



# Entrepreneurship Orientation and Networking as Correlate to Employment Generation in Nigeria

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**Abstract:** This research studied Entrepreneurial Orientation and Networking as a Correlate to Job Generation in Nigeria. The aims of the research were to determine the significance of Entrepreneurship and the Role of Networking in Job generation in Nigeria. A sample size of 158 was determine from a population of 250 SMEs in Lagos State scientifically using Yamane's formula. Straightforward random sampling approach was employed in determining sample size. Data was acquired by the usage of questionnaire. Questionnaires include assessing the function of entrepreneur ship and the role of networking in job development. The data acquired was loaded into a computer application program (SPSS) to statistically evaluate the data both in terms of descriptive statistics and inferential statistics. Descriptive statistics comprises of frequencies, measurements of central tendency (mean) and measure of dispersion (standard deviation) (standard deviation). Inferential statistics include Pearson Product Moment correlation analysis. Data was then presented in tables for clarity and simplicity of comprehension. The research indicated that there was a positive and significant association between entrepreneurs, and positive significant relationship existed between networking and job creation ( $r=0.453$   $p<0.05$ ). The research suggests that SMEs must inspire entrepreneurial orientation by empowering employees to explore their creative thinking via embracing fresh ideas from workers-regardless of their position; and establishing an enabling, comfortable and dynamic working environment completely void of rigorous structures to allow the unrestricted flow of work and assigned tasks.

**Keywords:** Entrepreneurship orientation, Networking, Employment Generation, SMEs, performance.

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## 1.0

## INTRODUCTION

### 1.1 Background to the Study

In today's changing business climate, Entrepreneurial Orientation (EO) is a fundamental element for victorious company. Business organizations, in this competitive commercial situation, compete to trawl the new business prospects. The viewpoint addressing the notion of Entrepreneurial Orientation has many concerns. Avlonitis and Salavou (2007) believe that Entrepreneurial Orientation is inventive, risk-taking and proactive conduct of entrepreneurs. Covin & Slevin (1991) further emphasize that business organizations include entrepreneurs to innovation, risk-taking, and display proactive behavior for grasping the opportunity for becoming a success in the company. Antoncic and Hisrich (2004) also emphasized that Entrepreneurial Orientation is highly crucial strategic aspect, which helps to the economic and organizational progress. Entrepreneurship is the process of producing value by gathering together a unique bundle of resources to seize an opportunity. Since the entrepreneur never controls all the required resources, chasing the opportunity entails bridging the resource gap. Such a process demands a sequence of decisions, which must be made in a way, which is both internally consistent and outwardly relevant to the market. On the other hand, Networking is a socioeconomic business activity through which businessmen and entrepreneurs meet to develop business contacts and to identify, generate, or act upon business possibilities, exchange information and seek possible partners for initiatives (Hubert et al., 2001).

A business network is a sort of company social network which is intended to enable business people interact with other managers and entrepreneurs to promote each other's business interests by developing mutually beneficial commercial partnerships. Business networking is a means of utilizing your company and personal ties to assist deliver you regular supply of new business (Misner, 2008). There are numerous famous business networking groups that establish models of networking events that, when followed, enable the business person to make new business contacts and produce business prospects at the same time. A professional network service is an application of information technology in support of business networking. Chambers of Commerce and other business-oriented associations may also conduct networking events. There are several various sorts of networking groups however and the ideal type for each folks differs based on the company they are in and prospects they want to meet. Before internet business networking, there was face-to-face networking for business. This was done via a multitude of strategies such as trade show marketing and loyalty programs. Despite these approaches have been demonstrated to still be an efficient source of revenue, many organizations today concentrate more on internet marketing owing to the ability to monitor every component of a campaign and justify the expense involved in putting up one of these campaigns (Peter, 2014). "Schmoozing" or "rubbing elbows" are terms used among professional business executives for introducing and meeting one another in a business environment and building commercial rapport.

Networking may be an effective strategy for job-seekers to get a competitive advantage over others in the job-market. The skillful networker cultivates personal ties with potential employers and selection panels, in the belief that these personal attachments may influence future employment choices. This sort of networking has created ethical problems. The criticism is that

it involves an effort to manipulate formal selection procedures. The networker is accused of pursuing non-meritocratic advantage over other applicants; advantage that is based on personal affection rather than on any objective judgment of which candidate is best suitable for the post. Several firms utilize networking as a significant part in their marketing strategies. It helps to build a strong sense of trust amongst people engaged and play a large role in enhancing the profile of a firm. Suppliers and businesses may be considered as networked firms, and will likely to source the company and its suppliers via their current ties and those of the companies they deal closely with. Networked firms tend to be open, random, and supporting, while those depending on hierarchical, conventional managed techniques are closed, selective, and controlling. These expressions were initially used by Thomas Power, businessman and chairman of e-academy, an online business network, in 2009 (Ned, 2015).

Small and medium-sized enterprises (SMEs) play a significant role in the economic development in all nations (Jin & Hurd, 2018). This is because they contribute significantly to jobs creation, wealth, and the reduction of poverty (Ismail & Wright, Citation2022; Muriithi, 2017). In addition, SMEs make a major contribution to the country's GDP (Edeh et al., 2020). Furthermore, SMEs are considered to be the birthplace of innovations and entrepreneurship (Agyapong, 2010). As a result, both developed and developing countries have paid close attention to their growth and competitiveness (Ali et al., 2020).

## **1.2 Statement of the Problem**

Nigeria as a nation offers several commercial and investment potentials owing to the enormous, lively and dynamic people and natural resources it has. These people and natural resources notwithstanding, Nigeria is still one of the poorest nations in the world and has one of the worst rates of youth unemployment in sub-Sahara Africa, and despite its reported good economic development. Several other nations have taken steps to reinvigorate and reshape entrepreneurship sub-sector to such a thriving one that they have been capable of bringing down to the absolute bare minimum of their unemployment and poverty level due to the significant contributions of the sub-sector to the growth and development of the economy, but such cannot be said of Nigeria. In view of the sad and dreadful condition, the government has done nothing to lessen the agony and frustrations of the populace. The agility with which hunger and poverty have destroyed lives and future aspiration of youths especially graduates in Nigeria, have led to academics prescribing entrepreneurship orientation and networking as the real cure for extreme hunger and poverty prompted by unemployment hence economic deformation constitutes one of the exterior factors that impacts the development of entrepreneurship. The enormous need for entrepreneurial orientation and networking in Nigeria now, more than ever, is needed by the amount of unemployment and its impact on both the people and the country and the necessity for small and medium firms. In spite of the fact that entrepreneurial orientation and networking has been viewed as the bastion for job creation and technical growth in Nigeria, the sector still has had its own fair share of neglect with accompanying bad repercussions on the economy. It is against this backdrop that, entrepreneurship and networking when and if gallantly promoted in Nigeria would assume its pride of place in quelling unemployment and so producing employment among Nigerian youngsters particularly the graduates and once again, set the economy on a

proper footing. It is in this regard that this research tries to explore entrepreneurial orientation and networking as a correlate to job creation in Nigeria.

### **1.3 Research Objectives**

The research seeks to entrepreneurship orientation and networking as correlate to employment generation in Nigeria. The specific objectives were:

- i. To examine the relationship between entrepreneurship orientation and employment generation in Nigeria.
- ii. To establish the relationship between networking and employment generation in Nigeria.
- iii. To ascertain the relationship between entrepreneurship orientation on small and medium scale performance in Nigeria.

### **1.4 Propositions**

The following propositions will be assessed through empirical examination

#### **Proposition 1**

There is no significant relationship between entrepreneurship orientation and employment generation in Nigeria.

#### **Proposition 2**

There is no significant relationship between networking and employment generation in Nigeria.

#### **Proposition 3**

Entrepreneurship orientation has no significant relationship with small and medium scale performance in Nigeria.

In pursuance of the stated objectives, the study is divided in to five major parts. Having addressed the first part, part two focuses on review of related literature covering the theoretical, concepts of entrepreneurial orientation and networking as correlate to employment generation in Nigeria. The third part is on method employed in carrying out the study. Part four is on analysis of data collected and part five provides the conclusion and recommendations accordingly. The results and recommendations of the study would contribute towards the unveiling of the contributions of entrepreneurial orientation and networking as correlate to employment generation in Nigeria.

## **2.0**

## **LITERATURE REVIEW**

### **2.1 Conceptual Framework**

This section deals with the concept of entrepreneurial orientation and networking as correlate to employment generation in Nigeria as well as their associated dimensions and measures respectively.

#### **2.1.1 Entrepreneurial Orientation**

Entrepreneurial orientation initially incorporates the strategy-making process and symbolizes the policies and practices that provide the framework for entrepreneurial activities and choices (Rauch, Wiklund, Lumpkin & Frese, 2009). George and Marino (2011), demonstrated that entrepreneurial orientation is formed by its dimensions, and that the dimensions were not

expressions of the entrepreneurial orientation concept. Covin and Slevin (1989), noted that the amount of applied entrepreneurial orientation in a firm is typically reflected by the extent to which entrepreneurs and managers are prepared to take risks in order to encourage change and innovation to eventually get a competitive edge. Baran and Velickaite (2008), propose that entrepreneurial approach gives equipment for company development and expansion and thus leads to a lasting competitive advantage. Lumpkin and Dess (1996) lay forth the five elements of entrepreneurial orientation. The first three dimensions were first established by Miller in 1983 and the model was subsequently enhanced by Covin and Slevin to a five dimensional model in 1989. The five aspects of entrepreneurial orientation are the independent factors impacting company performance as the dependent variable. The five aspects are known as innovativeness, risk-taking, pro-activeness, autonomy and competitive aggressiveness. Empirical research revealed that there is in fact a positive association between the aspects of entrepreneurial orientation and company performance and business success. In real world business practice this remark makes the idea that firms that are more entrepreneurial minded will perform better (Madsen, 2007).

The proper use of the dimensions of entrepreneurial orientation combined with the fundamental marketing-related concerns is extremely vital to assure success in the business environment. The absence of understanding or inadequate execution of the important parts may easily result in company failure and other unpleasant conditions (Brink & Cant, 2003).

### **2.1.2 Dimensions of Entrepreneurial Orientation**

**i. Autonomy:** Based on the company structure and the management style the concept autonomy is primarily implemented by the decision maker. This will in most situations be the entrepreneur or the management. Casillas and Morena (2010) believe that autonomy is one of the foundations for creative and entrepreneurial conduct. Lumpkin and Dess (1996) define autonomy as the desire and the competence to operate autonomously when acting on an opportunity or when embracing an organisational challenge. Managers and entrepreneurs possess the rights to make choices and they thus only trust themselves to secure the existence of a firm.

Dawson (2012) believes that firms function more flexibly with greater levels of productivity if owners grant more liberty to the management of the company and adopts control and formalisation. It is advised that the owners of Nigeria small and medium size enterprise's also transfer responsibility in the decision making process to lower levels in an organisation with the proper guidance and supervision from management. Engaging workers and by making them independent leaders may boost employee happiness and corporate performance. This procedure nevertheless should be overseen to achieve good results and to avoid undesirable effects. The previous study already demonstrates that there is to some extent a link between entrepreneurial attitude and perceived company success.

**ii. Risk-taking:** Sharma and Dave (2011) expound on the finding that was discovered that highlights risk-taking as the factor of entrepreneurial orientation that has the biggest influence on the performance of a firm compared to innovativeness and pro-activeness. Risk-taking refers

to immediate explicit acts done in circumstances of uncertainty. Caruana et al. (2002) argue that without the willingness to accept risk there can be no innovation and prospects promising a bright future will not be grabbed easily. Assessing and analyzing the risks involved is a highly reasonable method but the benefits should always be kept in mind. Risk is inherent in the operations of a company and actions done by managers and owners always contain risk. A danger is frequently an opportunity not yet acknowledged (Caruana et al., 2002).

Taking risks concerns the company manager or the entrepreneur with relation to the choice in hand. While the lives of the workers might be changed by the choice chosen, the entrepreneur or manager should also evaluate the reward offered. Companies may build a framework to analyze risks and to find possibilities that might lead to tremendous success of the organization. Accepting risk is an integral component of business as well as daily life and the incorrect option usually leads to disappointment (Hopenhayn & Vereshchagina, 2002). Nigerian should be encouraged to take such chances that use colourful opportunities.

**iii. Pro-activeness:** According to Madsen (2007) pro-activeness relate to a posture of predicting and acting on the future needs of the market. Early movers might dominate the market by controlling the distribution channels. It is further highlighted by Sharma and Dave (2011) that a pro-active firm should be regarded a leader rather than a follower. Madsen (2007) endorses this remark and further notes that the pro-active companies are typically the more sustainable enterprises with inventive individuals and with entrepreneurs who are prepared to take chances. Implementing change in a company or in the product or service that the business delivers does not define pro-activeness but a simple response to the present circumstance. By implementing change in the organization while studying the future involves acting proactively so that the firm is prepared for what the future will bring (Lumpkin & Dess, 1996).

Rauch et al. (2009) discovered that the variables innovativeness, risk-taking and proactiveness are of comparable relevance in influencing corporate performance. By being proactive a firm may discover and forecast future demands. This allows entrepreneurs the chance to prepare themselves correctly in order to get the greatest advantage from the approaching occurrences. From being proactive' another dimension like as innovation or risk-taking is sometimes often utilized in combination in order to attain the desired goal.

### **2.1.3 Networks and networking**

At its heart, network refers to a group of components or individuals that are linked to each other (Casson & Giusta 2007). Seibert, Kraimer and Liden (2001) define network as “the pattern of links connecting a specific collection of individuals or social actors”. Links or linkages are the essential elements of all networks (Casson & Giusta 2007). The connections are the consequences of relationships between the members. In addition, all members of a network are either directly or indirectly related to, each other (Casson & Giusta 2007). Hence, networks consist of a collection of components or members, which are linked to each other as a consequence of the relationships of the members. Networks may also be generically characterized as interactive interactions that people, corporations, or any other entity have with others. Networking, on the other hand, refers to the process of developing and interacting in networks.



#### 2.1.4 Measures of Networking

**i. Social network:** Social networks are generated through social relationships which are founded on community ties and conformance to common ideals (Nieman, 2006). An individual's social network is typically made up of family members, relatives, friends and acquaintances (Allen, 2000). In these networks, there exist connections which link one member of the network to others (Kristiansen, 2004). Consequently, social networks are a collection of social links that are developed by company owners via social interactions. Social networks, in this research, encompass connections which a person has with family members, relatives, friends, as well as affiliations with social organisations and clubs. The impact which social networks have for firms are amongst the most significant findings in business research (Light & Gold, 2000). Social networks are regarded as fundamental structures in which economic activities are anchored. Social networks impact the first self-employment option (Allen, 2000).

Business entrepreneurs get knowledge from many sources before launching their firms. They begin with ideas to test and hunt for information and expertise to establish the company (Salaff, Greve, Wong & Li ping, 2002). They lean upon their social networks to get information and expertise. By leveraging social networks, company leaders can identify information about business possibilities and act on them (Nichter & Goldmark, 2005). Also, during the beginning stage of the enterprises, social networks act as a significant asset to function in competitive marketplaces by offering the firms access to resources and possibilities otherwise inaccessible to them (Carter & Jones-Evans, 2000; Konchellah, 2013; Kristiansen, 2004). In addition to information and expertise, company entrepreneurs require additional resources to start functioning. For instance, they need to collect money, obtain training, source supplies, employ personnel, establish markets and create the product to match their clients' demands (Salaff et al., 2002). Company owners may obtain these crucial resources via their social network (Salaff et al., 2002). In summary, new company owners may profit from social capital by exploiting social networks (Salaff et al., 2002). Social capital here refers to the interpersonal resources which individuals have that assist them attain their objectives (Salaff et al., 2002). If new enterprises, which tend to have inadequate financial and non-financial resources, do not have access to resource-rich social networks, they will struggle to overcome their early disadvantages (Zain & Ng, 2006). Consequently, company owners utilize social networks extensively while launching a new firm (Light & Gold, 2000).

Additionally, the advantages which company owners obtain via social networks might raise their ambition to build their firm (Amoros & Bosma, 2014). Social networks function as an indication of repute. Social networks transmit information about enterprises, which enhances their access to external capital (Ngoc & Nguyen, 2009). Yet, despite the above-mentioned benefits of social networks, there are drawbacks to these networks. For instance, expenditures connected with interacting in social networks might be too costly for small size firms at times. Additionally, the networks might be prejudiced in that they may exclude- or allow uneven access to members (Nichter & Goldmark, 2005). In addition, Yu and Chiu (2010) found out that when the social networks of a company owner get too large, business performance would start to drop.

**ii. General business network:** According to Huang, Li and Ferreira (2003), business networks are links, whether formal or informal, which promote the interchange of resources. Besser, Miller and Perkins (2006) describe business networks as formal ties that are developed by company owners or managers to assist them support the growth of their firm. In the purpose of this research, general business networks relate to networks which SMEs have with governmental/non-governmental institutions that offer support for small companies and the networks which SMEs have with business consultancy firms. Business networks may have an influence on the growth of a firm. This opinion is confirmed by Chittithawom, Islam, Keawchana and Yusuf (2011) who pointed out that business networks play an essential role in helping firms obtain organizational legitimacy and in helping them develop a positive reputation. The interactions built in business networks give an opportunity where firms may receive knowledge about industry trends and future business possibilities (Cooney & Flynn, 2008).

In developing economies, the market is significantly impacted by a government-led redistributive mechanism, suggesting that authorities have an effect over corporate activities (Li & Zhang, 2007; Nguyen, Weinstein & Meyer, 2005). Hence, in these nations, managers' relationships with government officials have significant benefit (Chung, 2006; Li & Zhang; Nguyen et al., 2005, Peng & Luo, 2000). Networks with officials support SMEs in increasing their performance by providing them with limited resources and allowing them to penetrate into highly regulated sectors (Chung, 2006; Peng & Luo, 2000). Additionally, SMEs' key position in economic development has raised their probability to acquire assistance programs from governmental and non-governmental organizations that give financial and non-financial help (Smallbone & Welter, 2000). Yet, the assistance programs typically are circumscribed (Heshmati, 2013). This leads in Businesses that network with government being the sole beneficiaries of these supporting initiatives (Ngoc & Nguyen, 2009).

## 2.2 Theoretical Framework

The notion of entrepreneurial discovery is the most recognized conception of entrepreneurship among market-process theorists. In line with the broader research programme within which it is embedded, this approach is distinguished by its focus upon the nature of competitive processes, market disequilibria, and the role of knowledge, expectations and learning in the operation of markets, the nature and significance of entrepreneurial discovery, and the comparative effectiveness of alternative institutional frameworks for evoking entrepreneurship. According to Duru (2011) early academics saw entrepreneurship from several dimensions, they characterize entrepreneurship from the perspective of the functions of an entrepreneur, which include as an inventor, imitator, innovator, or more aptly as a calculated risk taker. According to Cantillion (1932) the core of the duty of the entrepreneur is to endure risk (uncertainty). Kirzner (1997) regarded entrepreneur as someone who is aware to lucrative prospects for trade. He operates on possibilities that come because of new technologies. Schumpeter created the notion of innovation and power.



### 2.2.1 Market Liberal Theory

This approach was established by Margaret Thatcher in 1990 to battle the soaring unemployment that affected Britain at that moment (Haralambos, 2000). This thesis was a challenge to Keynes belief that government could address economic issues by creating demand in the economy which could inevitably lower unemployment. One champion of this notion was Friedman in Haralambos in what he termed monetary Policy to control inflation. He challenged Keynes idea that boosting demand in the economy would decrease unemployment but it will result in too much money chasing too few products. To him, government might minimize or even eliminate the issue by reducing the money given, so enabling less money to circulate in the economy. By that, government spends more rather than increasing its economy as advised by Keynes. Friedman defined what he termed a natural rate of unemployment in the economy claiming that government could not lower unemployment below the natural rate without producing excessive inflation.

Adam Smith, a classical economist in his perspective believes that unemployment could not endure in long term claiming that the jobless would be willing to labor for lower pay in order to acquire a job. Yet Friedman disagrees with this idea pointing out that in fact, there is no free market in labor. Additional considerations, according to Friedman are: the Mobility of the labor force and the availability and affordability of information about the job opportunities. Based on these ideas, government actions should prioritize cutting public spending, powers of unions and adopting legislation that the jobless would profit from. This will make businesses more competitive enabling efficient businesses to thrive, and this will minimize the impact of taxes on profitable industries while private ownership of ineffective businesses will make them to pull back and this will make the cost of employing people to fall as unions will lose control and bargaining position as workers become weak as well as providing incentives to accept low paid work, hence lowering youth unemployment in the economy.

### 2.3 Empirical Review

Ajayi (2016), empirically assess the relationship between entrepreneurial orientation, networking capability, institutional environment factors and export performance of 235 Nigerian agricultural firms. The result affirms that there is a strong positive relationship between entrepreneurial orientation, networking capabilities, institutional environment factors and the export performance of agricultural sector SMEs in Nigeria. Our results suggest that the ability of agricultural SMEs to be proactive, innovative, take risks, manages its networking capabilities and institutional environment factors; all having a direct impact on the export performance of Nigerian Agricultural SME's. Institutional environment factors such as government policies, procedures and regulations can lessen the influence of entrepreneurial orientation and networking capabilities on Nigerian agricultural SMEs' export performance.

Kaushal, Kumar and Kumar (2020), examined the relationship amongst entrepreneurial orientation, innovation capability and SMEs performance. The researchers distributed 500 questionnaires to SMEs from various industries. The study was carried out among entrepreneurs of SMEs across Uttarakhand. Sample was drawn from the list of firms published by Directorate of Industries, Uttarakhand using random sampling technique. Of the 500 questionnaires

distributed, 234 respondents filled the questionnaire, constituting the response rate of 46.8 percent. The findings demonstrate a positive and significant impact of entrepreneurial orientation and innovation capability on SMEs performance. The present study empirically demonstrates the importance of entrepreneurial orientation and innovation capability in enhancing SMEs performance. The study advocates that entrepreneurial orientation and innovation capability paves the way to analyze market needs and facilitates firm's processes and operations to effectively cater to the market, and eventually contributes to better performance. The study further advocates that in order to improve SMEs performance, the firms must pay serious attention to having an entrepreneurial orientation and directing this orientation towards matching the market needs with firm's internal capability in order to enhance its performance. The study also offers a holistic view on the importance of innovation capability in enhancing SMEs performance in developing countries like India.

Adudu, Belagu and Adebajo (2021), examined the effect of entrepreneurial orientation on the performance of SMEs in Benue State, Nigeria. The study specifically examines innovativeness, proactiveness, risk taking, autonomy and, competitive aggressiveness on the performance of SMEs in Benue State, Nigeria. The study adopts a survey design and questionnaire was used as an instrument for data collection. The population of the study includes 650 licensed SMEs in Benue State and a sample of 250 was determined through Stratified sampling. Validity results of KMO, and Bartlett's test indicate that variables are highly significant, and principal component analysis was suitable (.724). The test-retest result of reliability reported a reliability index of (0.785). Data collected from the organizations' surveyed were analyzed and presented using regressions analysis. Results of tested hypotheses indicated that innovativeness (33.0%), proactiveness (28.2%), risk taking (31.2%), autonomy (28.8%), competitive aggressiveness (31.6%) all have positive and significant effect on the performance of SMEs in Benue State, Nigeria. The study concludes that when steps are taken by executives to develop a stronger entrepreneurial orientation throughout an organization and by employees to become more entrepreneurial themselves, it is important for the executives to design organizational systems and policies that reflects the dimensions of entrepreneurial orientation and how an organization's compensation systems encourage or discourage these dimensions should be considered in enhancing the performance of SMEs. The study recommends among others that organizations should be encouraged by making proactive as opposed to reactive decisions because this will enable employees in understanding how they can help to support entrepreneurial orientation within their organizations.

Arifah, Heri and Ely (2022), determined the effect of entrepreneurial orientation on company performance. This research was also conducted to determine the role of network capabilities as mediators in the relationship between entrepreneurial orientation and company performance. This research is quantitative research with an explanatory research approach which was conducted on women entrepreneurs at the Entrepreneurs Association of Batu City. The sampling method used in this study is a saturated sample of 88 female entrepreneurs. The research data is primary data obtained through the distribution of online and offline questionnaires. The data analysis used is SEM-PLS assisted by SmartPLS 3.3.3 software. The results of this study indicate that entrepreneurial orientation has no significant effect on company performance.

Entrepreneurial orientation has a positive and significant effect on network capabilities and marketing capabilities. Network capabilities and marketing capabilities have a positive and significant impact on company performance. This study also found that networking skills and marketing skills act as perfect mediators in the relationship between entrepreneurial orientation and company performance.

Oghenevwegba and Iwegbue (2022), examined the impact of Entrepreneurial Orientation (EO) in the Performance of Small and Medium Enterprises (PSME) in Nigeria: A study of SME's in Asaba, Delta State. The study is carried out within Asaba metropolis, Oshimili South Local Government Area of Delta State, Nigeria. The Entrepreneurial Orientation was measured with Proactiveness (PRO), Innovations (INVT), Risk Taking Propensity (RTP) and Competitive Aggressiveness (CA) in relation to the PSME in Nigeria. A total of 100 respondents, and total 100 questionnaires administered but 87 were returned and properly filled while 13 were not returned and analyzed with descriptive statistics, correlation matrix and multiple regression analysis with the aid of SPSS version 23 and it was discovered that PRO, INVT, RTP and CA has significant relationship with PSME in Nigeria. Findings obtained from the analysis, revealed that show that PRO, INVT, RTP and CA has significant relationship with PSME in Nigeria. The study also concluded that there is significant relationship between EO and PSME in Nigeria. The study therefore, recommended that small and medium scale enterprises should embrace the EO dimensions of PRO, INVT, RTP and CA to increase business performance and SMEs operators should adopt autonomy by encouraging employees to be autonomous and be free to take initiative for the best interest of the organization and use periodic appraisal to monitor them based on the result which will increase firm performance.

### 3.0 METHOD

Survey research approach was adopted and data was acquired mostly via the use of survey instrument. The instrument was used to gather information through administered questionnaires collected from owners/managers of several enterprises who were qualified respondents covering practical sampling international Ltd at diverse places namely: Ogba, Ajah and Meiran in Lagos State Nigeria. The validity and reliability were enhanced utilizing Huber and Power (1985) recommendations quality data from each respondents. Purposive sampling procedures was utilized in this research wherein 47% respondents were male and 53% respondents were female. To arrive at the sample size Yamane (1967) formula was utilized while the assertions were tested via the use of descriptive and inferential statistics

$$1+N = \frac{N}{1 + N(a)^2}$$

Where: N= the target population: n = proposed sample size, "a" is the level of significance degree of error. N= 250; a = 0.025

$$N = \frac{N}{1 + N(a)^2}$$

$$n = \frac{250}{1 + 250(0.05)^2}$$

$$n = \frac{250}{1+250(0.05)^2}$$

$$n = \frac{250}{1 + 0.625}$$

$$n = \frac{250}{1.625}$$

$$= 153.8$$

Approximately 154

## 4.0 RESULTS AND DISCUSSION

### 4.1 Data Presentation and Analysis

**Table 3: Networking**

		SD	D	U	A	SA	M	Stdev
1	Networking, through creation of wealth and employment opportunities raises the standard of living of people	23(15.3%)		12(8.0%)	57(38.0%)	58(38.7%)	3.85	1.36
2	Networking creates new business ventures that bring about wealth creation		35(23.3%)	34(22.7%)	35(23.3%)	46(30.7%)	2.74	1.08
3	Networking gives room for innovation which leads to wealth creation	11(7.3%)	23(15.3%)	24(16.0%)	46(30.7%)	46(30.7%)	3.62	1.27
4	Networking plays a key role in addressing poverty through their contributions to wealth creation and economic advancement		11(7.3%)	46(30.7%)	47(31.3%)	46(30.7%)	3.14	0.95
5	Networking serves as a tool in eradicating unemployment in Nigeria		12(8.0%)	12(8.0%)	58(38.7%)	68(45.3%)	4.13	1.11

Evidence from Table 3 revealed that most of the respondents agreed that networking, through creation of wealth and employment opportunities raises the standard of living of people ( $M=3.85>2.50$ ), networking create new business ventures that bring about wealth creation

( $M=2.74>2.50$ ), networking gives room for innovation which leads to wealth creation ( $M=3.62>2.50$ ), networking play a key role in addressing poverty through their contributions to wealth creation and economic advancement ( $M=3.14>2.50$ ) and n networking serves as a tool in eradicating unemployment in Nigeria ( $M=4.13>2.50$ ).

**Table 4: Employment generation**

		SD	D	U	A	SA	M	Stdev
1	Entrepreneurship orientation generates employment	34(22.7%)	-	35(23.3%)	46(30.7%)	35(23.3%)	2.98	1.08
2	Through entrepreneurship, most unemployed are able to get something doing	24(16.0%)		22(14.7%)	46(30.7%)	58(38.7%)	3.76	1.37
3	Networking brings about employment generation	23(15.3%)	24(16.0%)	24(16.0%)	45(30.0%)	34(22.7%)	3.36	1.44
4	There is no relationship between employment generation and networking	10(6.7%)	24(16.0%)	32(21.3%)	46(30.7%)	38(25.3%)	3.57	1.26
5	Most of the employment in Nigeria are as a result of entrepreneurial input in the economy	12(8.0%)	12(8.0%)	11(7.3%)	46(30.7%)	69(46.0%)	3.99	1.27
6	There is no relationship between employment generation and entrepreneurship orientations	12(8.0%)	12(8.0%)	23(15.3%)	34(22.7%)	69(46.0%)	3.77	1.45

Table 4 revealed that most of the respondents agreed that entrepreneurship orientation generates employment ( $M=2.98>2.50$ ), through entrepreneurship, most unemployed are able to get something doing ( $M=3.76>2.50$ ), networking brings about employment generation ( $M=3.36>2.50$ ), there is no relationship between employment generation and networking ( $M=3.57>2.50$ ), most of the employment in Nigeria are as a result of entrepreneurial input in the economy ( $M=3.99>2.50$ ) and there is no relationship between employment generation and entrepreneurship orientations ( $M=3.77>2.50$ ).

## 4.2 Test of Propositions

### Proposition 1

There is no substantial association between entrepreneurial inclination and job creation in Nigeria To examine hypothesis one, the data gathered on entrepreneurial inclination were connected with the data on job creation using Pearson Product Moment Correlation Analysis. The results obtained are listed below.

**Table 1****Relationship between entrepreneurship orientation and employment generation**

	N	Mean	Std. Dev.	Pearson Correlation	Sig. (2-tailed)	Remark
Entrepreneurship orientation	150	14.83	2.67	0.290**	0.000	
Employment generation	150	20.91	3.68			Significant

r-calculated = 0.290, df = 148; r-critical = 0.195 ; r-calculated > r-critical; significant value (p) = 0.000 < 0.05.

Table 1 reveals the r-calculated of 0.290 is significance at 5% ( $p < 0.05$ ). This implies a positive and significant relationship exists between entrepreneurship orientation and employment generation.

**Propositions 2**

There is no substantial association between networking and job creation in Nigeria. Networking has no meaningful association with job creation in Nigeria.

**Table 2:****Relationship between Networking and employment generation**

	N	Mean	Std. Dev.	Pearson Correlation	Sig. (2-tailed)	Remark
Networking	150	17.10	2.31	0.529**	0.000	
Employment generation	150	20.91	3.68			Significant

r-calculated = 0.529, df = 148; r-critical = 0.195 ; r-calculated > r-critical; significant value (p) = 0.0000.05

Table 2 reveals the r-calculated of 0.529 is significance at 5% ( $p < 0.05$ ). This implies a positive and significant relationship exists between networking and employment generation.



**Proposition 3**

Significant relationship with small medium scale performance in Nigeria

**Table 3:****Relationship between entrepreneur orientations and small and medium scale performance**

	N	Mean	Std. Dev.	Pearson Correlation	Sig. (2-tailed)	Remark
Entrepreneurship orientation	150	14.83	2.67	0.453**	0.000	Entrepreneurship orientation
SME performance	150	12.78	2.56			

r -calculated =0.453,df= 148; r-critical= 0. 195 ; r -calculated> r-critical; significant value (p) = 0.0000.05

Table 8 reveals the r-calculated of 0.453 is significance at 5% ( $p < 0.05$ ). This implies a positive and significant relationship exists between entrepreneurship orientation and SME performance.

**4.3 Discussion of findings**

The research revealed that positive and substantial association existed between entrepreneurial inclination and job creation. This is in accordance with Fadanhusi (2012), have discovered a favorable association between survival strategies through innovativeness and SME's survival. Okpara (2009), recognizes that SME's are creative driven and greater degree of survival rate than those SME's with conservative approach toward innovativeness. He claims further that for SME's to be able to survive, the SME's require unique qualities and constant growth, integrate, reconfigure its skills and capacities in order to react to fast changing external environment. Furthermore, agreed with Rauch, Wikund, Freese & Lumpkin (2004), revealed that the component of EO such as innovativeness, proactiveness and risk taking have large positive important contributions to the survival of SME's in stormy business environment.

Further addition, proposition two demonstrated that there is a good and strong association between networking and job creation. This is in accordance with Li, (2005) Networks with customers have the ability to boost customer happiness and retention. By developing networks with consumers, firms may readily gather information about client preferences and requirements. Networks with suppliers assist organizations acquire excellent products, good services, and timely delivery (Li, 2005). Similarly, Nobre & Silva, (2014), also showed substantial favorable link between entrepreneurial attitude and SME's survival. Likewise, Zahra & Garvis (2000), in prior research observed that entrepreneurial attitude enhances the organizations power to notice and recognize chances to survive. The results concurred with Maseko (2010) observed that entrepreneurial attitude has been recognized a key element for SME's survival and sustainability.

Additionally, proposition three also demonstrated that a favorable and substantial association existed between entrepreneurial orientation and SME performance. This aligns with the submission of Mostafa (2006) that noted a strong association between risk taking and overall SME's survival, while Kroop (2008), indicated that SME's with high risk taking propensity and have access to cutting- edge technologies to facilitate efficiency and effectiveness in the marketplace

tend to survive better than SME's with conservative nature. Additionally, support Tanaka (2010) had before claimed that proactive SME's tend to survive because they generally explore new possibilities ahead of competition, while Maseko (2012), on the other hand earlier indicated that a lack of proactiveness limited the odds of SME's to survive and be successful.

## 5.0 CONCLUSION AND RECOMMENDATIONS

### 5.1 Conclusion

This research analyzes the impact of the entrepreneurial approach on employment growth and export of small enterprises. The research revealed that between entrepreneurial orientation and job creation in Nigeria. Furthermore networking and job creation in Nigeria are substantially intertwined. In the same line, a favorable and strong association exists between entrepreneurial orientation and SME performance. The results demonstrated a link between the factors of EO and SMEs performance, showing that SMEs are extremely proactive in their dealings in the Nigerian setting. This implies that SMEs intending to develop must pay special attention to and effectively and efficiently apply these tactics to boost growth to secure their survival.

### 5.2 Recommendation

Regarding this study's talks, the following suggestions have been made vis-a- vis the entrepreneurial oriented activities

- i. SMEs must encourage entrepreneurial orientation by encouraging employees to explore their creativity via welcoming innovative ideas from workers-regardless of their position; and creating an enabling, relaxing and flexible working environment devoid of stringent structures to allow the free flow of work and assigned tasks.
- ii. SME owners/managers must strive to maintain a low central authority and not depend solely on their judgment in decision making. They must also have the capacity to be self-directed and seek assistance in the search of business opportunities.
- iii. SMEs should again attempt to introduce innovation in the work place by enabling employees the opportunity to be creative, recognize and support creative culture, constantly update their.

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