from the respondents. The population of the study was one thousand six hundred and thirty-two (1632) comprising the aggregation of the senior and junior staff and management of the selected SMEs in South-South States of Nigeria. A sample size of 321 was determined using Taro Yamane 1964 formula. The study adopted stratified sampling, whereby each stratum was drawn from a representing unit and to make sure all the entire population are duly represented for an optimal outcome. The questionnaire was structured using 5 points Likert-scale of (Strongly Agreed, Agreed, Undecided, Disagreed and Strongly Disagreed). The questionnaire was grouped into two (2) sections. The section A, comprised of the demographic characteristics of the respondents and the section B, contained the key items of the research questions. The study adopted pre-test validity and test-re-test reliability method and a reliability of 0.50% which was ascertained using Cronbach alpha coefficient of reliability. Data were analyzed using descriptive statistics of mean, percentages and standard deviation. The hypotheses testing was carried out using regression and correlation analysis statistical tools. The computer aid of Statistical Package for Social Sciences (SPSS) window version 25 was be employed to do all the analysis.

## **RESULTS** Questionnaire Distribution

Table 1:	What is the effect of innovation culture on entrepreneurial comp	petitiveness of
	selected SMEs in South-South Nigeria?	(N = 298)

S/N	QUESTIONS	SA	Α	UD	D	SD	TOTAL	MEAN	REMARK
		5	4	3	2	1			
1	Create room for future market orientation	156	89	24	23	6	1260	4.23	Accepted
2	Enhance open mindedness	158	92	23	17	8	1269	4.26	Accepted
3	Improve learning and team collaboration	162	92	17	11	16	1267	4.25	Accepted
4	Foster cross-functional teams	170	77	19	28	4	1275	4.28	Accepted
5	Boost self-efficacy Clustered mean for decision rule:-	168	84	18	4	24	1262	4.23 <b>4.25</b>	Accepted Accepted

#### Source: Field survey, 2023

Thirteen questions were designed in the questionnaire to ascertain the extent does top management support affect organizational performance. From the result the mean responses for items 1 to 5 surpassed the criterion mean (4.23, 4.26, 4.25, 4.28 and  $4.23 \ge 3.0$ ). Furthermore, the clustered mean was 4.25 which was accepted, this therefore implies that innovation culture affect entrepreneurial competitiveness of selected SMEs in South-South Nigeria.

## Table 2:What is the effect of leadership culture on entrepreneurial sustainability of<br/>selected SMEs in South-South Nigeria?(N = 298)

S/N	QUESTIONS	SA	Α	UD	D	SD	TOTAL	MEAN	REMARK
		5	4	3	2	1			
6	Define the desired leadership style within the company	163	85	19	21	10	1264	4.24	Accepted
7	Offer training to the managers to help them develop their leadership skills	151	99	15	25	8	1254	4.21	Accepted
8	Improve the employee experience and conveying the company's values	156	96	7	33	6	1257	4.22	Accepted
9	Encourage accountability and transparency	143	116	4	30	5	1255	4.21	Accepted
10	Stimulate innovation and building a strong corporate culture	154	101	10	25	8	1532	5.14	Accepted
	Clustered mean for decision rule:-							4.40	Accepted

### Source: Field survey, 2023

Thirteen questions were designed in the questionnaire to ascertain the extent does international business affect growth and development of MNEs. From the result the mean responses for items 6 to 10 surpassed the criterion mean (4.24, 4.21, 4.22, 4.21 and  $5.14 \ge 3.0$ ). Also, the clustered mean was 4.40 which was accepted, this therefore implies that leadership culture affect entrepreneurial sustainability of selected SMEs in South-South Nigeria.

## Table 4.3:Performance variables of entrepreneurial development selected of selected SMES<br/>in south-south Nigeria.(N = 298)

	с С								
S/N	QUESTIONS	SA 5	A 4	UD 3	D 2	SD 1	TOTAL	MEAN	REMARK
11	Improve entrepreneurial growth of selected SMEs	146	102	21	20	9	1250	4.19	Accepted
12	Enhance entrepreneurial survival of selected SMEs	148	105	20	14	11	1272	4.27	Accepted
13	Increase entrepreneurial customer satisfaction of selected SMEs	152	105	14	15	12	1264	4.24	Accepted
14	Boost entrepreneurial competitiveness of selected SMEs	160	90	16	25	7	1265	4.25	Accepted
15	Influence entrepreneurial sustainability of selected SMEs	158	97	15	8	20	1259	4.23	Accepted
	Clustered mean for decision rule:-							4.28	Accepted

### Source: Field survey, 2023

Thirteen questions were designed in the questionnaire to ascertain the extent does top management support affect organizational performance. From the result the mean responses for items 11 to 15 surpassed the criterion mean (4.19, 4.27, 4.24, 4.25 and  $4.23 \ge 3.0$ ). The clustered mean was 4.28 which was accepted, this therefore implies that top management support organizational performance. This means that growth, survival, customer satisfaction, competitiveness, and entrepreneurial sustainability are good variables for entrepreneurial development of selected SMES in south-south Nigeria.

## **TEST OF HYPOTHESES**

## H04. There is no significant effect of innovation culture on Entrepreneurial competitiveness of selected SMEs in South-South Nigeria.

 $H_0 = B_1 = 0$ . Test the hypothesis that all slope coefficients are equal to zero.

 $H_1 \neq B_1 \neq 0$ . Test the hypothesis that not all slope coefficients are equal to zero.

# Table 4:Regression results ascertaining the effect of innovation culture on<br/>Entrepreneurial competitiveness of selected SMEs in South-South Nigeria.

Coefficients <sup>a</sup>										
				Standardize						
Unstandardized		d			95.0% Confid	ence Interval				
	Coefficients		Coefficients			for	В			
			Std.							
Model		В	Error	Beta	t	Sig.	Lower Bound	Upper Bound		
1	(Constant)	.304	.052		5.798	.000	.201	.407		
	Innovation	.937	.012	.977	78.066	.000	.913	.961		
	culture									

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R	= 0.977
R-Square	= 0.954
Adjusted R-Square	= 0.954
Std. Error of the Estimate	= 0.21241
Durbin-Watson	= 0.563
F-Statistics	= 6094.273
T-Statistic ( $df_1 = 1 \& df_2 = 296$	) = 78.066

a. Dependent Variable: International business

b. Predictors: (Constant), Technology

**Source:** Researcher's Estimation 2023 SPSS version 25.0 Significance @ 95 confidence level (See SPSS Output – Appendix IV)

Also, in the Table 4 the regression results showed that the estimated coefficient of the regression parameters has positive sign and thus conform to our a priori expectation, the R- square value of 0.954 which is the coefficient of determination covers 95.4% of the sample variation in the dependent variable is explained or caused by the explanatory variable while 4.6% is unexplained. This remaining could be caused by other factors or variables not built into the model. The high value of R-square is an indication of a good relationship between the dependent and independent variables, meaning that there is a strong positive relationship between innovation culture and entrepreneurial competitiveness of selected SMEs in South-South Nigeria. This means that an increase in the independent variables will bring about credibility in the dependent variable. The regression equation (Y=0.304+0937IC+e) shows that entrepreneurial competitiveness of selected SMEs in South-South Nigeria will always depend on a positive constant factor of 0.304 regardless of the existence of other determinants of entrepreneurial competitiveness of selected SMEs in South-South Nigeria will always depend on a positive constant factor of 0.304 regardless of selected SMEs in South-South Nigeria will always depend on a positive constant factor of 0.304 regardless of selected SMEs in South-South Nigeria will increase in innovation culture will increase entrepreneurial competitiveness of selected SMEs in South-South Nigeria. Every unit increase in innovation culture will increase entrepreneurial competitiveness of selected SMEs in South-South Nigeria by a factor of 0.937.

The  $R^2$  value of 0.954 means that 95.4% of the variations in entrepreneurial competitiveness of selected SMEs in South-South Nigeria is explained by innovation culture while the 4.6% is explained by other variables indicating that the model is a good predictor. 0.21241 indicates its Standard Error of the Estimate, while Durbin Watson Statistic of 0.563 show the degree of no autocorrelation of variables at the inconclusive region. The F-Statistics of 6094.273 measures the goodness of fit of the model which is greater than 2.5 rule of thumbs. The calculated t-Statistic remains 78.066 at (df<sub>1</sub> = 1 & df<sub>2</sub> = 296). With reference to table above, the calculated t-statistics of 78.066 at (df<sub>1</sub> = 1 & df<sub>2</sub> = 296) is greater than the critical value (i.e. 1.984), the null hypothesis was rejected and the alternative accepted. This means that, there is significant effect of innovation culture on entrepreneurial competitiveness of selected SMEs in South-South Nigeria.

### Hypothesis five

H05: There is no significant effect of leadership culture on Entrepreneurial sustainability of selected SMEs in South-South Nigeria.

Table 5:Pearson Correlation coefficient result establishing the effect of leadership culture<br/>on Entrepreneurial sustainability of selected SMEs in South-South Nigeria.<br/>Correlations

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		Entrepreneurial sustainability of selected SMEs in South-South Nigeria	Leadership culture
Entrepreneurial sustainability of selected	Pearson Correlation	1	.980**
SMEs in South-South	Sig. (1-tailed)		.000
Nigeria	Ν	298	298
Leadership culture	Pearson Correlation	.980**	1
	Sig. (1-tailed)	.000	
	Ν	298	298

\*\*. Correlation is significant at the 0.01 level (1-tailed).

**Source:** Researcher's Estimation 2023 SPSS version 25.0 (See SPSS Output –Appendix V)

The result present in Table 5 shows the factors contributing to growth and development of MNEs. The coefficient of the correlation is 0.980\*\* with a sig. value of 0.000. This entails that, leadership culture contributing to entrepreneurial sustainability of selected SMEs in South-South Nigeria. The result present in Table 5 reveals the factors contributing to growth and development of MNEs. The coefficient of the correlation is 0.980\*\* with a sig. value of 0.000. The effect is significant since the sig. value of 0.000 is lower that the acceptable 0.01% significance level. This means that, there is significant effect of leadership culture on entrepreneurial sustainability of selected SMEs in South-South Nigeria.

## **DISCUSSIONS OF FINDINGS**

Based on the statistical findings, this study observed that there is significant effect of innovation culture on entrepreneurial competitiveness of selected SMEs in South-South Nigeria as seen in the analysis. This is also in line with the examinations of Roffeei, Yusop and Kamarulzaman (2018) who work aimed at developing a model of innovation culture which leads to desirable student innovative behaviours. Using a literature-derived questionnaire, data were collected from 1,008 undergraduate students from five public research universities in Malaysia. Findings from structural equation modelling analysis indicate that self-efficacy, effective communications, and climate for innovation, the findings revealed that self-efficacy, effective communication, and innovation culture to have significant effect on innovative behaviour, indicating the importance of communication and self-belief in building innovation culture and moulding intended behaviour regardless of the situations or environmental conditions.

Lastly, there is significant effect of leadership culture on entrepreneurial sustainability of selected SMEs in South-South Nigeria. This supports the research work of Bruno de Amorim and Lizote, (2022) who study evaluated the relationship between organizational culture and the leadership performed by managers of micro and small companies. The research has a quantitative and descriptive approach. Self-administered questionnaire applied to managers were used as a data collection instrument, resulting in a sample of 82 respondents. For data analysis, descriptive and correlational

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techniques were used. The results showed that the transactional leadership style was the most perceived in managers and the type of current predominant culture was the clan culture. When testing the conjectured hypotheses, different relationships between organizational culture and its dimensions were found with leadership styles. Clan culture showed correlation with all dimensions.

## CONCLUSION AND RECOMMENDATIONS

## CONCLUSION

The study concluded that:

- i.) There is significant effect of innovation culture on Entrepreneurial competitiveness of selected SMEs in South-South Nigeria. This implies that the ability or the greater the SMEs adopting or aligning to new revolution culture the better the entrepreneurial competitiveness
- ii.) There is significant effect of leadership culture on Entrepreneurial sustainability of selected SMEs in South-South Nigeria. This implies that the dynamism nature of a leader accelerates and the propel the entrepreneurial sustainability.

### RECOMMENDATIONS

Based on the statistical findings, the study recommends as follows;

- i.) As regards to innovation culture and entrepreneurial competitiveness of selected SMEs in South-South Nigeria. This study suggests that owners of SMEs should constantly embrace all forms of effective revolutionary trends and self-belief in building innovation culture and molding intended behavior regardless of the situations or environmental conditions to improve on entrepreneurial competitiveness.
- ii.) Lastly on leadership culture and entrepreneurial sustainability of selected SMEs in South-South Nigeria. This study also recommends that SMEs in conjunction with the government should continually encourage in human capacity building that will capture dynamism nature refinement and molding in order to help them improve entrepreneurial leadership traits inherent for better sales performance and survival at any given time.

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