

# Entrepreneurial Competencies and Performance of Small and Medium Scale Enterprise in Cross River State

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**Abstract:** *The study investigates the impact of entrepreneurial competencies on the performance of SMEs in Calabar metropolis, Cross River state. Data was collected from owners and the management team of selected SMEs using Likert scale structured questionnaires. With a sample size of 80 respondents, regression analysis was employed to analyze the questionnaire responses. The research findings reveal positive relationships between strategic competencies (STC) ( $b_1=0.21$ ), conceptual competencies (CPC) ( $b_2=0.18$ ), and relationship competencies (RTCs) ( $b_3=0.75$ ) with the performance of SMEs in Calabar metropolis. The study concluded that entrepreneurial competencies has a positive significant effect on the Performance of Small and Medium Scale Enterprise in Cross River State. This is because, entrepreneurial competences help in business innovativeness and give them competitive advantage over competitors. For SMEs in Port, Calabar metropolis a better business performance can be achieved when entrepreneurial competencies is developed by people in the business. The study recommended that emphasis on enhancing entrepreneurial competence among personnel to drive improved performance. Moreover, it suggests prioritizing the hiring of adaptable candidates capable of accommodating new changes within the business environment.*

**Keywords:** *Cross River State, entrepreneurial competencies, performance, small and medium scale enterprise*

## 1.0

## INTRODUCTION

### 1.1 Background to the Study

Entrepreneurial competencies encompass inherent characteristics that lead to the creation of new ventures. These attributes include both generic and specific knowledge, motives, traits, self-images, social roles, and skills, some of which may be unconscious to the individual. While some competencies are innate, others are acquired through learning, training, and development. Entrepreneurs must navigate various environmental forces, necessitating high competence across intellectual, attitudinal, behavioral, technical, and managerial dimensions. They face a continual challenge to deploy a set of

competencies to succeed in their entrepreneurial pursuits. (Mueller and Siemens, 2015)

Entrepreneurship competencies amalgamate creativity, initiative, problem-solving, resource management, and financial and technological knowledge. These competencies empower entrepreneurs and entrepreneurial employees to initiate and adapt to change. They can be fostered through entrepreneurship education and training, emphasizing the cultivation of an entrepreneurial mindset and behaviors. Educational institutions at various levels are increasingly incorporating dedicated entrepreneurship education courses into their programs, either as standalone modules or integrated into curricula. Problem-based teaching and assessment methods have demonstrated particular effectiveness in this regard (Ahn, 2019).

Entrepreneurial employees are among the major enablers of SMEs innovation. They are critical to the capacity of SMEs to provoke and adapt to change, alongside entrepreneurs themselves, who fulfill a three-fold role as creators, organizers and market-makers (Fitriati *et al.*, 2020). There is an underlying set of entrepreneurship competencies that allows individuals to identify, create and act upon opportunities in order to create value, by marshalling resources, demonstrating self-efficacy and confidence in ability to achieve, and persisting in the face of obstacles (OECD, 2014).

In Nigeria, there is no standardized definition for SMEs, with variations existing across different organizations and institutions over time. While these definitions may differ, they commonly rely on criteria such as fixed assets, gross output, and the number of employees. Despite the varying definitions, there is a consensus on the crucial role played by SMEs, particularly in driving economic growth and development within different sectors and at various stages of development within the country.

According to (Zunckel and Nyide, 2019) the significance of SMEs is influenced by factors such as capital allocation, management size and structure, and limited market access, which render SMEs less responsive to growth strategies focusing on large, capital-intensive, and import-dependent industrial plants, as well as failed public enterprises. Looking ahead, the performance and impact of SMEs are anticipated to be even more significant, with a tangible influence on the emerging global trading landscape. SMEs serve as a vital pillar of the nation's economic system, contributing to poverty alleviation, job creation, and the proliferation of potential entrepreneurs. They also facilitate linkages with larger industries. Understanding the pivotal role of entrepreneurial competence in SMEs is crucial for economic development and improved firm performance. Competency within a business fosters creativity and innovation, leading to enhanced business performance (Bangudu, 2013; Ndumanya, 2013).

### **1.2 Statement of the Problem**

SMEs in Nigeria face various challenges, including limited entrepreneurial skills, inadequate management practices, restricted access to financial markets, and insufficient equity participation due to low personal savings and poor returns on investment. Additionally, factors such as inadequate equity capital, deficient infrastructure, high enterprise mortality rates, and a shortage of skilled manpower further impede their performance, threatening economic development, living standards, and employment opportunities. The micro and small businesses in Calabar metropolis encounter significant challenges, as they struggle to leverage their creative ideas effectively, leading to a lack of competitiveness and often resulting in bankruptcy. This is largely attributed to

the limited competencies among SME actors, particularly in the areas of management, organization, technology, and marketing, which are vital for successful business management. Recognizing the critical role of entrepreneurial competence in enhancing performance, this study aims to examine the impact of entrepreneurial competency on the performance of SMEs in Calabar metropolis. The investigation seeks to bridge the gap and identify the factors that contribute to the success and sustainability of SMEs in this region.

### **1.3 Objective of the Study**

The broad objective of this study is on the effect of entrepreneurial competencies on the performance of SMEs in Calabar metropolis. However the specific objective is to:

- i. Examine the effect of strategic competencies on the performance of SMEs in Calabar metropolis, Cross River state, Nigeria.
- ii. Establish the effect of relationship competencies on the performance of SMEs in Calabar metropolis, Cross River state, Nigeria.
- iii. Determine the effect of conceptual competencies on the performance of SMEs in Calabar metropolis, Cross River state, Nigeria.

In pursuance of the stated objectives, the study is divided into five major components. Having addressed the first part of the components, component two focuses on review of related literature covering the theoretical, concepts of entrepreneurial competencies on the performance of SMEs in Calabar metropolis. The third component is on methodology employed in carrying out the study. Component four is on analysis of data collected and the component five provides the conclusion and recommendations accordingly. The results and recommendations of the study would contribute towards the unveiling of the contributions of entrepreneurial competencies towards performance of SMEs in Calabar metropolis.

## **2.0**

## **LITERATURE REVIEW**

### **2.1 Theoretical Framework**

#### **2.1.1 The Resource-Based View (RBV) theory by Barney 1991**

The managerial framework described here aims to ascertain the strategic resources that a company can leverage to achieve sustainable competitive advantage. Barney's 1991 article, "Firm Resources and Sustained Competitive Advantage," is recognized as a seminal work in the evolution of the resource-based view (RBV). While some scholars point to evidence of a fragmented resource-based theory from the 1930s, the RBV suggests that firms are diverse due to their possession of varied resources, enabling the adoption of different strategies based on unique resource combinations. The RBV directs managerial focus towards the internal resources of a firm, aiming to identify assets, capabilities, and competencies that have the potential to yield superior competitive advantages. The theory envisions entrepreneurs as innovators who create new combinations, leading to the introduction of products and subsequent economic growth, as articulated by Schumpeter (1934). This process involves employing a diverse range of productive means, such as developing new products, adopting unproven production methods, exploring new market segments, and accessing novel sources of raw materials or semi-finished goods. Innovation is recognized as a critical factor for long-term economic dynamism, thereby providing entrepreneurs with diverse competencies an edge over those lacking proficiency in professional, social, and personal aptitudes.

## **2.2 Conceptual Framework**

### **2.2.1 Entrepreneurial Competencies**

Competencies, according to Muhammad, (2021), encompasses the knowledge, skills, attitudes, and abilities necessary for a specific job. These competencies are adaptable, acquirable through experience, learning, and coaching, as highlighted by Volery, Mueller, and von Siemens (2015). (Turner, 2022) emphasize that competence, as an integrated component of knowledge, skills, and attitudes, focuses on the ability to effectively meet the intricate demands of a specific context. (Pepple and Enuoh, 2020) define entrepreneurial capability as the capacity to recognize new opportunities and mobilize the resources and capital required to pursue them. Entrepreneurial competencies, as identified by (Oyedele *et al.*, 2020), comprise specific knowledge, motives, traits, self-images, social roles, and skills. They encompass a range of skills, abilities, and knowledge, extending beyond technical, financial, organizational, and legal expertise, as indicated by (Hogommat, 2023). The resource-based view, underscored by (Kirmizi and Kocaoğlu, 2022), emphasizes enterprise resources as crucial elements for enterprise performance, influencing its establishment, survival, and growth.

Entrepreneurial competencies, as revealed by Lee *et al.* (2016), are not entirely distinct from the entrepreneur's personal characteristics, traits, and motivations. They are multidimensional and dynamic, continuously reconfigured or revised by entrepreneurs who make decisions amidst uncertainty. Lee *et al.* (2016) identified five dimensions of entrepreneurial competencies related to: recognizing, developing, and assessing opportunities; administrative skills; building relationships and fostering corporate culture; personal traits; and commitment despite uncertain circumstances. Despite the extensive research on the characteristics associated with entrepreneurial success, the unique competencies crucial for venture creation and navigating entrepreneurial contexts remain elusive (Morris *et al.*, 2013). Competencies serve as differentiators between average and exceptional managers, and the link between managerial competencies and business success remains a significant focus in organizational literature (Garph Publication, 2013).

### **2.2.2 Dimensions of Entrepreneurial Competence**

#### **i. Strategic competence**

Strategic competencies equip people and organizations to take position and move in a highly dynamic context that poses constantly changing challenges to the realization of their aims. Lacking such competencies undermines the ability to adapt to such changing environments, leading to increasing marginalization. Strategic competencies go beyond a 'how to' approach. They can be compared to the game of chess. Winning the game involves much more than mere application of the rules of the game. There is no fixed course of action that can be planned beforehand, because of multiple uncertainties about the other player's moves. Playing the game does involve knowing the rules of the game, but also the ability to apply relevant experience, the ability to develop and constantly adapt scenarios, and more. Strategic thinking necessitates creativity, foresight, and insight. Foresight involves envisioning the future, anticipating its contours before it unfolds, while insight involves uncovering approaches that give birth and meaning to the future (Zahra and Nambisan, 2012). Engaging in strategic thinking entails research, analysis, and

anticipation to formulate a plan for the organization's direction. Hence, the capacity for strategic thinking adds another dimension to the process of strategy development. (Dionisio, 2017)

## **ii. Relationship Competence**

Relationships in the workplace are essential for success. They can help employees learn new skills, develop their existing skills, and collaborate with others more effectively. Building strong relationships also leads to increased productivity, better teamwork, improved morale, and greater career success (Barbuto and Zapata, 2018). Research has shown that a number of soft skills are essential for building strong relationships in the workplace. These skills include:

- i. Interpersonal skills: the ability to understand and interact effectively with others
- ii. Nonverbal communication skills: the ability to send and receive nonverbal cues, such as body language and facial expressions
- iii. Verbal communication skills: the ability to communicate effectively using spoken language
- iv. Listening skills: the ability to pay attention to and understand what others are saying
- v. Empathy: the ability to understand and share the feelings of others
- vi. Emotional intelligence: the ability to manage one's own emotions and understand the emotions of others
- vii. Networking skills: the ability to build and maintain relationships with other professionals
- viii. Team-building skills: the ability to work effectively with others to achieve common goals

Relationship building is an essential skill for success in the workplace. By developing the soft skills listed above, employees can build positive relationships with their coworkers, managers, and clients. This can lead to a number of benefits, including increased productivity, better teamwork, improved morale, and greater career success (Sedyastuti *et al*, 2021).

## **iii. Conceptual competence**

Conceptual skills are the abilities that allow an individual to better understand complex scenarios and develop creative solutions. From a management perspective, these skills are valuable because those who have them can approach complicated workplace situations in a variety of different ways. No matter what industry your company operates in, it will face challenges that require innovative and creative ways of thinking. In these situations, conceptual skills are the most beneficial to the organization (Ahmad *et al*, 2010). A conceptual leader can think through their ideas, transforming thoughts into action-driven solutions. People see leaders with conceptual skills as strategic leaders because of their ability to strategize about potential situations and how to resolve them. At higher levels of management, the ability to approach a situation with a creative and



abstract approach is highly valuable, so developing conceptual skills can be beneficial if you want to progress in a career as a manager (Morris *et al*, 2013).

This is a critical element of conceptual skills that makes good top managers successful. They can effectively communicate vision and strategy to get supervisors on board, and then explain how each functional department participates in the process. For instance, top managers often involve human resource professionals in strategic workforce development to ensure the company meets its talent needs to carry out its goals and strategies. This competence is of great importance to SMEs in terms of improvement in performance, effective planning and controlling and achievement of predetermined plans (Augustine *et al*, 2012)

### **2.2.3 Concept of performance**

Performance refers to the act or process of executing a task or action, with the verb 'perform' denoting the efficient or inefficient functioning of a task. Scholars highlight the absence of a standardized or uniform definition of performance, emphasizing its multidimensional nature (Samsonowa, 2012). Samsonowa (2012) links performance to the concepts of effectiveness and efficiency, underscoring the need to consider both terms in its definition, particularly emphasizing effectiveness (degree of goal attainment) without addressing efficiency in terms of resource consumption. Studies often utilize financial performance as a metric, with accounting measures of profitability serving as the prevalent choice (Tudose and Avasilcăi, 2020). Similar observations have been made by (Bhunia *et al.*, 2011) across various journals and time periods. The concept is particularly explicit in cases like production efficiency (Santos and Brito, 2012). Other researchers (Ghalem *et al.*, 2016) and (Taouab and Issor, 2019) aim to elucidate performance outcomes and antecedents. Here, customer satisfaction serves as an outcome, representing an indicator of firm performance from the customer stakeholder perspective.

Comparisons with targets and past performance serve as valuable tools in understanding a company's efficiency and progress. (Santos and Brito, 2012) propose the use of growth, profitability, and market value to operationalize the construct of firm performance, representing financial performance, as well as indicators such as customer and employee satisfaction, and social and environmental performance to capture strategic performance. However, the critique of subjective performance indicators lies in their reliance on human cognition and knowledge. Numerous studies on SME performance have explored the causes and factors influencing it, emphasizing the value provided to stakeholders such as owners, customers, society, and government (Nura and Mahmood, 2016). These studies utilize various organizational resources as metrics for measuring SME performance. For instance, Fornoni *et al.* (2012), examine social capital as an antecedent of firm performance, while Ahmad, Abdullah, and Roslan (2012) focus on short-term debt, long-term debt, and total debt. Al-Swidi and Mahmood (2012), moderate the effects of total quality management and entrepreneurial orientation on organizational performance. Additionally, Augustine *et al.* (2012) explore forecasting, planning, controlling, learning, training, IT usage, as well as the age, experience, and education of key individuals as factors influencing firm performance.

## **2.2.4 Nexus between entrepreneurial competence and performance of SMEs**

Entrepreneurial competence plays a crucial role in determining the success or failure of organizations. (Komarnicka, 2020), found that it influences firm performance directly and indirectly. Ahmad et al. (2010) similarly highlighted the strong predictive role of entrepreneurial competencies in the success of SMEs. Sajilan and Tehseen (2015), emphasized the significance of entrepreneurial competencies for the survival and growth of Malaysian SMEs. Nasuredin *et al.* (2016), discovered that dynamic capabilities serve as important predictors that enhance the relationship between entrepreneurial competencies and SME performance in Malaysia. Wickramaratne *et al.* (2014). Concluded that entrepreneurial competencies contribute to the overall entrepreneurial orientation of tea manufacturing firms in Sri Lanka. Additionally, some scholars have identified several competencies crucial for entrepreneurial success. Moreover, Lekovic *et al.* (2020), suggested the enhancement of competence through technology.

## **2.3 Empirical Studies**

Kabir *et al.* (2017), investigated the effects of entrepreneurial competencies on firm performance of businesses owned by Nigerian women entrepreneurs. The main aim of the study was to investigate the opportunity competencies on firm performance of businesses owned by Nigerian women. Data of 200 respondents of women entrepreneurs operating micro-business units in Kaduna state, Nigeria was collected. The study utilises SPSS and SmartPLS 2.0 to analyze the data. The findings indicated that opportunity competencies have significant effect on firm performance of women entrepreneurs in Nigeria. This study investigated the effects of entrepreneurial competencies on firm performance of businesses owned by Nigerian women Entrepreneurs

Wijaya and Irianto (2018), investigated the Influence of Managerial Competencies, Technical Competencies, and Strategic Competencies on Firm Performance in Electrical Engineering Company in Bandung. Firm's performance can be formed of competencies that is unique, rare, irreplaceable, and difficult to imitate within the firm, one of them is the competence of the individual. According to a competency-based approach and the resource-based approach, individual competence that affect the performance of the firm is managerial competence, technical competence, and strategic competence. Questionnaire was built based on the dimensions of the firm's performance, managerial competence, technical competence, and strategic competence, they are analyzed using partial least squares application. The results indicates that managerial competence negatively impact firm's performance with weak ties. The technical competence and strategic competence positively affects firm's performance with moderate ties.

Tehseen *et al* (2018), examined the influence of two dimensions of entrepreneurial competencies, namely, strategic competency and ethical competency on the growth of small and medium enterprises (SMEs); and second, to explore the role of network competence as a mediator among these understudied variables. The data for this study were collected from wholesale and retail-based SMEs in Malaysia through a standard structured questionnaire. PLS (partial least square) SEM approach was utilized to analyze

the data. Although the findings did not reveal a direct effect of strategic and ethical competencies of entrepreneurs on SMEs' growth, these competences, however, were found to be influential in driving their growth when network competence was used as a mediator. The existence of a mediation effect between strategic and ethical competencies and SMEs' growth via network competence has provided insights which add new knowledge to the extant entrepreneurship and SMEs' performance literature.

Frywaruwa *et al* (2021), investigated the entrepreneurial competencies in Micro, Small and Medium Enterprises (MSMEs) of Palembang woven fabrics, the business performance of Micro, Small and Medium Enterprises (MSMEs) of Palembang woven fabrics, and whether entrepreneurial competence affected business performance at Micro, Small and Medium Enterprises (MSMEs) of Palembang woven fabrics. This research employed quantitative method. The population in this study was 90 owners of MSMEs as well as woven fabric craftsmen in the Tuan Kentang Palembang area. The sample used a random sample of 50 respondents. To collect the data, a closed-ended questionnaire was used. For data analysis, Ordinary Least Square was used. The research results showed 3 findings: overall, the entrepreneurial competence in the Palembang woven fabric business was in the high category, the overall performance of the Palembang woven fabric business was in the very high category, and entrepreneurial competencies had a positive and significant effect on the business performance of the Palembang woven fabric business.

### **3.0**

### **RESEARCH METHODOLOGY**

The study used a descriptive design, where the researcher is solely interested in describing the situation or case under the research study. The study focused on the effect of entrepreneurial competence on the performance of SMEs in Calabar metropolis, Cross River state of Nigeria. Some SMEs in Calabar metropolis were selected for the study. Calabar is the capital of Cross River state, Nigeria. The population of the study is made up of all the 80 owners and management team of the selected SMEs in Calabar metropolis. The researchers used the entire population as the sample size since the number is minimal thus the sample size for the work is 80. Simple random sampling was used, this indicates that there is a chance for everyone in the population to be chosen. The questionnaire was meticulously designed to ensure a high-quality instrument. It aimed to gather information on entrepreneurial competence and SME performance from owners and management team members. It consisted of two segments: one for demographic data and the other with questions using a 4-point rating scale (1 to 4, from strongly agree to strongly disagree). To ensure the validity of the instrument, both face and content validities were confirmed. Suggestions and constructive criticism were gathered to assess the appropriateness, comprehensiveness, and clarity of the questionnaire items, contributing to the final draft. In order to ensure the reliability of the instrument used for this research, the researcher avoids ambiguous questions that could put the respondent in difficulty before answering them. SPSS was used to test the reliability of the study. Primary data was obtained for this work, through the use of structured questionnaire; the questionnaire was distributed and administered to owners and management teams of the selected SMEs used in the study area.



**Variable / Model Specification**

The study incorporated two variables: the independent variable, represented by "entrepreneurial competence," and the dependent variable, denoted as "SMEs Performance." The implicit model is expressed as:

$$PERF = f(STG, CPT, RLP)$$

Where,

STG = (strategic competence)

CPT = (conceptual competence)

RLP = (relationship competence)

PERF = (Performance)

The explicit forms of the formula are presented below:

$$PERF = b_0 + b_1 STG + b_2 CPT + b_3 RLP + U_t \quad - \quad - (1)$$

Where,  $b_0$  = intercept value of the dependent variable

$U$  = the random error term

$b_1, b_2, b_3$  = the regression coefficients of the independent variables.

The data for the study was collected, coded and analyzed using descriptive statistics and Multiple linear regression was also used to assess the degree of relationship between the dependent variable and a set of independent or predictor variables.

**4.0 RESULT AND DISCUSSION**

**4.1 Data Presentation and Analysis**

**3.1 Table 1: Demographic attributes of respondent**

Characteristics	Frequency	Percentages
<b>Gender</b>		
Male	50	62.5%
Female	30	37.5%
<b>Total</b>	<b>80</b>	<b>100.0</b>
<b>Age of Respondent</b>		
25	10	12.5%
26-35	26	32.5%
36-45	30	37.5%
46 yrs above.	14	17.5%
<b>Total</b>	<b>80</b>	<b>100.0</b>
<b>Educational status of Respondent</b>		
FLSC	8	10%
NCE/ND	12	15%
B.Sc/HND	36	45%
Postgraduate	24	30%
<b>Total</b>	<b>80</b>	<b>100%</b>
<b>Position</b>		
Owners	9	11.25%

Managers	31	38.75%
Director	15	18.75%
Supervisor	25	31.25%

		ANOVA <sup>a</sup>				
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	5254.103	3	1751.368	77.940	.000 <sup>b</sup>
	Residual	269.647	12	22.471		
	Total	5523.750	15			

a. Dependent Variable: PERF

b. Predictors: (Constant), RTC, STC, CPC

<b>Total</b>	<b>80</b>	<b>100.0</b>
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**Source:** Field survey, 2023

The data from the table highlights that 62.5% of the respondents are male, with 37.5% being female, indicating a notable male predominance within the SME sector. Furthermore, the age distribution reveals that 37.5% of the respondents fall within the 36-45 age group, followed by 32.5% aged between 26 and 35, and 17.5% aged 46 years and above, while 12.5% are 25 years old. In terms of educational qualifications, 40% of the respondents hold B.Sc/HND, 30% possess postgraduate qualifications, 15% have NCE/ND, and 10% have FLSC qualifications. Occupational analysis indicates that 38.75% are managers, 31.25% hold supervisory roles, 23.39% are directors, and 11.25% are business owners. These findings provide key insights into the demographic composition of the study participants.

#### 4.0

#### RESULTS OF FINDINGS

**Table 3: ANOVA<sup>a</sup>**

The F-ratio in the ANOVA table above tests whether the overall regression model is a good fit for the data. The table shows that the independent variables statistically significantly predicts the dependent variable  $F(3, 15) = 77.940, p < 0.00^b$  (i.e., the regression model is a good fit of the data)

**Table 4: Model Summary**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.975 <sup>a</sup>	.951	.939	4.74031	2.038

a. Predictors: (Constant), RTC, STC, CPC

b. Dependent Variable: PERF

Source: Author computation 2023, using SPSS v25

The coefficient of determination, R<sup>2</sup>, for the study is 0.951 or 95.1%, suggesting that 95.1% of the variations in the model can be accounted for by the explanatory variables, while 4.9% of the variation represents unexplained variance captured by the error term. The Adjusted R Square and R<sup>2</sup> indicate a slight penalty (93.9%) for variables introduced by the researcher. The Durbin Watson statistic of 2.038 indicates minimal autocorrelation in the study's model, affirming that the model's assumptions are suitable for predictive purposes.

Normal P-P plot is an alternative graphical method for testing normality to the histogram and is preferred when there are small sample sizes. The data points are as close to the line as possible with no points coming away from the line for the data to be normally distributed as in the case of the study.

**Table 5: Coefficients**

		Coefficients <sup>a</sup>				
Model		Unstandardized B	Coefficients Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	-2.764	2.050		-1.348	.203
	STC	.214	.090	.196	2.370	.035
	CPC	.181	.104	.169	1.736	.108
	RTC	.750	.122	.713	6.156	.000

a. Dependent Variable: PERF

Source: Author computation 2023, using SPSS v25

The regression analysis conducted reveals a positive and statistically significant relationship between strategic competencies (STC) and the performance of SMEs in Calabar metropolis, Cross River state, Nigeria (PERF) ( $p < 0.05$ ). Based on the p-value criteria, lead to the rejection of the null hypothesis for the estimate b1 at the 5% significance level. This implies that an increase in strategic competence (STC) corresponds to an increase in SME performance. The findings are in line with Wijaya and Irianto (2018), whose study established a positive and significant effect of strategic competencies and firm performance in Electrical Engineering Company in Bandung.

Similarly, the investigation indicates a positive relationship between conceptual competencies (CPC) and SME performance in Calabar metropolis, Cross River state, Nigeria (PERF), albeit without statistical significance ( $p > 0.05$ ). The p-value criteria lead to the acceptance of the null hypothesis for the estimate b2 at the 5% significance level. This suggests that an increase in conceptual competence (CPC) leads to a corresponding decrease in SME performance.

Moreover, the analysis demonstrates a positive and statistically significant relationship between relationship competencies (RTC) and the performance of SMEs in Calabar metropolis, Cross River state, Nigeria (PERF) ( $p < 0.05$ ). The p-value criteria result in the rejection of the null hypothesis for the estimate b3 at the 5% significance level. This indicates that an increase in relationship competence (RTC) is associated with a rise in SME performance.

## **5.0 CONCLUSION AND RECOMMENDATIONS**

### **5.1 Conclusion**

The study concluded that entrepreneurial competencies has a positive significant effect on the Performance of Small and Medium Scale Enterprise in Cross River State. This is because, entrepreneurial competences help in business innovativeness and give them competitive advantage over competitors. For SMEs in Port, Calabar metropolis a better business performance can be achieved when entrepreneurial competence is developed by people in the business.

### **5.2 Recommendation**

- i. It is crucial to prioritize the enhancement of entrepreneurial competencies among personnel to drive improved performance.
- ii. Cultivating and fostering entrepreneurial competencies within a business environment significantly enhances overall performance.
- iii. Considering the recruitment of trainable candidates is essential to ensure adaptability to evolving changes within the business landscape.

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