

# Corporate Entrepreneurship and Firm Performance of SMEs in Rivers State

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**Abstract:** *This study examined the relationship between corporate entrepreneurship and firm performance of SMEs in Rivers State. The study adopted the cross-sectional survey in its investigation of the variables. Primary data was generated through structured questionnaire. The entire population of 50 SMEs in Port Harcourt was adopted as a census. However, the respondents/ participants in the study were one hundred (100) as two managers were selected from each of the 50 SMEs in Port Harcourt. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient. The tests were carried out at a 0.05 significance level. Findings from the study revealed that there is a significant relationship between corporate entrepreneurship and firm performance of SMEs in Rivers State. Specifically, the findings revealed that the dimensions of corporate entrepreneurship (innovativeness and competitive aggressiveness) significantly correlate with firm performance of SMEs in Rivers State. The study therefore recommends that SMEs in Rivers State should actively foster a culture of corporate entrepreneurship within their organizations. They encourage employees to embrace innovation, take calculated risks, and pursue new opportunities. Also, the leadership should communicate and promote an entrepreneurial mindset to drive organizational growth.*

**Keyword:** *Corporate Entrepreneurship, Firm Performance, Innovativeness, Competitive Aggressiveness, Firm Efficiency, Sales Growth.*

## INTRODUCTION

Developing and developed countries are geared towards attainment of economic growth and development. This can be attained through efficient utilization of the available resources, thus there is need to devise measures to attain full employment. The promotion, establishment and growth of the small and medium scale enterprises (SMEs), assist in creating employment and maximising on the utilisation of human and locally available resources (Cunningham & Rowley, 2007). SMEs bring about innovation, growth and poverty reduction thus contributing to economic dynamism in capitalistic economies (Nkuah, Tanyeh & Gaeten, 2013).

Small and Medium Scale Enterprises (SMEs) have been considered as the cornerstone of the business environment in every country, a principal driver of economic development and progress (Qamruzzaman & Jianguo, 2018). Universally, 99 percent of businesses typically falls into the category of SMEs enterprise segment (Gilmore *et al.*, 2013) and SMEs have facilitated the dynamics in the most business organizations in the emerging countries as it contributes to create

new jobs and generate supplementary financial capital for businesses (Wang, 2016). Hasan & Almubarak (2016) stated that businesses could not function satisfactorily unless they obtain enough buttress from small businesses. Since, business firm's entrepreneurial activities are considered as their inner capabilities which may arguably enhance the firm's successfulness in the challenging market condition (Laukkanen *et al.*, 2013); hence, it does require prioritized attention on the corporate entrepreneurship to examine their influence on SMEs performance.

Corporate entrepreneurship plays a vital role in the success and growth of small and medium-sized enterprises (SMEs). According to Sultan, Khoso, Mahesar and Husnain (2022), corporate entrepreneurship refers to the innovative and proactive activities undertaken within an established organization to identify and exploit new opportunities. It involves the development and implementation of new ideas, products, services, or processes that contribute to the overall competitiveness and sustainability of the organization. One of the key reasons why corporate entrepreneurship is important in SMEs is that it helps them to adapt to the ever-changing business environment (Paunović, B. (2012). SMEs operate in highly dynamic and competitive markets, where they need to continuously innovate and differentiate themselves from competitors. By fostering a culture of entrepreneurship, SMEs can embrace change, take calculated risks, and seize new opportunities. This enables them to stay ahead of the curve and maintain their competitive edge in the market (Sultan, Khoso, Mahesar & Husnain, 2022).

Additionally, corporate entrepreneurship allows SMEs to diversify their product or service offerings. SMEs often face resource constraints and limited market reach, which can pose challenges to their growth and survival (Yi, Amenuvor & Boateng, 2021). However, by encouraging corporate entrepreneurship, SMEs can explore new markets, develop new products or services, and expand their customer base. Furthermore, corporate entrepreneurship fosters a culture of innovation and creativity within SMEs. In today's knowledge-based economy, innovation is crucial for sustainable growth and competitiveness. Through corporate entrepreneurship, SMEs can tap into the creative potential of their employees and encourage them to generate and implement innovative ideas (Rehman, Mahmood, Ikram & Ahmad, 2021). This not only helps SMEs to differentiate themselves from competitors but also enables them to continuously improve their products, processes, and customer experiences. The purpose of this paper therefore was to examine the relationship between corporate entrepreneurship and firm performance of SMEs in Rivers State.

The study tested the following hypotheses: From the foregoing discourse, the study hypothesized thus:

- H<sub>01</sub>:** There is no significant relationship between innovativeness and firm efficiency of SMEs in Rivers and Bayelsa States.
- H<sub>02</sub>:** There is no significant relationship between innovativeness and firm growth of SMEs in Rivers and Bayelsa States.
- H<sub>03</sub>:** There is no significant relationship between competitive aggressiveness and firm efficiency of SMEs in Rivers and Bayelsa States.
- H<sub>04</sub>:** There is no significant relationship between competitive aggressiveness and firm growth of SMEs in Rivers and Bayelsa States.

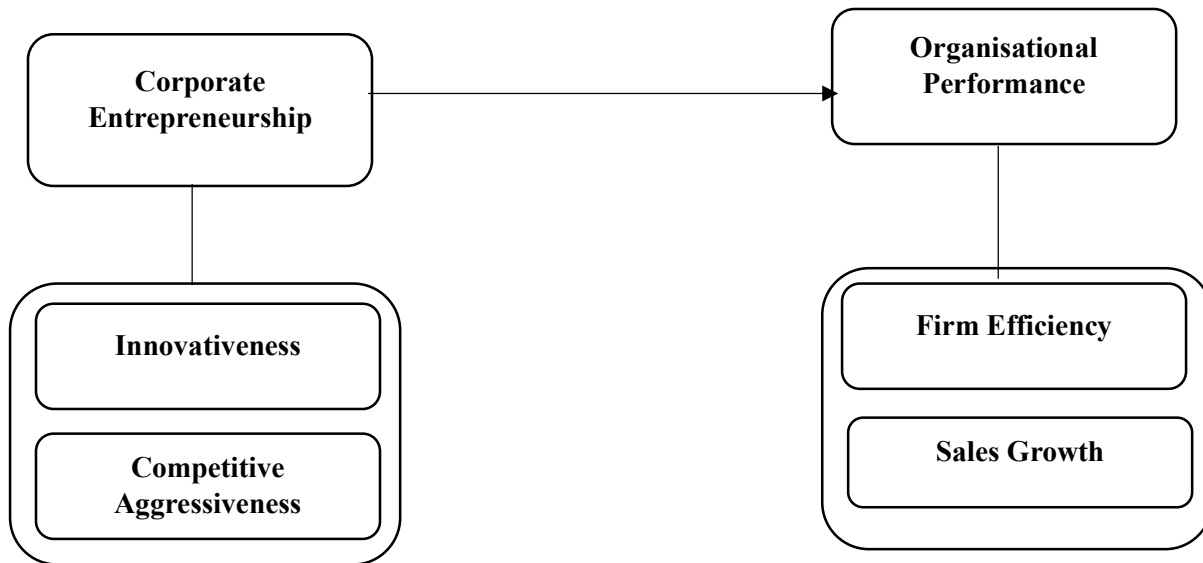


Figure 1: conceptual model for the relationship between corporate entrepreneurship and organizational performance of SMEs in Rivers State.

**Source:** Desk Research (2023)

## **LITERATURE REVIEW**

### **Theoretical Foundation**

#### **Theory of Planned Behaviour (TPB)**

The Theory of planned behaviour by Ajzen & Fishbein (1980) in psychology links one's beliefs and behaviour. The theory states that attitude toward behaviour, subjective norms and perceived behavioural control, together shape an individual's behavioural intentions and behaviours (mindset). In the entrepreneurial milieu, the theory is anchored on the argument that commitment to entrepreneurial activities is based on the premise that much of human behaviour (mindset) is planned and is followed by intention toward that behaviour (Ajzen & Fishbein, 1980). Dhliwayo & Vunren (2007) defined entrepreneurial mindset as a set of personal or behaviour, trait, perception, value, opportunity that is connected to pursuing of opportunities in the market.

According to Igwe (2017a), within the context of entrepreneurship, the theory of planned behaviour asserts that entrepreneurial intention is dependent on an individual's attitude, toward the desirability of an entrepreneurial career, subjective norms including perceived family expectations, and beliefs to perform the behaviour, and perceived behavioural control or the perceived ability to execute the intended behaviour of entering entrepreneurship. He went further to say that theory of planned intentions is a function of three sets of factors, attitude, subjective norms and perceived behavioural control. This implies that entrepreneurial intention is dependent on an individual's attitude toward the desirability of an entrepreneurial career (Ajzen, 1991).

Perceived behavioural control (PBC) is similar to the concept of self-efficacy of Bandura (1986). It is expressed as the individual's personal belief about being able to execute planned behaviour and the perception that the behaviour is within the decision maker's control. Consequently, it is believed that entrepreneurial activity may be predicted more accurately by studying intention,

mindset, behaviour rather than personality traits, demographic characteristics, or situational factors (Igwe, 2017a). He went further to assert that such behaviour control may be seen from individuals' selection of entrepreneurship business rather than work for someone else, because he believes in his ability to self-manage own enterprise, leadership and human resources (Utami, 2017).

It has also been noted that intentions are identified as the best predictor of behaviours which defines an entrepreneurial mindset. The intention of becoming an entrepreneur is an important factor in looking at entrepreneurship in any country (Akologo, Dodor & Udimal, 2018). Some scholars emphasized that entrepreneurial mindset (behaviour) is a type of planned behaviour. (Herman & Stefanescu, 2017). According to Akologo, Dodor, & Udimal, (2018) some models of intentions has been explained to be appropriate for the explanations and predictions of behaviour among entrepreneurs. The entrepreneurial event model (Shapero & Sokol, 1982), The Theory of Planned Behaviour (Ajzen, 2001), Entrepreneurial Attitude Orientation (Robinson, 1991), and the entrepreneurial potential. Model (Kruger & Brazeal, 1994). Among these models the entrepreneurial intention is considered as the key to understanding the long and complex process in entrepreneurship (Akologo, Dodor, & Udimal, 2018). Ajzen (1991) states that intentions are conceived as immediate antecedents of actual behaviour defined as mental conceptions which influences the entrepreneur towards desiring or wishing to establish a business. Shane *et al.* (2003) defined this desire for independence as the use of personal judgment on entrepreneurial mindset (behaviour) rather than being moved to act through external factors.

### **Corporate Entrepreneurship**

Corporate entrepreneurship (CE) is a term used to describe entrepreneurial behavior inside established mid-sized and large organizations (Thabethe, 2019). Other popular or related terms include organizational entrepreneurship, intrapreneurship, corporate venturing, and strategic entrepreneurship (Thabethe, 2019). Regardless of the reason the firm decides to engage in CE, it has become a major strategy in all types of organizations (Ireland, Covin and Kuratko, 2009). Corporate entrepreneurship has evolved over the last decade due to new technology and changing demographics in society. The number of people who are now considering corporate entrepreneurship is increasing, with more part-time workers or freelancers. Corporate entrepreneurship initiatives seek to overcome such limitations. The four types of corporate entrepreneurship are internal corporate venturing, strategic renewal, employee-initiated innovation, and acquisitions/partnerships. Corporate entrepreneurship allows the core business to profit from fresh ideas and strategies while market position, and other resources frequently unavailable to startups. Corporate entrepreneurship also works to retain highly skilled employees who may otherwise strike out on their own.

### **Innovativeness**

Innovativeness in this case refers to provision of solutions to both routine and non-routine problems. It is the firm's ability to engage in new ideas or thinking creatively that an idea can generate future economic benefits to the firm (Hayat & Riaz, 2011). Being innovative can take many forms like welcoming new ideas, providing support for research and development and trying new product into market by use of new technology enabling the firm to gain benefits (Wiklund & Shepherd 2003). Pro-activeness, is the ability to foresee before the actual occurrence of events and taking action for problems that are likely to occur in the future.

Sidhu, Goubet and Xia (2016) defined innovative mindset as a way of thinking that influences the way an individual views a situation and acts upon this situation that reflects his attitude towards

innovation. Innovation is a question of mindset, and creating that mindset precedes everything else. It is the innovative mindset that overrides the aspects of human nature that are often holding back innovation in an entrepreneur (Bjorling, 2016). Studies reveal that behaviour can drive a performance but a mindset is more powerful since it actually drives individual behaviour either to increase or decrease performance (Alwi, Jaaffar, Yahya., & Azami, 2018).

Innovativeness reflects a firm's, tendency to engage in and support new ideas, novelty, experimentation and creative processes (Lumpkin & Dess, 1996) that may result in new products, services, or technological processes and which may take the organization to a new paradigm of success. Further, Bwisa, Kihoro and Patrick (2013) explain innovativeness as the propensity of a firm to innovate or develop new products that meet and / or exceed customers' expectations or the extent of unmet market needs as reflected in its uniqueness in comparison to similar products offered in the market. Giudici (2013) suggested that innovative practices be represented by the number of new products developed.

An innovative mindset describes all the behaviours by which an individual can influence the innovation process, particularly focusing on behaviours oriented towards the generation and application of ideas (De & Den, 2007). In SMEs perspective, it has been found that entrepreneurs with innovative mindset will prioritize innovation as a tool to achieve business success and use strategic management practices and intellectual capital management as opposed to an SME owner-manager who lacks an innovative mindset (Volna, Kohnova, Bohdalova, & Holienka, 2015). Kuczmarski (1996) assert that innovation is the single most important factor in the future growth of any business venture. Innovation is a mindset - a new way to think about business strategies and practice. This thinking according to him drives every aspect of a successful dynamic organization and penetrates every element of business, creating a clear and enduring vision. Similarly, Holderfield (2016) opined that innovation is creativity that is implemented. It could just impact on one person's life, or it could impact on a thousand of people's life but it must influence what we do and how we experience our lives. Innovation must augment our analytical thinking with creativity, which results in a human centered holistic perspective. The approaches require, establishing a mindset, follow a process and develop toolbox (Holderfield, 2016).

### **Competitive Aggressiveness**

Competitive Aggressiveness refers to the efforts a business makes to outperform its rivals. It is the firm's propensity to directly and intensely challenge its competitors to achieve entry or improve position: to outperform industry rivals in the marketplace, this is characterized by responsiveness in terms of confrontation or reactive action (Deakins & Freel, 2012). Competitive Aggression as a dimension of an Entrepreneurial Orientation refers to the type of intensity and head-to-head posturing that new entrants often need to compete with existing rivals. In contrast to proactiveness, which relates to market opportunities, Competitive Aggressiveness refers to how enterprises relate to competitors and respond to trends and demand that already exist in the marketplace with regard to competitors (Deakins & Freel, 2012; Lumpkin & Dess, 1996). Competitive aggressiveness refers to a firm's propensity to directly and intensely challenge its competitors to achieve entry or improve position, that is, to outperform industry rivals in the marketplace (Kraus et al., 2005). It also reflects the willingness of a firm to be unconventional rather than rely on traditional methods of competing. This aspect is used to measure how entrepreneurial firms deal with threats, and it also refers to the firm responsiveness directed toward achieving competitive advantage (Grande et al., 2011).

### **Firm Performance**



The concept of performance of a business firm is based upon the idea that an organization is the voluntary association of productive assets, including human, physical, and capital resources, for the purpose of achieving a shared purpose (Carton, 2004). The management of many firms are faced with the challenge to improve their performance and deal with the changing competitive arena (Waithaka, 2016). Firms have an important role in our daily lives, and successful firms are a key ingredient for developing nations like Nigeria. Academics and practitioners endeavour to understand and explain the differences in firm performance in the face of the complexity of the market, competitive pressures and uncertainties. Firms must be able to cope with the increasingly number of challenges from the business environment, in order to increase their ability to adapt (Gavrea, Ilies & Stegorean, 2011).

Jones and George (2006) also as cited in Adeoye & Elegunde (2012) define performance as the measure of how managers utilize resources of the organization in an effective and efficient manner to accomplish goals and satisfy stakeholders while Richard *et al.* (2009) also cited in Adeoye & Elegunde (2012) see performance as real output against expected output which they categorized into financial performance, product market performance and shareholders return. They summarized performance as an approach that is used in assessing the progress made towards achieving goals, identifying and adjusting factors that will limit the progress of the organization in the environment. According to Olabisi *et al.*, (2013) firm's performance is complex and is characterized by the firm's ability to create acceptable outcomes and actions. Olayemi (2004) also stated that a productive organization achieves its goals by transforming inputs into output at the lowest costs. An organization that is capable of doing this can be said to be performing.

Performance is defined as an analysis of a company's performance as compared to goals and objectives (Jamrog, 2002). The concept of performance is based upon the idea that an organization is the voluntary association of productive assets, including human, physical, and capital resources, for the purpose of achieving a shared purpose (Carton, 2004). Performance comprises the actual output or results of an organization as measured against its intended outputs. According to Richard, Devinney, Yip and Johnson (2009) performance encompasses three specific areas of firm outcomes, financial performance such as profits, return on assets and return on investment), product market performance such as sales, market share and shareholder return measure through total shareholder return and economic value added.

## **Measures of Firm Performance**

### **Firm Efficiency**

Efficiency is a key growth driver because it enables managers to derive more output for a given input (Essien & Bello, 2016). Firm efficiency is generally understood as “a firm's ability to transform inputs into outputs” (Pham, 2014: 15; Fried, Lovell & Schmidt, 2008). Farrel (1957) says efficiency of a firm consists of two components, namely, technical efficiency and allocative efficiency (Primanthi, 2015). He further maintains that technical efficiency is “the ability of a firm to produce an optimal output from a given set of physical inputs (such as labour and equipment). While the allocative efficiencies are “the inputs to be chosen at optimal prices and proportion to minimize the production cost when an organization has already been considered to be fully technically efficient” (Pham, 2014: 15).

Firm efficiency is often used interchangeably with productivity since the two terms describe the ability of a firm to transform its inputs into outputs (Dilling-Hansen, Madsen & Smith, 2003). Frijns, Margamitis and Psillaki (2012) concluded that an efficiently operating firm is priced higher

by investors than an inefficiently operating firm because an efficiently operating firm makes better use of its resources and is likely to have a lower default risk. For the purpose of this study technical efficiency was analysed towing the line of Pham's (2014) adoption of technical efficiency in his study on firm efficiency and stock return.

### **Sales Growth**

Sales growth is of great value to most firms, it is a key dimension used to measure firm performance. Sales growth in business firms is of widespread interest in economics and business research, but the drivers of such growth remain a source of debate (Dobbs & Hamilton 2007; Bahadir *et al.*, 2009; Short *et al.*, 2009; Stam & Wennberg, 2009). Sales growth targets play a major role in the perceptions of top managers (Brush, Bromiley & Hendrickx, 2000). Sales growth to Amoako-Gyampah and Acquah (2008) is the increase in sales in money value. Sales growth is an important indicator of a firm's health and ability to sustain its business. Eliasson (1976) reports that planning systems generally begin with sales targets.

Sales growth as a key element of business growth is important; hence selling of products/services is one of the two ways to increase firm profits (Narver & Slater, 1990). Sales growth enables one to know the general health of the business; it aids in identifying if one is meeting one's target. With sales growth it will be evident to investors the business is successful. Factors that influence sales growth ranges from promotion to internal motivation and retaining of talented employees to implicit opportunities for investments in new technologies and equipment in the production process (Mohd, Mohd & Yasuo, 2013; Brush *et al.*, 2000). They further said sales growth ought to be measured within the context of industry conditions and trends as well as local, regional and national economies.

### **METHODOLOGY**

The study adopted the cross-sectional survey in its investigation of the variables. Primary data was generated through structured questionnaire. The entire population of 50 SMEs in Port Harcourt was adopted as a census. However, the respondents/ participants in the study were one hundred (100) as two managers were selected from each of the 50 SMEs in Port Harcourt. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient. The tests were carried out at a 0.05 significance level.

### **DATA ANALYSIS AND RESULTS**

**Table 1: Correlations for innovativeness and Measures of Firm Performance**

			Innovativeness	Firm Efficiency	Firm Growth
Spearman's rho	Innovativeness	Correlation Coefficient	1.000	.671**	.852**
		Sig. (2-tailed)	.	.000	.000
		N	89	89	89
	Firm Efficiency	Correlation Coefficient	.671**	1.000	.746**
		Sig. (2-tailed)	.000	.	.000
		N	89	89	89
	Firm Growth	Correlation Coefficient	.852**	.746**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	89	89	89

Source: SPSS Output

**H01:** There is no significant relationship between Innovativeness and firm efficiency of SMEs in Rivers State.

The correlation coefficient (rho) result in Table 1 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.671 on the relationship between Innovativeness and firm efficiency. This value implies that a strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in firm efficiency was as a result of the adoption of Innovativeness. From the result obtained, the sig- calculated is less than significant level ( $p = 0.000 < 0.05$ ). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between Innovativeness and firm efficiency of SMEs in Rivers State.

**H02:** There is no significant relationship between competitive aggressiveness and firm efficiency of SMEs in Rivers State.

The correlation coefficient (rho) result in Table 1 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.852 on the relationship between Innovativeness and firm efficiency. This value implies that a strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in firm efficiency was as a result of the adoption of Innovativeness. From the result obtained, the sig- calculated is less than significant level ( $p = 0.000 < 0.05$ ). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between Innovativeness and firm efficiency of SMEs in Rivers State.

**Table 2: Correlations for competitive aggressiveness and Measures of Firm Performance**

			Competitive Aggressiveness	Firm Efficiency	Firm Growth
Spearman's rho	Competitive Aggressiveness	Correlation Coefficient	1.000	.772**	.765**
		Sig. (2-tailed)	.	.000	.000
		N	89	89	89
	Firm Efficiency	Correlation Coefficient	.671**	1.000	.746**
		Sig. (2-tailed)	.000	.	.000
		N	89	89	89
	Firm Growth	Correlation Coefficient	.765**	.746**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	89	89	89

Source: SPSS Output

**H03:** There is no significant relationship between competitive aggressiveness and firm efficiency of SMEs in Rivers State.

The correlation coefficient (rho) result in Table 1 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.772 on the relationship between competitive aggressiveness and firm efficiency. This value implies that a strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in firm efficiency was as a result of the adoption of competitive aggressiveness. From the result obtained, the sig- calculated is less than significant level ( $p = 0.000 < 0.05$ ). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between competitive aggressiveness and firm efficiency of SMEs in Rivers State.



**H<sub>04</sub>:** There is no significant relationship between competitive aggressiveness and firm efficiency of SMEs in Rivers State.

The correlation coefficient (rho) result in Table 1 shows a Spearman Rank Order Correlation Coefficient (rho) of 0.765 on the relationship between competitive aggressiveness and firm efficiency. This value implies that a strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; implying that an increase in firm efficiency was as a result of the adoption of competitive aggressiveness. From the result obtained, the sig- calculated is less than significant level ( $p = 0.000 < 0.05$ ). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld. Thus, there is a significant relationship between competitive aggressiveness and firm efficiency of SMEs in Rivers State.

## **DISCUSSION OF FINDINGS**

This study examined the relationship between corporate entrepreneurship and firm performance of SMEs in Rivers State. The findings revealed that there is significant positive relationship between corporate entrepreneurship and firm performance of SMEs in Rivers State. This indicates that corporate entrepreneurship plays a crucial role in enhancing the productivity and success of SMEs in Rivers State. The finding corroborates the earlier finding by Terrence, Titikorn and Sang (2010) who evaluated corporate entrepreneurship (CE) in the face of changing competition in six Thai manufacturing firms and found that management support for CE, their use of rewards and recognition, and allowing workers discretion in their jobs were all significantly related to enhancing competitiveness, as measured by internal performance improvement and firms' financial improvement. Furthermore, the finding resonates with Olughor (2014) carried out a study on CE and employee retention strategies in Nigerian telecommunication industry and found that apart from time availability, other factors in the internal environment such as management support, work discretion, reward, re-enforcement and organizational boundary each had a significant effect on CE.

Furthermore, the result reveals that there is a significant positive relationship between competitive aggressiveness and firm performance of SMEs in Rivers State. The finding concurs with the finding conducted by Pulaj, Kume and Cipi (2015) who explained the impact of generic competitive strategies on organisational performance in the Albanian context. Yasar (2010) carried out a case study on Gaziantep Carpeting Sector in Beijing on the effects of competitive strategies and firm performance. 165 carpeting firms participated and data collection was done through the use of a questionnaire which was conducted face to face. The findings indicated that competitive strategies have no effect on firm performance.

This finding corroborates with previous findings of Chadamoyo and Dumbu (2012) who carried out a study on the competitive strategies and business environment in the manufacturing sector in Mucheke Light Industry in Zimbabwe. The study was a qualitative research using descriptive survey design. The findings indicated that cost leadership, differentiation and innovation strategies are the main ones used in the SMEs. The business environment is harsh to competitive advantage of SMEs in form of legal, political, economic and social factors. It recommended that SMEs should make use of strategic alliances to cover multiple markets, manage key performance indicators and the government to relax regulations on SMEs.

This study finding provides empirical validation to the study by Schumpeter and Knudsen (2002) who considered entrepreneurship to be essentially a creative activity and entrepreneur as an innovator who carries out new combinations in the field of men, money, material, machine and management. According to him, entrepreneur is an economic man who tries to maximize his profits

by making innovations in anyone of the following fields: new products, new production methods, new markets; or new forms of organization. The degree of an entrepreneur's innovativeness will decide how far and how deep the innovation will go in business, in order to meet both the strategic goal formulated for the business and the requirements from the environment (Hult *et al.*, 2004).

## **CONCLUSION AND RECOMMENDATION**

Based on the findings of the study, this study concludes that corporate entrepreneurship positively predicts organizational performance of SMEs in River State. In other words, the study suggests that as the level of corporate entrepreneurship within SMEs increases, there is a corresponding improvement in their overall organizational performance. Specifically, the study concludes that innovativeness is a positive factor in determining performance of SMEs in Rivers State. Also, study concludes that competitive aggressiveness is a positive factor in determining performance of SMEs in Rivers State.

Based on the conclusion, the study thus recommends that:

- i. SMEs in Rivers State should actively foster a culture of corporate entrepreneurship within their organizations. They encourage employees to embrace innovation, take calculated risks, and pursue new opportunities. Also, the leadership should communicate and promote an entrepreneurial mindset to drive organizational growth.
- ii. Recognizing the positive influence of innovativeness on organizational performance, SMEs should allocate resources and invest in innovation initiatives. This may involve creating dedicated innovation teams, providing training on creative thinking, and establishing processes for idea generation and implementation.
- iii. To enhance competitive aggressiveness, SMEs should invest in the continuous learning and skill development of their workforce. Equip employees with the necessary skills and knowledge to stay ahead in the market. This could involve training programs, workshops, and collaborations with educational institutions.

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