

Innovation Intensity and Survival of SMES in Port Harcourt

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Abstract: The study investigates innovation intensity and survival of SMES in Port Harcourt. The study adopts cross-sectional survey design in the study. The study comprises of 1180 SMEs in Port Harcourt, Rivers State. The sample size of 291 was drawn from the study population, using Krejcie and Morgan's 1970 table. The sample elements were given a standardized questionnaire. Innovation intensity was operationalized with input innovation intensity and process innovation intensity. Adaptability and profitability were used to measure the dependent variable (organisational survival). The hypotheses were examined using the Spearman rank order correlation coefficient. The findings show a significant association between the dimensions of innovation intensity and organisational survival. The study concludes that a relationship exists between innovation intensity and organisational survival of SMES in Port Harcourt. The study recommends engaging in intensive input and process innovative intensity practises for business success and survival.

Keywords: Innovation Intensity, Input Innovation Intensity, Process Innovation Intensity, Adaptability, Profitability, Organisational Survival.

INTRODUCTION

Small and medium-sized businesses (SMEs) are largely acknowledged as the primary force behind economic expansion and fair development in developing nations and many developing countries have significantly improved their economic levels over the years by growing Small and Medium Scale Enterprises. Jérôme Pasquier, the French ambassador to Nigeria, stated that formal SMEs contribute up to 40% of national income (GDP) in emerging economies, and that they account for approximately 90% of businesses and more than 50% of employment globally (Alade, 2020). The SMEs are labor-intensive, capital-saving enterprises that are capable of creating the most needed jobs.

SMEs struggle to survive all around the world; their size, ingenuity, and inexperience make them vulnerable to the economic implications of innovations. To mitigate this risk in the firm, innovation has been regarded as a critical part of the business to develop and sustain SMEs. It is imperative to develop new skills in business management, strategic planning, and innovation if SMEs are to grow and survive. Innovation is one of the most significant issues of every organisation, and its role in market development and coordination is unrivalled. Innovation is relevant in all human fields, including product creation, management strategies, work methods, and so on. Innovation is distinct from creation in that it begins with the introduction of an idea to a plan and ends with the production of a new function (Tohidi & Jabbari, 2012). Examining various definitions of innovation, it is obvious that changing or improving a process or product is common in all definitions of innovation.

All modern businesses that want to thrive in a world characterised by rivalry, technological change, and periodic crises must innovate. The adoption of new technology or new management practises in an organisation to produce a targeted development in products, processes and procedures is referred to as innovation (Tornatzky et al., 1990). Innovation refers to new goods or processes that fulfil customer needs more competitively and profitably than existing ones (O'Regan & Ghobadian, 2006; Zahra et al., 1999). According to Johannessen et al., (2001) and OECD/Eurostat (2005), new administrative practices for work improvement and improved performance are examples of innovative practices. Innovative practices are effective implementation of new solutions to trials faced by SMEs. Examples include new ideas related to the organization's product, services, or processes, new marketing mechanisms, or new administrative practices.

Innovation can be directly connected to a company's superior performance, yet investors frequently overlook this. Despite the fact that the majority of SMEs are aware of the correlation, they do not have a specific framework for monitoring innovation in their investment process, despite the fact that it can enhance long-term risk-adjusted returns (Randall, 2021). Innovation boosts value and promotes business growth. Being creative entails investing in a well-coordinated, time- and risk-balanced portfolio of activities, allocating adequate resources to it, and developing new business models that provide defensible, strong, and scalable profit streams. Innovation is one of the most essential and difficult issues confronting organisations today, as it impacts their success and survival (Tohidi & Jabbari, 2012).

SMEs are key to economic progress, poverty reduction, and job creation (Lalkaka, 1997), yet their poor performance and survival have piqued scholarly attention.

A substantial body of research supports the considerable positive association between innovation and SME performance (Yldz et al., 2014; Qian & Li, 2003; Rosenbusch et al., 2011; Verhees & Meulenbergh, 2004). The published research also suggested that innovation capabilities have a favourable impact on SME success (Oura et al., 2016; O'Cass & Sok, 2014; Zhang et al., 2018). Earlier research has also found a link between innovation capabilities and SMEs' performance (O'Cass & Sok, 2014; Oura et al., 2016; Zhang et al., 2018). According to Freeman (2004), the performance of unique SMEs is the result of good innovation implementation. Despite several studies on innovation and performance, a lack of empirical research on the intensity of innovation and survival of SMEs in Port Harcourt has created a gap in the literature, which this study intends to fill.

STATEMENT OF PROBLEMS

In spite of the importance of SMEs for the economy and for fostering national progress, company failures and short-lived businesses are frequent. According to Olubiyi (2022), small businesses are widespread, unorganised, and run informally, with no data sets and registration mechanisms. Numerous SMEs lack experience, have poor and unfavourable customer relations, lack innovation, poor pricing strategies, ignore new ideas and innovations for products or services, ignore competitors, and pay no attention to business structure, technology, skill, accountability, business continuity, ignore burden and contributions, engage in resource negligence, and excessive family influence and control, all of which can be fatal to businesses.

Business failure is becoming common within the first five years of a sizeable proportion of SMEs in Nigeria, and it occurs at an alarming rate. There is also low job inventiveness and subpar electricity. With or without post-COVID-19 effects, the country's climate is harsh and difficult, and there are numerous issues with the economy's supply chain and infrastructures, such as the rising cost of fuel and diesel, the foreign exchange market, and laws that harm enterprises (Olubiyi, 2022).

Inadequate management frequently results from both controlled and uncontrollable reasons. Many have low-quality employees; a lack of manpower; the departure of seasoned staff and management; a lack of an appropriate corporate governance structure; and customer dissatisfaction caused by poor product or service quality; poor client involvement; declining patronage; poor funding; poor accounting practices; insufficient marketing channels; poor market knowledge; outdated services and products; and a lack of touch with customer needs; all of these deficiencies threaten the SMEs survival.

AIM AND OBJECTIVES OF THE STUDY

The study examines innovation intensity and survival of SMEs in Port Harcourt. Specifically, it examines the connection between:

1. Input innovation intensity and adaptability of SMEs in Port Harcourt

2. Input innovation intensity and profitability of SMEs in Port Harcourt
3. Process innovation intensity and adaptability of SMEs in Port Harcourt
4. Process innovation intensity and profitability of SMEs in Port Harcourt

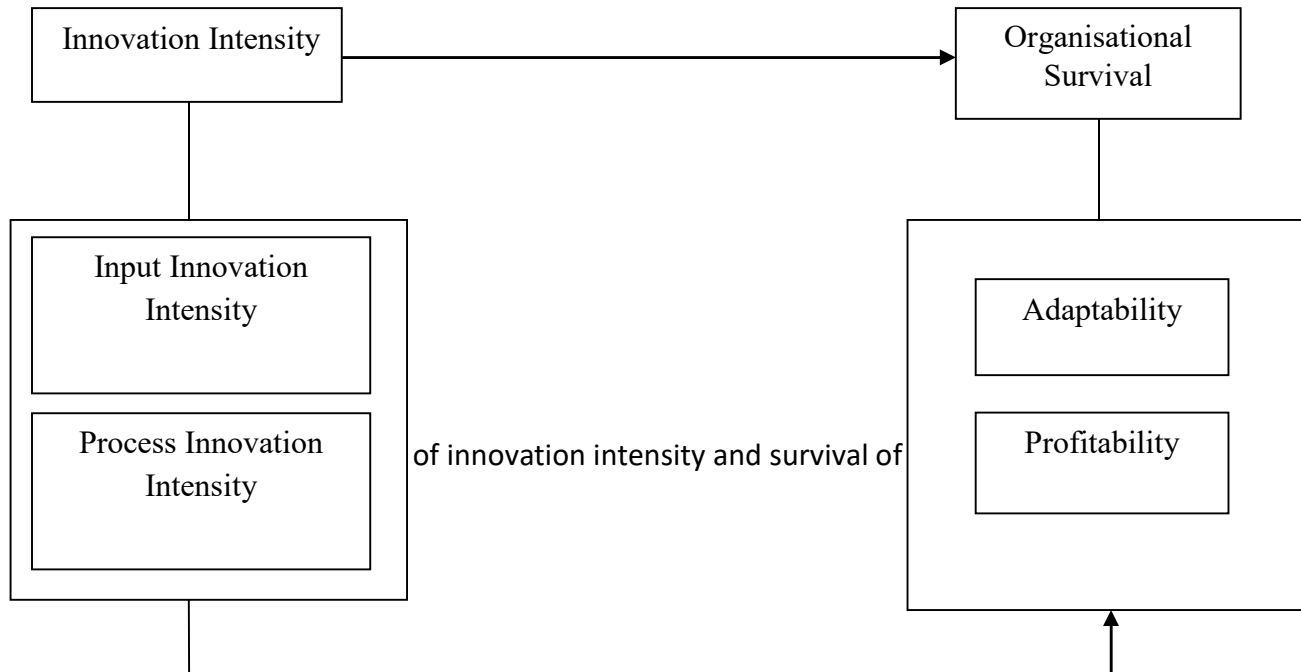
RESEARCH QUESTIONS

1. What is the relationship between input innovation intensity and the adaptability of SMEs in Port Harcourt?
2. What is the connection between input innovation intensity and profitability of SMEs in Port Harcourt?
3. What is the association between process innovation intensity and adaptability of SMEs in Port Harcourt?
4. What is the bond between process innovation intensity and profitability of SMEs in Port Harcourt?

RESEARCH HYPOTHESES

- Ho₁: There is no significant relationship between input innovation intensity and adaptability of SMEs in Port Harcourt.
- Ho₂: There is no significant relationship between input innovation intensity and profitability of SMEs in Port Harcourt.
- Ho₃: There is no significant relationship between process innovation intensity and adaptability of SMEs in Port Harcourt.
- Ho₄: There is no significant relationship between process innovation intensity and profitability of SMEs in Port Harcourt.

Conceptual Framework



JOSEPH SCHUMPETER INNOVATION THEORY

Joseph Schumpeter's innovation theory was proposed in 1932. The theory belongs to economic theories of entrepreneurship origin and has given a very fresh and unseen aspect of entrepreneurship and core reasons or characteristic of entrepreneurs. Joseph Schumpeter's theory of innovation is in line with the other investment theories of the business cycle, which asserts that the change in investment accompanied by monetary expansion are the major factors behind the business fluctuations. However, Schumpeter's theory posits that innovation in business is the major reason for increased investments and business fluctuations. He elaborated his theory to describe the process of innovation and also distinguished five types of innovation: (1) new production processes, (2) new products, (3) new materials or resources, (4) new markets, as well as (5) new forms of organizations. Schumpeter's theory of innovation posits that innovation-originated market power could provide more effective results than pure price competition. He described that technological innovation often creates temporary monopolies that produce excessive profits. Schumpeter's theory assumed that innovation-originated market power could provide more effective results than pure price competition. Schumpeter argued that innovation leads to increased investments and profits, but also to the replacement of old businesses by new ones, a process he called "creative destruction.

INNOVATION INTENSITY

There are various ways to define innovation. Innovation is the act of presenting something new, whether it be technological or industrial (van Dale, 1992), and it comprises organisational changes, new markets and enhanced management styles (Timmerman, 1985). Innovation is

every renewal that is intended and carried out to strengthen the position of an organisation in relation to its competitors. According to Serna Martinez & Guzman (2013), innovation is defined as an idea, practice, or object that is acknowledged and approved by a person or group to be a new thing to be implemented.

The ideal way to see new businesses and innovative SMEs is as economic change agents who bring in novel goods and services and more effective methods of operation. They support how well economies and society adjust to fresh problems and promote economic growth. There is a small group of extremely inventive and high-growth-potential enterprises with significant individual impacts on jobs and productivity, even though not all new and small firms are equally innovative.

The invention process in the twenty-first century is very different because small businesses has perhaps changed or been reinvigorated. There is transition from the "managed economy" to the "entrepreneurial economy" (Thurik, 2009; Audretsch and Thurik, 2004). Science and organised research and development were crucial in the former, while entrepreneurship is a cornerstone of innovation in the latter. Because of the capacity to identify and seize the business opportunities brought on by technological, competitive, and market developments, new and small businesses have emerged as crucial innovation players.

Innovation has been described in several ways in previous works. There are three different types of innovation, according to Robert and Tucker (2008: product, process, and business model innovation). According to Schumpeter (1934), innovation can take five different forms: new products, new production techniques, new supply sources, the exploitation of untapped markets, and novel company structures. Regarding Drucker (1985). The process of introducing new, improved capabilities or increasing utility is referred to as innovation. Organisational innovation is divided into technological (product, service, and process) and administrative (organisational arrangement, administrative process, and programme) categories by Subramanian and Nilakanta (1996).

Research and development economies of scale are no longer the impediments to small firm innovation engagement. The vast shift from manufacturing to services brought new types of non-technological innovation that render economies of scale in research and development far less significant. Instead, innovation today tends to be carried out in collaborations among universities, research organisations, customer, supplier, and competitor firms and consumers, with costs and roles shared. The economic introduction of new products, processes, organisational structures, and marketing strategies is the primary role of SMEs and entrepreneurship in innovation. Making ground-breaking innovations that advance the technological frontier and implementing incremental improvements that bring the economy closer to its technology frontier are the two fundamental ways this happens.

Input Innovation Intensity

Innovation is the methodical process of creating and promoting ground-breaking goods and services in order to encourage consumer adoption (McKinsey and Company, 2021). The components of the economy known as innovation inputs support innovative activities. They consist of payments made for intellectual property, the efficiency of an economy's government, and access to information and communications technology (Low, 2022). Innovation intensity is a gauge of how much of a company's entire effort is devoted to innovation-related activities. The concepts of input, activity, and output innovation intensity are introduced. Resources allocated to innovation activities, such as research and development costs, human capital investments, and other inputs, are referred to as input innovation intensity.

Process Innovation Intensity

Process innovation intensity describes the actions made by businesses to create new or enhanced goods or procedures. The innovation process forces the company to consider many steps to enhance proper problem solving, routinely collecting client input, iterating as necessary, and obtaining the right resources and procedures to completely realise the innovation (Matt, 2023). Process innovation is the use or introduction of a new technology or way of doing something that aids in an organization's ability to meet client needs and remain competitive.

When a company solve a problem or carry out an existing business practise, it has innovated a process and the people who carry out the procedure and those who rely on will benefit from the process. Organisations nowadays routinely adopt new information technology systems or identify novel ways to use current systems in order to optimise the benefits of process innovation. Process innovation differs from incremental innovation in both scope and size since it causes radical or game-changing alterations and necessitates high-level management, a longer planning time, and more funding (Matt, 2023).

ORGANISATIONAL SURVIVAL

To thrive in today's complicated world, organisations must implement structures and processes that allow them to be adaptive and dynamic. Organisational Survival offers a logical, research-based approach to developing a long-term business strategy that meets the needs of today's customers and positions an organisation to outperform while positively impacting society, the environment, and the community, and making profit (Balestrero & Udo, 2014). They also suggest that sustainability in the future relies on corporate strategies that make successful businesses to adapt and adopt a new strategy, or modify an existing one, to integrate sustainability into key business goals. The limitations of traditional hierarchies must be confronted by SMEs, who must adopt flatter, more decentralised structures with an emphasis on smaller action units (individuals and teams) with clearly defined interfaces that allow rapid and transient collaboration and

partnering both within and across organisations (Neptune, 2023). Those firms who were able to effectively collaborate and improvise have prevailed (Darwin, 2015).

With internal and external environmental threats, organisational preparation is critical to survival. In the complex and uncertain environment of a long-term, evolving crises, the most resilient organisations are those that have continuous sensing and response skills rather than those that just have strategies in place. That necessitates a global network of individuals drawn from across the organisation who can coordinate and adapt as events unfold, reacting quickly and appropriately to interruptions such as communication breakdowns and physical and human resource losses. Many leaders believe that crisis management is not their responsibility, but developing organisations that are resilient in the face of uncertainty necessitates a new mindset. An organisations that must be driven from the top down (Nohria, 2020).

Organisational readiness is essential for survival in the face of internal and external environmental threats. The most resilient organisations will not only have plans in place but will constant sense and have response capabilities in the complex and uncertain environment of a long-lasting, evolving disaster. This necessitates having a global network of individuals selected from across the organisation who can collaborate and adapt as events develop, responding promptly and properly to setbacks. Creating organisations that are resilient in the face of uncertainty demands a new mindset that must be driven from top down.

Adaptability

Adaptability is the capacity to change and acquire new abilities in response to variables, circumstances, or settings that change. Because every profession might be unpredictable, employers place a high importance on this soft talent (Walkme, 2023). Adaptability can signify different things to different people based on the employment environment and the particular responsibilities that individuals play therein. Being adaptive often entails being adaptable, creative, open, and resilient, especially when things don't go as planned. Workplace adaptation is more than just being flexible; it's the capacity to handle various situations and obstacles (Raebur, 2023) Workplace adaptability enables firms and employees to respond rapidly to unforeseen events and to a variety of situations.

Being able to change quickly enough to keep up with the complexity and uncertainty that is growing is the biggest issue that teams, organisations, and society face. Increasing volatility, complexity, and quick change have become the norm, therefore organisations must discover fresh ways to engage their workforce in obtaining information, developing solutions, and exercising leadership. Collaboration and learning from others are necessary for adaptability, as are being self-assured but receptive to criticism, self-assured enough to learn from mistakes, and focused on problems rather than solutions (Walkme, 2023). The ability to swiftly understand how to reorganise duties in order to accommodate new knowledge, policies, or processes allows adaptable people to flourish in unexpected circumstances (Indeed Editorial Team, 2022).

Profitability

Profitability refers to a company's ability to make a profit from its economic activity by using its resources. It is an economic tool that supports all of the company's decisions regarding the management of its business partners and activities, as well as being used to gauge its economic efficiency (Cojocaru, 2000). The ability of an organisation to profit is also regarded as a key tool in the market economy system for moulding production to meet consumer demands. Being profitable involves generating an income from sales that should outpace expenses.

Regardless of the kinds of economic activities and resources involved or consumed, profitability mirrors the efficiency of an enterprise's overall economic activity. The economic effects are ultimately materialised in the profit obtained by an enterprise. Profitability, according to Geamănu (2011), characterises the economic efficacy of production at the microeconomic level, in close connection with other indicators used to measure an enterprise's economic performance, such as: labour productivity, production quality, production costs, etc. Of these, labour productivity has the greatest impact on profit and units of production.

The fundamental criterion for evaluating the efficiency of an economic activity, profitability is an instrument that serves as the foundation for all decisions relating to internal enterprise management as well as the relationships between the enterprise and its business partners (Cojocaru, 2000). It is a measure of the relationship between an enterprise's efforts and the results it achieves. When making managerial judgements about prospective changes in the economic resources that a firm will be able to control in the future, knowledge on the performance of the company, particularly its profitability, is helpful (Burja, 2011).

EMPIRICAL REVIEW

In their theoretical model, Adam and Alarifi (2021) highlight the supporting role that external support plays in the relationship between innovative practises and the performance and survival of SMEs. 259 randomly chosen SME managers in Saudi Arabia were surveyed online to gather their data, which was then analysed using the SmartPLS3 programme. The findings from structural equation modelling demonstrated that the innovation strategies used by SMEs to deal with COVID-19's effects had a favourable effect on performance and survival.

Mba, & Cletus (2014) suggest that, main obstacles to the performance of SMEs include inadequate finance, weak social infrastructures, a lack of managerial skills, and various taxation. The report used a descriptive research design with 120 randomly chosen registered Port-Harcourt City SMEs operators. Descriptive statistics were used to analyse the data, and the z-test was used to assess the hypotheses that had been developed. According to the data analysis's findings, SMEs in Port-Harcourt City have significant obstacles due to inadequate social infrastructure, poor finance, a lack of managerial skills, and many taxes.

Fitriatia, Purwanab, & Buchdadid (2020) examine the role of the innovation variable in improving small-medium enterprise (SME) performance and the impact of dynamic capabilities, knowledge

management, and entrepreneurial orientation on SME performance. The research data is obtained from 350 SMEs in Indonesia. The results showed a positive influence of dynamic capabilities, entrepreneurial orientation, knowledge management with innovation, and a positive influence of knowledge management with innovation and performance of the organisation.

Innovation is important to the survival of any business (Ortiz-Villajos, 2014). According to Gaynor (2002), innovation is the driving force behind the survival and continuation of businesses; it facilitates the company's expansion and growth, as well as its future success. Earlier written research revealed that employing innovations addresses the obstacles and difficulties of the development and survival of SMEs (Bruns & Stalker, 1961; Hurley & Hult, 1998; Porter, 1990; Schumpeter & Redvers, 1934). According to Schumpeter (1942), the enterprise's survival is inextricably related to its innovation practices.

Olughor (2015) explores the impact of innovation on business performance in small and medium-sized enterprises (SMEs) in Nigeria. Data was gathered from 200 respondents of 6 SMEs. In Nigeria. The OECD Oslo scale (2005) was used to assess innovation. The study found a good correlation between the parameters used to quantify innovation and innovation correlates with corporate performance. Barasa, Vermeulen, Knobben, Kinyanjui, and Kimuyu (2018) explore innovation inputs and efficiency in Sub-Saharan African manufacturing enterprises. The findings show a link between innovation inputs and efficiency.

Researchers Sanders, Jones, and Linderman (2014) study process management, innovation, and performance efficiency. The results show that competitive intensity does not affect the influence of process design on efficiency and innovation performance; but, in some circumstances, competitive intensity does influence process improvement and process control on efficiency and innovation performance. Roumani, Nwankpa, & Datta (2022) analyse the dynamic relationship between process innovation and digital business intensity (DBI) through knowledge management. The research primarily looks into the means by which knowledge management and DBI interact to impact process innovation. The findings show a beneficial relationship between DBI and process innovation.

METHODOLOGY

The study used a cross-sectional survey design to achieve the stated objectives. 1180 SMEs in Port Harcourt Rivers State constitute the study population. The sample size of 291 was drawn, using Krejcie and Morgan's 1970 table. The sample elements were given a standardized questionnaire. Innovation intensity was operationalized with input innovation intensity and process innovation intensity. Adaptability and profitability were used to measure the dependent variable (organisational survival). Each construct was assessed using five 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 260(89.3%) 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 input innovation intensity and dimensions of organisational survival

			Input Innovation Intensity	Adaptability	Profitability
Spearman's rho	Input Innovation Intensity	Correlation Coefficient	1.000	.685**	.615**
		Sig. (2-tailed)	.	.000	.000
		N	260	260	260
	Adaptability	Correlation Coefficient	.685**	1.000	.580**
		Sig. (2-tailed)	.000	.	.000
		N	260	260	260
	Profitability	Correlation Coefficient	.615**	.580**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	260	260	260

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

Source: SPSS Output, 2023.

Input innovation intensity and Adaptability: The rho value of 0.685** at a significance level of 0.000 in column five of Table 1 above is less than the alpha level of 0.05. Hence, the null hypothesis (H_{01}), which claims that there is no significant relationship between input innovation intensity and adaptability, is rejected and the alternate hypothesis is accepted. This suggests that there is a strong positive bond between input innovation intensity and adaptability.

Input innovation intensity and Profitability: Column six of Table 1 above shows a rho value of 0.615** at a significance level of 0.000, which is less than the alpha level of 0.05 used for the input innovation intensity and profitability. Since the significance value is lesser than the alpha level of 0.05, the null hypothesis (H_{02}), which says that there is no significant relationship between input innovation intensity and profitability, is rejected, and the alternate hypothesis is accepted. This implies that there is a strong significant positive association between input innovation intensity and profitability.

Table 2: Correlations between process innovation intensity and the dimension of organisational survival

			Process Innovation Intensity	Adaptability	Profitability
Spearman's rho	Process Innovation Intensity	Correlation Coefficient	1.000	.742**	.689**
		Sig. (2-tailed)	.	.000	.000
		N	260	260	260
	Adaptability	Correlation Coefficient	.742**	1.000	.635**
		Sig. (2-tailed)	.000	.	.000
		N	260	260	260
	Profitability	Correlation Coefficient	.689**	.635**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	260	260	260

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

Source: SPSS Output, 2023.

Process innovation intensity and Adaptability: Column 5 of Table 2 reveals a rho value of 0.742** at a significance level of 0.000, which is less than the alpha level of 0.05. The null hypothesis (H_{03}), which claims that there is no significant relationship between process innovation intensity and adaptability, is rejected and the alternate hypothesis is accepted. This means that process innovation intensity has a strong significant positive link with adaptability.

Process innovation intensity and Profitability : Column six of Table 2 above shows a rho value of 0.689** at a significance level of 0.000 which is less than the alpha level of 0.05 for the hypothesis relating to process innovation intensity and profitability. Since the significance value is less than the alpha level of 0.05, the null hypothesis (H_{04}) which states that there is no significant relationship between process innovation intensity and profitability is rejected and the alternate hypothesis is accepted. This implies that there is a strong significant positive relationship between process innovation intensity and profitability.

DISCUSSION OF FINDINGS

The data analysis above depicts that innovation intensity in terms of input innovation intensity and process innovation intensity has a connection with organisational survival. The discussions of each hypothesis are stated below.

Input Innovation Intensity and Adaptability

The results of the data analysis in Table 1 showed a strong relationship between Input innovation intensity and adaptability. The P-value of 0.000 demonstrates a strong positive relationship existence between input innovation intensity and adaptability, and the rho value of 0.685 demonstrates a strong positive connection between the variables. The results of this study support Gaynor (2002), whose findings suggest that innovation is the driving force behind the survival and continuation of businesses. It also agrees with Barasa, et al., (2018) whose findings shows that innovation inputs relate with efficiency in Sub-Saharan African manufacturing enterprises.

Input Innovation Intensity and Profitability

The hypothesis 2 analysis in Table 1 showed a positive strong significant correlation between input innovation intensity and profitability. The P-value of 0.000, and the rho value of 0.615 demonstrates a strong positive link between input innovation intensity and profitability. The findings agree with Fitriatia, Purwanab, & Buchdadid (2020) whose findings shows a significant relationship between innovation intensity variable and SMEs performance. The result also aligns Mba, & Cletus (2014) whose findings suggest that, inadequate finance, weak social infrastructures, a lack of managerial skills, and various taxation relates to the business success, profitability and survival.

Process Innovation Intensity and Adaptability

The results in Table 2 revealed that process innovation intensity relate significantly to adaptability. The P-value of 0.000 shows that process innovation intensity relates to adaptability, while the rho value of 0.742 shows a strong positive correlational value among the variables. The correlation among the variables signifies that process innovation intensity relates to adaptability of the SMEs in PortHarcourt. This result is consistent with the study of Adam and Alarifi (2021) that the innovation strategies used by SMEs had a favourable effect on performance and survival. It agrees with Ortiz-Villajos (2014) thought that innovation intensity is important to the survival of any business. It aligns with Roumani, et al., (2022) that dynamic relationship relates with process innovation.

Process innovation intensity and Profitability

The analysis presented in Table 2 revealed that process innovation intensity relates significantly to profitability. The P-value of 0.000 shows that process innovation intensity relates to profitability, while the rho value of 0.689 shows a high positive correlational value among the variables. This finding agrees with Sanders, et al, (2014) that competitive intensity does influence process improvement, process control and efficiency and innovation performance. It aligns with Olughor (2015) whose study found a strong correlation between the parameters used to quantify innovation intensity and corporate performance.

CONCLUSION

The study examines the innovation intensity and organisational survival of SMEs in Rivers State, Nigeria. Innovation boosts value and promotes business growth and it is one of the most essential

and difficult issues confronting organisations today, as it influences their success and survival. The dimensions of innovation intensity which are input innovation intensity and process innovation intensity has a strong positive relationship with organisational survival. Hence, the study found a strong correlation between innovation intensity and the organisational survival of SMEs in Rivers State. The study therefore concludes that a relationship exists between innovation intensity and organisational survival of the SMEs in Port Harcourt, Rivers State.

RECOMMENDATIONS

1. SMEs should introduce new or improved work processes that will mitigate this risk in the firm's innovation and bring opportunities for the firm to thrive.
2. SMEs should have a reliable input innovation strategy that will enhance productivity and profitability.
3. The SMEs should have an external network to exchange information and cooperate with other companies to develop innovative projects.
4. The SMEs should adapt to innovative changes that will enhance the profitability and the firm survival.
5. The SMEs should develop new innovation skills to grow and survive.

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