© AccexGate Global

www.accexgate.com | journalsaccexgate@gmail.com

Strategic Entrepreneurial Orientation and Performance of SMES in Rivers State

Darlington Chigoziri Unegbu¹ and B. Chima Onuoha²

¹Doctoral Student, Department of Management, University of Port Harcourt. ²Professor of Management, Department of Management, University of Port Harcourt

Abstract: The study investigates the association between strategic entrepreneurial orientation and performance of SMES in Rivers State; the A cross-sectional survey design was adopted in the study and 1185 SMEs in Rivers State Rivers State constitute the study population. The sample size of 291was drawn, using krejcie and Morgan's 1970 table. The sample elements were given a standardized questionnaire. Strategic entrepreneurial orientation was operationalized with proactiveness and aggressive competitiveness. Goal attainment and profitability were used to measure the dependent variable (organisational performance). The Spearman rank order correlation coefficient was used for the analysis. The study findings show a strong positive relationship between the dimensions of strategic entrepreneurial orientation (proactiveness and aggressive competitiveness) and organisational performance, the study concludes that strategic entrepreneurial orientation relates with the organisational performance of SMEs in Rivers State. The study recommends that the SMEs should foster a culture of proactiveness and aggressive competitiveness that encourages employees to generate new ideas and take calculated risks to enhance effective performance.

Keywords: Strategic Entrepreneurial Orientation, Goal Attainment, Profitability Proactiveness, Aggressive Competitiveness Performance.

INTRODUCTION

Efficiency in performance in an entrepreneurially driven organisation is essential for the business sector to remain pertinent, attract new clients, and sustain the current market. Performance is a measure of an activity's or job's quality. Performance includes any acknowledged accomplishment (Vocabulary Dictionary, 2023). Issa, Akhigbe, and Nwuche (2021) contend that a company's performance determines the firm's ability to remain the market frontrunner in its business. Many small and medium-sized businesses (SMEs) are under increasing pressure from the competition as a result of globalisation, and it is difficult for SMEs to maintain and enhance corporate performance given the sophistication of customers' tastes and preferences around the world. The significance accorded to the firm's performance and the entrepreneur's potential is what keeps a business going.

Making the most of opportunities that are proactively presented in an environment that attracts people who are more likely to improve performance, thrive, and achieve business

success is necessary for increasing efficiency in the achievement of the organization's performance and sustainable competitive advantage. In order to maintain a competitive edge in their respective industries, businesses must outperform competing organisations in the marketplace with well-packaged entrepreneurial orientation programmes. Agboje (2018) describes entrepreneurial orientation as a visionary professional who proactively seizes chances regardless of the current level of uncertainty in order to generate profit. The internal strategy remains a crucial element that will facilitate employee effectiveness and improve performance, which is why the entrepreneurial orientation vision calls for SMEs to develop norms and behaviours that will foster entrepreneurial processes in their business activities (Ajake, 2015).

A critical element for improving the global economy is a strategic entrepreneurial orientation. Entrepreneurial orientation expands options, broadens the selection of goods and services, and boosts global wealth, competitiveness, and optimistic performance and development. Entrepreneurial orientation is a tactical measurement of organisational effectiveness globally (Covin & Lumpkin, 2012; Lester, 2011). Autonomy, competitive aggression, inventiveness, proactivity, and risk-taking are the five traits linked to an entrepreneurial orientational strategy. In this study, the performance of SMEs will be correlated with proactiveness and aggressiveness, among other aspects of entrepreneurial orientation measures.

Environmental orientation has been the subject of numerous researches. In the study of the link between SMEs' marketing performance and entrepreneurial orientation in Rivers State, Nigeria, Akani, Wami, and Ikegwuru (2020) found that, entrepreneurial orientation has a positive and significant relationship with marketing performance. When Kenigheni and Ikegwuru (2020) looked into entrepreneurial orientation and unemployment reduction in Nigeria, they discovered that it greatly helps to lower unemployment in Nigeria. According to Zhai et al.'s (2018) investigation into the connections between entrepreneurial orientation, absorptive capacity, environmental dynamism, and company technological innovation performance, there is a strong link between these factors. Despite these extensive studies, the dearth of empirical work on strategic entrepreneurial orientation of SMEs in Rivers State, Rivers State, motivates this study.

STATEMENT OF PROBLEMS

Many SMEs are poorly implementing the entrepreneurial orientation activities which includes proactiveness, innovativeness, aggressive competitiveness, autonomy, insufficient capital outlay, lack of focus, bad market research, poor planning, and insufficient proactiveness. According to Oluwajoin (2014), low entrepreneurial performance is connected with entrepreneurs' incapacity to be proactive, innovative, and participate in profitable risk-taking. Technology advancements, social and economic developments, and a fast-shrinking product life cycle have all contributed to the hypercompetitive climate in which enterprises presently operate as a result of globalisation (Muthama & Ngugi, 2012). Reduced levels of participation in organisations are a direct result of increased industry competition and negatively affect performance (Assefa, Hermes, & Meesters, 2010).

It is challenging for enterprises to enhance their performance and maintain a steady competitive edge due to the intense competition in the market (Shih, Liu, & Hsu, 2010). The fact that SMEs place operational planning ahead of strategic planning raises alarms (Nnabugwu & Azikiwe 2021). Numerous SMEs suffer from a lack of entrepreneurial skills, poor management practises, a lack of proactiveness, a lack of innovative skills, a lack of aggressive competitiveness, a lack of funding and capital markets, a lack of equity capital, a lack of return on investment, a lack of infrastructural facilities, high rates of enterprise mortality, a lack of skilled labour, multiple regulatory agencies and an overbearing operating environment, societal and attitudinal problems, integrity and To overcome this issue, they must realign their business abilities appropriately.

AIM AND OBJECTIVES OF THE STUDY

The study examines strategic entrepreneurial orientation and organisational performance of SMEs in Rivers State. Specifically, it examines the connection between:

- 1. Proactiveness and goal attainment of SMEs in Rivers State
- 2. Proactiveness and profitability of SMEs in Rivers State
- 3. Aggressive competitiveness and goal attainment of SMEs in Rivers State
- 4. Aggressive competitiveness and profitability of SMEs in Rivers State

RESEARCH QUESTIONS

- 1. What is the relationship between proactiveness and the goal attainment of SMEs in Rivers State?
- 2. What is the connection between proactiveness and profitability of SMEs in Rivers State?
- 3. What is the association between aggressive competitiveness and goal attainment of SMEs in Rivers State?
- 4. What is the bond between aggressive competitiveness and profitability of SMEs in Rivers State?

RESEARCH HYPOTHESES

Ho₁: There is no significant relationship between proactiveness and goal attainment of SMEs in Rivers State.

Ho₂: There is no significant relationship between the proactiveness and profitability of SMEs in Rivers State.

Ho₃: There is no significant relationship between aggressive competitiveness and goal attainment of SMEs in Rivers State.

Ho₄: There is no significant relationship between aggressive competitiveness and profitability of SMEs in Rivers State.

Conceptual Framework

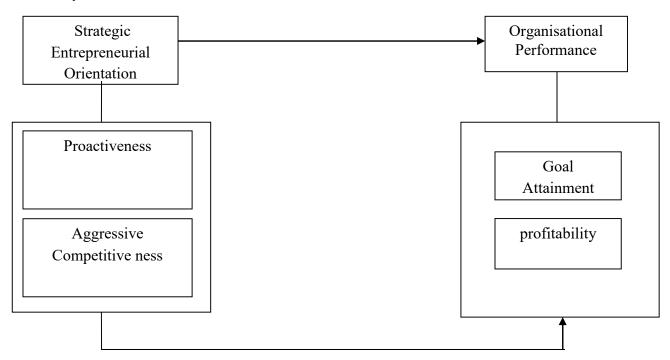


Fig 1: Conceptual framework of strategic entrepreneurial orientation and organisational performance of SMEs in Rivers State.

GOAL THEORY

Goal theory is a theory of motivation that focuses on the effects of setting goals on performance and learning. The theory was developed by Edwin Locke, who proposed that specific, difficult, and clear goals are more effective than vague, easy, and unclear goals. The theory also suggests that goals influence the level of intrinsic motivation, effort, and feedback. Edwin Locke proposed the Goal theory in 1968. Goal theory is related to strategic entrepreneurial orientation and organizational performance of SMEs in the sense that it provides a framework for understanding how setting specific, difficult, and clear goals can influence the level of intrinsic motivation, effort, and feedback.

Entrepreneurial orientation (EO) is a construct that captures the firm's strategic posture toward innovation, risk-taking, and proactiveness. Research has shown that EO is positively related to organizational performance. Thus, SMEs can use goal theory to set specific and challenging goals that align with their entrepreneurial orientation to improve their organizational performance.

STRATEGIC ENTREPRENEURIAL ORIENTATION

When executives are creating strategies in the hopes of doing something distinctive and seizing opportunities that other organisations are unable to seize, entrepreneurial orientation (EO) is a crucial concept. Entrepreneurial orientation refers to the processes, behaviours, and decision-making philosophies of firms that function in an entrepreneurial manner (Lumpkin & Dess, 1996). Any organization's level of entrepreneurial orientation can be ascertained by evaluating how it stacks up against five autonomy-related characteristics, competitive aggressiveness, innovativeness, proactiveness, and risk taking. These dimensions also have an effect on individuals.

The management should enhance strategic entrepreneurial orientation to strengthen the company, and encourage individual to increase entrepreneurialism. Designing organisational processes and policies to reflect the five characteristics of entrepreneurial orientation is crucial (University of Minnesota, 2023). Taking prudent chances should be rewarded with increases and bonuses, regardless of whether the risks are profitable. Taking prudent risks that is profitable should be compensated. Entrepreneurial orientation may be impacted by additional organisational traits like corporate debt level and how it promotes or hinder innovation.

SMEs are urged to acquire an entrepreneurial mindset in order to identify threats and opportunities in the business environment and guarantee the business's survival in the long run (Krueger 2000). Businesses endure high levels of market unpredictability and complicated commercial ambiguity during periods of economic and ecological upheaval, which compels businesses to react to such disturbance (Grewal & Tansuhaj, 2001; Lin and Carley, 2001). A firm-level reaction is consequently required (Chattopadhyay et al. 2001).

Intrapreneurship is the term used to describe entrepreneurship within a company. Companies frequently expand by introducing new services or goods created by themselves as opposed to buying a business that already offers the service and goods. This approach of advancement is seen as the internal development approach of strategy implementation. Companies require personnel with a high entrepreneurial mindset if they are to maximise prospects for intrapreneurship. Career advancement is another benefit of thinking and acting entrepreneurially. By spotting and grabbing fresh chances, some enterprising people are able to successfully navigate the surroundings of their various organisations and maximise their own career potential.

Proactiveness

This is the propensity to look ahead and seize possibilities as they arise rather than relying simply on current goods and services. An organisation that adopts an opportunity-seeking mindset is proactive. Such businesses take action ahead of changing market demand and frequently pioneer new markets or function as "fast followers" who build on the work

of pioneers. Proactive's leaders have established out a successful niche in a world that is technologically, ecologically, and politically unstable by seizing possibilities that others fear (Choi, 2008).

Competitive Aggressiveness.

The Latin word "Competer denotes involvement in a battle for the market among businesses. is where the word "competitiveness" originates (Momaya & Ambastha, 2003). According to Ogueze, Edwinah & Olori (2017), competition is multifaceted in nature and involves rival organisations vying for the same market share, industry, and positioning. According to Lumpkin and Dess (1996), competition is how businesses associate with their rivals, or how they react to changes and demands that pre-exist in the environment or market. Competitiveness is described by Barney (2001) as the person, business, or state that is involved in entrepreneurial activities. Competitive aggressiveness, according to Lumpkin and Dess (1996), is the inclination of a firm to directly and strongly challenge its competitors in order to gain entry or enhance position and obtain a competitive edge.

In order to compete with established rivals, new competitors frequently need to engage in head-to-head posturing, referred to as competitive aggression; a measure of entrepreneurial orientation. Competitive aggressiveness was defined by Covin and Covin (1990) as an organization's effort to outperform competitors through proactive and innovative measures, introducing initiatives that competitors then respond to, being the first to introduce new modes of operation or products, and displaying significant competitive bearing. A combative attitude or adversarial response clearly distinguish competitive aggression from other types of aggression.

ORGANISATIONAL PERFORMANCE

Ecological disorder can significantly affect a firm's viability; making it crucial for managers to comprehend and accomplish occurrences, and researchers to identify the variables that may explain the difference in business performance between firms rising and falling in multifaceted environmental settings (Grewal and Tansuhaj 2001). The current school of thinking maintains that entrepreneurship is a requirement for growth, sustainable competitive advantage, and greatness (Wiklund & Shepherd 2005; Rauch et al. 2009; Balkenende 2007; Dalmeijer 2009). It is also a condition for politics (e.g., Balkenende 2009; Dalmeijer 2009) and popular science (Collins 2001). This is mainly true for companies operating in dynamic, competitive contexts (Chandler et al. 2000; Antoncic and Hisrich 2001) as well as antagonistic environments (Covin and Slevin 1989).

A recent meta-analysis of the connection between entrepreneurial orientation and corporate performance was carried out by Rauch et al. (2009). Their analysis of 51 studies revealed a strong correlation between entrepreneurial orientation and corporate performance. According to Rausch et al. (2009), the association between entrepreneurial orientation and business performance is "of similar magnitude in diverse cultural contexts". According to McKinsey & Company (2023), the perceived fairness of a system is associated with the efficacy of performance management. These practices include matching performance objectives with business priorities, offering effective coaching, and

differentiating remuneration across performance levels, linking performance goals to business priorities and usingtechnology also enhances performance-management systems

Goal Attainment

Goals influence all employees' behaviour and performance in firms, as well as management practise (Locke & Latham, 2002). According to Abassi and Hollman (2000), the supervisor or top management must recognise and accept workers as vital contributors to the organization's goals being met efficiently. Furthermore, Fried and Slowik feel that goal planning helps an individual achieve their goals and serves as the primary rationale for motivational theories.

Managers generally consider goal-setting as a strategy for improving and maintaining performance (DuBrin, 2012). According to studies, specific goals aid in accomplishing other desirable organisational goals such as minimising absenteeism, slowness, and turnover (Locke & Latham, 2002). Goal attainment is more likely when an independent self-construal is functioning, according to Yang et al. (2015). Individuals must assess goal achievement in light of local situational circumstances that make goal attainment more or less challenging (Kanfer & Chen, 2016). According to Lucky and Onuoha (2021), goal attainment is a goal definition that helps employees to know what aim to pursue and allows them to monitor their own progress.

Goal attainment refers to the process of mobilising human and other resources to achieve group goals and purposes. Mobilisation occurs in a social system through the production and deployment of power, and goal attainment functions are carried out through political engagement. Imogene King developed the goal attainment hypothesis in the early 1960s to describe the interpersonal connection required to achieve life objectives.

According to the theory, a number of factors, including roles, stress, environment, and time, have an impact on how well goals are reached. The model depicts how social, interpersonal, and personal systems interact. These systems each have a distinct set of concepts. Perception, self, growth and development, body image, space, and time are the concepts for the personal system. Interaction, communication, transaction, role, and stress are concepts related to the interpersonal system. Organisation, authority, power, position, and decision-making are concepts for the social system.

Profitability

A business that wants to remain operational and survive competition from other businesses in the same sector, profit maximisation is a critical goal. It is a prerequisite for a company's long-term existence and profitability as well as a vital condition for the accomplishment of other financial goals of a commercial organisation (Gitman and Zutter, 2012). Profitability is a crucial aspect of a company's financial reporting and a key performance indicator. It demonstrates the company's capacity and potential for profitability under specified conditions of sales volume, asset level, and capital stock (Margaretha and Supartika, 2016).

Businesses that are profitable generate value, create jobs, are more inclined to innovate, are more socially conscious, and pay taxes, which benefits the economy as a whole. Unquestionably, strong business performance makes a significant contribution to the creation of income and the general growth of an economy (Olutunla and Obamuyi, 2008). In order to identify the factors that influence profitability at the business and industrial levels, academics have made significant efforts and used leading-edge hypothetical models (Al-Jafari and Al-Samman, 2015; Pratheepan, 2014).

A company's ability to make a profit determines its profitability. A company's revenue is what is left over after paying all costs that are directly related to obtaining the income, such as those incurred in product production and other outlays incurred in carrying out business operations (Grimsley, 2015). Profitability, according to Saptarshi and Tasnima (2018), is the capacity of an organisation to generate revenue from all of its business endeavours. Profitability gauges how effectively a firm's management takes advantage of marketing or promotional prospects.

A company's profitability, according to Paul and Agbo (2014), is based on its ability to produce returns on assets with a positive net present value. Pouraghaljan and Milad (2012) define profitability similarly as the capacity to produce income that exceeds the cost of such production. The phrase basically talks about profit and how it relates to other factors that have a direct impact on profit in terms of comparative and measurable terms. Profit to Total Expenses (PER), Bank Efficacy, Return on Asset (ROA), and Return on Equity (ROE) are a few measures that illustrate profitability measurements that require assessing managerial effectiveness. Higher profitability ratios are a sign of better bank performance (Mangla & Rehman, 2010; Ajlouni & Omari, 2013). The Return on Asset (ROA) metric was used in this study to evaluate profitability.

EMPIRICAL REVIEW

Aigboje (2018) analyses the performance and entrepreneurial orientation of a few SMEs in the manufacturing sector in Rivers State, Rivers State, Nigeria. A survey research design was used for the study, and 450 employees from 15 local SMEs manufacturing businesses in Rivers State were sampled. The study's conclusions showed an association between entrepreneurial inclinations and performance of particular SMEs engaged in manufacturing in Rivers State.

Izagah and Ikegwuru (2016) investigated the relationship between strategic entrepreneurial orientation and the market share of taxi cab operators in Rivers State. They discovered that the dimensions of strategic entrepreneurial orientation have a positive and substantial relationship with market share.

Azlin, Amran, Afiza, and Zahariah (2014) examined the relationship between entrepreneurial orientation (EO) and business performance. They found that while Autonomy showed no correlation with business performance, innovativeness, proactivity, risk-taking, and competitive aggressiveness all had a significant impact on business performance.

In Rivers State, Nigeria, where there are 377 registered SMEs, Akani, Wami, and Ikegwuru (2020) looked into the impact of entrepreneurial orientation on marketing performance. The influence of a business-oriented mindset on marketing performance was determined using the regression analysis technique, while the moderating effect of a market-oriented mindset on the relationship between a business-minded mindset and marketing performance was investigated using the hierarchical regression technique. According to the findings, entrepreneurial orientation and marketing performance are positively and significantly related.

Ikegwuru and Harcourt (2020) studied the impact of entrepreneurial responsive strategies on SMEs survival in the COVID-19 pandemic era using a population of 377 registered SMEs in Rivers State, Nigeria. Regression analysis was used to assess the data, which were gathered via a structured questionnaire for the study. The findings indicate that innovation, initiative, and risk-taking have a substantial impact on SMEs' survival in Rivers State, Nigeria.

By using a survey approach, Kenigheni and Ikegwuru (2020) examined the impact of entrepreneurial orientation on the decline in unemployment in Nigeria. In order to choose 200 entrepreneurs from four well-known Local Government Areas in Rivers State, the stratified random selection technique was used. The relationship between entrepreneurial orientation and the decline in unemployment in Nigeria was examined using the ordinary least square (OLS) method, and the results show that this relationship is highly significant.

Using the dimensions of proactiveness, innovation, risk-taking, and customer value, Ogueze, Edwinah, and Olori (2017) investigated entrepreneurial orientation and organisational competitiveness of hotels in Rivers State. Shareholder value was correlated, and organisational culture served as the moderating variable. The cross-sectional survey-based quasi-experimental research design was advocated. The characteristics of entrepreneurial orientation and indicators of organisational competitiveness are positively and significantly correlated, according to research using the spearman rank order correlation technique.

METHODOLOGY

A cross-sectional survey design was adopted in the study to achieve the stated objectives. 1185 SMEs in Rivers State Rivers State constitute the study population. The sample size of 291was drawn, using krejcie and Morgan's 1970 table. The sample elements were given a standardized questionnaire. Strategic entrepreneurial orientation was operationalized with proactiveness and aggressive competitiveness. Goal attainment and profitability were used to measure the dependent variable (organisational performance). Each concept was assessed using seven items. The Cronbach alpha was used to determine the variable's dependability. The questionnaire items were graded on a 4-point Likert scale, with 1 indicating severe disagreement, 2 indicating disagreement, 3 indicating agreement, and 4 indicating strong agreement. The earlier state hypotheses were examined using the Spearman rank order correlation coefficient.

RESULT

291-questionnaire were distributed, but only 255(87.6%) copies were returned. The hypotheses test is undertaken at a 95% confidence interval and the decision rule is stated below.

Where P < 0.05 = Reject the null hypotheses

Where P > 0.05 = Accept the null hypotheses

Table 1: Correlations between proactiveness and dimensions of

organisational performance

			•	Goal	
			Proactiveness	Attainment	Profitability
Spearman's rho	Proactiveness	Correlation Coefficient	1.000	.884**	.795**
		Sig. (2-tailed)		.000	.000
		N	255	255	255
		Correlation Coefficient	.884**	1.000	.785**
	Goal	Sig. (2-tailed)	.000		.000
	Attainment	N	255	255	255
		Correlation Coefficient	.795**	.785**	1.000
		Sig. (2-tailed)	.000	.000	
	Profitability	N	255	255	255

^{**.} Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2023.

Proactiveness and Goal Attainment: In column five of Table 1, the rho value of 0.884** at a significance level of 0.000 is less than the alpha level of 0.05. As a result, the null hypothesis (Ho₁) is rejected, and the alternate hypothesis (Ha₁) is accepted. This implies that proactiveness and goal attainment have a substantial positive link.

Proactiveness and Profitability: The rho value in column six of Table 1 above is 0.795** at a significance level of 0.000, which is less than the alpha level of 0.05 used for proactiveness and profitability. The null hypothesis (Ho₂), which states that there is no significant association between proactiveness and profitability, is rejected because the significance value is less than the alpha level of 0.05, and the alternate hypothesis is accepted. This suggests that there is a strong positive relationship between proactiveness and profitability.

Table 2: Correlations between aggressive competitiveness and the dimension of organisational performance

-			A	01	
			Aggressive	Goal	
			Competitiveness	Attainment	Profitability
Spearman's rho	Aggressive Competitiveness	Correlation Coefficient	1.000	.855**	.830**
		Sig. (2- tailed)		.000	.000
		N	255	255	255
	Goal Attainment	Correlation Coefficient	.855**	1.000	.790**
		Sig. (2- tailed)	.000		.000
		N	255	255	255
	Profitability	Correlation Coefficient	.830**	.790**	1.000
		Sig. (2- tailed)	.000	.000	
		N	255	255	255

^{**.} Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2023.

Aggressive competitiveness and Goal attainment: The rho value in Column 5 of Table 2 is 0.855** at a significance level of 0.000, which is less than the alpha level of 0.05. The null hypothesis (Ho₃) is rejected, while the alternate hypothesis (Ha₃) is accepted. This suggests that aggressive competitiveness has a high positive relationship with goal achievement.

Aggressive competitiveness and **Profitability:** The rho value of 0.830** at a significance level of 0.000 in column six of Table 2 above is less than the alpha level of 0.05 for the hypothesis relating to aggressive competitiveness and profitability. The null hypothesis (Ho₄), which claims that there is no significant association between aggressive competitiveness and profitability, is rejected because the significance value is less than the alpha level of 0.05, and the alternate hypothesis is accepted. This implies that aggressive competitiveness and profitability have a highly substantial positive relationship.

DISCUSSION OF FINDINGS

According to the data analysis above, strategic entrepreneurial orientation in terms of proactiveness and aggressive competitiveness has a relationship with organisational performance. Each hypothesis is discussed in detail below.

Proactiveness and Goal attainment

The results of the data analysis in Table 1 showed a strong relationship between Proactiveness and goal attainment. The P-value of 0.000 demonstrates a strong positive relationship existence between proactiveness and goal attainment, and the rho value of 0.884 demonstrates a strong positive connection between the variables. The results of this study support Ogueze, Edwinah, and Olori (2017) the findings show that entrepreneurial orientation indicators (proactiveness, innovation, risk-taking, and customer value) significantly relate positively to organisational competitiveness. It supports Lucky and Onuoha (2021) that goal attainment is a goal attainment rlates with entrepreneurial orientation and heip in monitoring progress.

Proactiveness and Profitability

The hypothesis 2 analysis in Table 1 showed a positive strong significant correlation between proactiveness and profitability. The P-value of 0.000, and the rho value of 0.795 demonstrates a strong positive link between proactiveness and profitability. The findings agree with Aigboje (2018) whose study's findings showed an association between entrepreneurial inclinations and performance of SMEs in Rivers State. It aligns with the thought of Choi (2008) that precative's leaders have established successful positions to achieve higher performance in a world that is technologically, ecologically, and politically unstable by seizing proactive opportunities.

Aggressive competitiveness and Goal attainment

The results in Table 2 revealed that aggressive competitiveness relates significantly to goal attainment. The P-value of 0.000 shows that aggressive competitiveness relates to goal attainment, while the rho value of 0.855 shows a strong positive correlational value among the variables. The correlation among the variables signifies that aggressive competitiveness relates to the goal attainment of the SMEs in Rivers State. This result is consistent with the study of Akani, Wami, and Ikegwuru (2020) whose findings state that entrepreneurial orientation and marketing performance are positively and significantly related. It also agrees with Azlin, et al., (2014) that innovativeness, proactivity, risk-taking, and competitive aggressiveness all had a significant impact on business performance.

Aggressive competitiveness and Profitability

The analysis presented in Table 2 revealed that aggressive competitiveness relates significantly to profitability. The P-value of 0.000 shows that aggressive competitiveness relates to profitability, while the rho value of 0.830 shows a high positive correlational value among the variables. This finding agrees with Izagah and Ikegwuru (2016) whose finding revealed that strategic entrepreneurial orientation has a positive and substantial relationship with market share and performance of the firm. It also aligns with Ikegwuru and Harcourt (2020) whose findings indicate that innovation, initiative, and risk-taking have a substantial impact on SMEs' survival.

CONCLUSION

The study examines the strategic entrepreneurial orientation and organisational performance of SMEs in Rivers State, Nigeria. The dimensions of strategic entrepreneurial orientation which are proactiveness and aggressive competitiveness has a strong positive relationship with organizational performance. Hence, the study found a

strong correlation between strategic entrepreneurial orientation and the organisational performance of SMEs in Rivers State. The study therefore concludes that a relationship exists between strategic entrepreneurial orientation and organisational performance of the SMEs in Rivers State, Rivers State

Recommendations

- 1. The SMEs should foster a culture of proactiveness and agressive competitiveness that encourages employees to generate new ideas and take calculated risks.
- 2. The SMEs should continuously monitor and evaluate the firm's performance to identify areas for improvement and adjust strategies accordingly.
- 3. Entrepreneurs should continuously self-renew and opportunities aimed to drive performance and develop a clear and compelling vision for the company that aligns with the firm's entrepreneurial orientation.
- 4. The SMEs should set specific, challenging, and clear goals that align with the firm's entrepreneurial orientation using the Goal theory and invest in marketing capabilities and social media usage to enhance the firm's performance.
- 5. Build a strong network of relationships with suppliers, customers, and other stakeholders to gain access to resources and information that can help the firm achieve its goals.

REFERENCES

- Abassi, S.M., & Hollman, K.W. (2000). Turnover: The real bottom line. *Public Personnel Management*, 2(3), 333-342. https://doi.org/10.1177/009102600002900303
- Aigboje, P. (2018). Entrepreneurial orientation and survival of SME manufacturing companies. River state, Nigeria. *American Journal of Humani Ties and Social Sciences Research*, 11(4), 1-8.
- Ajake, A. O (2015). Assessing the impacts of hospitality industry in Enugu City, Nigeria, *American Journal of Tourism Management*, 2(3), 456-476. https://doi.org/10.5923/j.tourism.20150403.01
- Ajlouni, M. M. & Omari, H. O. (2013). Performance efficiency of Jordanian Islamic banks using data envelopment analysis and financial ratios analysis. *European Scientific Journal*, 1(1), 271-281.
- Al-Jafari, M.K. and Al-Samman, H. (2015). Determinants of Profitability: Evidence from Industrial Companies Listed on Muscat Securities Market. *Review of European Studies*, 7(1), 303-311.
- Antoncic, B., & Hisrich, R. D. (2001). Intrapreneurship: Construct refinement and cross-cultural validation. *Journal of business venturing*, *16*(5), 495-527. https://doi.org/10.1016/S0883-9026(99)00054-3

- Assefa, E., Hermes, N., & Meesters, A. (2013). Competition and the performance of microfinance institutions. *Applied Financial Economics*, *23*(9), 767-782. https://doi.org/10.1080/09603107.2012.754541
- Balkenende JP (2007) Minister-president Balkenende bij 'Nederland Innovatief'. R, http://www.minaz.nl/Actueel/Toespraken/2007/December/Minister_president_Balk enende_bij_Nederland_Innovatief
- Certo, S. T., Moss, T. W., & Short, J. C. 2009. Entrepreneurial orientation: An applied perspective. *Business Horizons*, *52*, 319–324.
- Chandler GB, Keller C, Lyon DW (2000) Unraveling the determinants and consequences of an innovation supportive culture. *Entrepreneurship Theory Pract* 25(1):59–76. https://doi.org/10.1177/104225870002500106
- Chattopadhyay P, Glick WH, Huber GP (2001) Organizational actions in response to threats and opportunities. *Acad Manag J 44*(5):937–955. https://doi.org/10.5465/3069439
- Choi, A. S. (2008), PCI builds telecommunications in Iraq. *Bloomberg Businessweek*, http://www.businessweek.com/magazine/content/08 64/s0804065916656.htm
- Collins J. C. (2001) *Good to great*. Harper Business, New York
- Covin J. G, Green K. M., Slevin D. P. (2006) Strategic process effects on the entrepreneurial orientation-sales growth rate relationship. *Entrepreneurship Theory Pract* 30(1):57–81. https://doi.org/10.1111/j.1540-6520.2006.00110.x
- Covin, J. G., & Slevin, D. P. (1986). The development and testing of an organizational-level entrepreneurship scale. *Frontiers of entrepreneurship research*, *1*(3), 628-639.
- Covin, J. G., & Covin, T. J. (1990). Competitive aggressiveness, environmental context, and small firm performance. *Entrepreneurship Theory and Practice*, *14*(4), 35-50.
- Dalmeijer M (2009) Nieuw belastingplan stimuleert ondernemerschap. Ndernemenjuistnu.Nl, http://www.ondernemenjuistnu.nl/2009/11/nieuw-belastingplan-stimuleert-ondernemerschap/
- DuBrin, A. J. (2012). Essentials of management. Mason, OH: Cengage South-Western.
- Gitman, L. J. and Zutter, C.J., (2012). *Principles of managerial finance*, 13th ed., USA: Addison Wesle.
- Grewal, R., & Tansuhaj, P. (2001). Building organizational capabilities for managing economic crisis: The role of market orientation and strategic flexibility. *Journal of marketing*, 65(2), 67-80. https://doi.org/10.1509/jmkg.65.2.67.18259
- Grimsley, S. (2015). What is profitability? Definition, analysis & quiz. *Study.Com*, http://study.com/academy/lesson/what-is-profitability-definition-analysisquiz.html
- Ikegwuru. M. & Harcourt, H. (2020). Entrepreneurial responsive strategies and SMEs survival positioning in COVID 19 pandemic era. Paper presented at the Maiden

- International Conference of Faculty of Management Sciences on Organizational Repositioning, Environmental Transformation and the Post Oil Economy of Nigeria: The Place of Technology and Innovation on 28th October 2020.
- Kenigheni, G. & Ikegwuru, M. (2020). Entrepreneurial orientation and unemployment reduction: Empirical evidence from Nigeria. *International Journal of Business &Entrepreneurship Research*, 13(1), 53 63.
- Krejcie, R.V. Morgan, O. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement, 30,* 607-620.
- Krueger NF (2000) The cognitive infrastructure of opportunity emergence. Entrepreneurship Theory Pract 24(3):5–23.
- Li, Y. H., Huang, J. W., & Tsai, M., T. (2010). Entrepreneurial orientation and firm performance: The role of knowledge creation process. *Journal of Industrial Marketing Management*, 3(8), 440-44
- Lin Z, Carley KM (2001) Organizational design and adaptation in response to crises: theory and practice. Academy of Management Conference. Best Paper Proceedings 2001, 1–7
- Locke, E. A., & Latham, G. P. (2002). Building a practically useful theory of goal setting and task motivation. *American Psychologist*, *57*(9), 705-717.
- Lumpkin, G. T., & Dess, G. G. 1996. Clarifying the entrepreneurial orientation construct and linking it to performance. *Academy of Management Review*, 21, 135–172.
- Mangla, I. U., & Rehman, R. U. (2010). Corporate governance and performance of financial institutions in Pakistan: A comparison between conventional and Islamic banks in Pakistan. *Pakistan Development Review*, 49(4), 461- 475.
- Margaretha, F. and Supartika, N., (2016). Factors Affecting Profitability of Small-Medium Enterprises (SMEs) Firms Listed in Indonesia Stock Exchange. *Journal of Economics, Business and Management, 4* (2), 132-137.
- McKinsey and Company (2023). Harnessing the power of performance management. *Mckinsey.Com*, https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/harnessing-the-power-of-performance-management
- Muthama, T. M. & Ngugi, K. (2012), Influence of competitive intelligence on profitability of mobile telecommunication companies in Kenya, *International Journal of Innovative Research and Development*, 1(11).
- Nnabugwu, O. C,& Azikiwe N.(2021). Strategic entrepreneurship and competitive advantage of SMES' in Anambra State, Nigeria. *International Journal of Business & Law Research* 9(3):215-227.

- Olutunla, G.H. and Obamuyi, T.M., (2008). An empirical analysis of factors associated with the profitability of small and medium enterprises in Nigeria. *African Journal of Business Management*, 2 (10), 195-200.
- Oluwajoin, (2014). The effect of customer satisfaction model and survival evaluation of telecommunication service in Canada, *Journal of Taiwan Business Management* 3(7), 354-372.
- Paul A., A., & Agbo, A. (2014). Impact of working capital on the profitability of the Nigerian Cement Industry. *European Journal of Accounting Auditing and Finance Research*, 2(7), 17-30.
- Pouraghaljan, A., & Milad, E. P. (2012). Impact of working capital management on profitability and market evaluation: Evidence from Tehran Stock Exchange. *International Journal of Business and Social Science*, 3(10), 311-318.
- Pratheepan, T. (2014). A panel data analysis of profitability determinants: Empirical results from Sri Lankan Manufacturing companies. *International Journal of Economics, Commerce and Management*, 2(12), 1-9.
- Rauch A, Wiklund J, Lumpkin G, Frese M (2009) Entrepreneurial orientation and business performance: An assessment of past research and suggestions for the future. *Entrepreneurship Theory Pract* 33(3):761–787.
- Rezaei, J., & Ortt, R. (2018). Entrepreneurial orientation and firm performance: The mediating role of functional performances. *Management Research Review*, *41*(7), 878-900.
- Shih, M. J., Liu, D. R., & Hsu, M. L. (2010). Discovering competitive intelligence by mining changes in patent trends. *Expert Systems with Applications*, 37(4), 2882-2890. https://doi.org/10.1016/j.eswa.2009.09.001
- Slater, S. F., & Narver, J. C. (2000). The positive effect of a market orientation on business profitability: A balanced replication. *Journal of business research*, *48*(1), 69-73. https://doi.org/10.1016/S0148-2963(98)00077-0
- Swierczek, F. W., & Ha, T. T. (2003). Entrepreneurial orientation, uncertainty avoidance and firm performance: an analysis of Thai and Vietnamese SMEs. *The International Journal of Entrepreneurship and Innovation*, *4*(1), 46-58. https://doi.org/10.5367/000000003101299393
- University of Minnesota (2023). Entrepreneurial Orientation: Mastering strategic Management. Open.Lib.Umn.Edu, https://open.lib.umn.edu/strategicmanagement/chapter/2-5-
- Wiklund, J., & Shepherd, D. (2005). Entrepreneurial orientation and small business performance: a configurational approach. Journal of business venturing, 20(1), 71-91. https://doi.org/10.1016/j.jbusvent.2004.01.001
- Yang, H., Stamatogiannakis, A., & Chattopadhyay, A. (2015). Pursuing attainment versus maintenance goals: The interplay of self-construal and goal type on consumer

motivation. *Journal of Consumer Research*, *42*(1), 93-108. https://doi.org/10.1093/jcr/ucv008

Zhai, Y. M., Sun, W. Q., Tsai, S. B., Wang, Z., Zhao, Y., & Chen, Q. (2018). An empirical study on entrepreneurial orientation, absorptive capacity, and SMEs' innovation performance: A sustainable perspective. *Sustainability*, 10(2), 314. https://doi.org/10.3390/su10020314