Entrepreneurial Practices on the Performance of Small and Medium Scale Enterprises in Makurdi Metropolis, Benue State, Nigeria

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Abstract: The study examined the effect of Entrepreneurial practices on the Performance of Small and Medium Scale Enterprises in Makurdi Metropolis, Benue State, Nigeria. The specific objectives of the study are to determine the effect of innovativeness, risk taking, proactiveness and competitive aggressiveness on the performance of SMEs in Makurdi Metropolis, Benue State. The study adopted survey design where a sample of 223 was drawn from a population of 502 using the Taro Yamane (1969) formula. While adopting a simple random probability sampling technique, 223 copies of the questionnaire were administered on the respondents, however, only 208 copies were completed and returned. The data collected were analyzed using descriptive statistics such as frequency, simple percentage and the relationship between the variables of the model was tested using multiple linear regression analysis. The result of the regression analysis shows that innovativeness has a positive effect on performance of SMEs and the relationship is statistically significant ($\beta=0.569$; $p=0.037<0.05$). A positive relationship exists between risk taking and performance of SMEs and the relationship is statistically significant ($\beta=0.388$; $p=0.011<0.05$) and in line with a priori expectation. Proactiveness was positively related to performance of SMEs (PRFM) and the relationship is not statistically significant ($\beta=0.352$; $p=0.156>0.05$) but in line with a priori expectation. Competitive Aggressiveness was negatively related to performance of SMEs and the relationship is not statistically significant ($\beta=-0.420$; $p=0.072>0.05$) but in line with a priori expectation. It was concluded that, entrepreneurs believe that they can offer the great services and products through innovation and creativity, if they utilize the entrepreneurial practices used in this study. It was also recommended among others that competitive aggressiveness if not properly done will have a negative effect on the performance of small and medium scale enterprises just like the result of this study has shown. Management therefore is enjoined to strategically ensure that they chose the most appropriate competitive aggressive strategy that will not be detrimental to the growth and performance of the small and medium scale enterprises under study.

Keywords: Innovativeness, Risk taking, Proactiveness, Competitive Aggressiveness Performance of SMEs

1.0   INTRODUCTION

1.1   Background to the Study

Entrepreneurial practices significantly enhance the performance of SMEs in Makurdi metropolis of Benue State, Nigeria, by fostering innovation, improving business strategies, and increasing

market competitiveness. Entrepreneurs in this region often demonstrate adaptability and resilience, essential for navigating economic challenges and seizing growth opportunities. Through practices such as effective financial management, market research, and customer relationship management, these SMEs can optimize operations, reduce costs, and enhance customer satisfaction. As noted by Cares (2023), for small and Medium Enterprises (SMEs), the capability to employ appropriate and relevant entrepreneurial practices in the production and positioning products or services in the market has long been deemed a key strategic differentiator and means of achieving leverage over competitors. Besides, through the proactive pursuit of creative solutions, organizations attempt to increase (or at least preserve) their competitive position as Rogers (2022), suggests entrepreneurial practices fuels corporate growth. However, the pace of change in the global economy has led to that these advantages being somewhat temporary. In contrast, the adoption of more flexible entrepreneurial practices particularly in the current dynamic environment of technological progress can result in an improved ability to respond to market pressures in an imaginative and timely manner. This is documented in the works of many researchers (Hanano, 2023).

Entrepreneurial practices encompass a combination of skills, traits, and strategies that enable entrepreneurs to innovate, take calculated risks, and adapt to changing environments (Diandra and Azmy, 2020). These practices include developing a free and imaginative mind to identify numerous possibilities and opportunities, fostering innovative thinking and creativity; understanding the emotions, circumstances, intentions, thoughts, and needs of others to build strong relationships and create value; unleashing creative abilities to create new opportunities, solve problems, and find innovative solutions; acting to learn, trying new approaches, and refining them based on feedback and results to achieve continuous improvement; codifying learning from these practices, making sense of actions, and refining strategies to ensure effective entrepreneurship; engaging in purposeful searches for innovative opportunities, analyzing changes, and exploiting them for economic or social innovation; managing organizations to respond to and exploit change, focusing on innovation, and adapting to new opportunities; identifying and capitalizing on opportunities, often involving calculated risks and strategic decision-making; and leading organizations in a way that empowers employees, fosters innovation, and drives growth (Ratten, 2023). These practices are essential for entrepreneurs to create value, innovate, and succeed in various contexts (Diandra and Azmy, 2020).

Achieving long-term growth in SMEs goes beyond implementing general business practices, as SMEs have specific features such as a lack of knowledge and skills in basic entrepreneurship, making them distinct from other types of businesses and often subject to opposing forces due to their lack of marketing orientation and focus (Hanano, 2023). Hanmaikyur (2021), noted that SMEs face unique challenges that cannot be effectively addressed by general business strategies alone. Therefore, it is evident that appropriate business practices for SMEs must include a blend of entrepreneurial mindset, innovation, and tailored approaches, referred to as entrepreneurial practices (Cares, 2023). These practices, typically associated with small, resource-constrained businesses, rely on creative, often unsophisticated tactics that heavily utilize personal networks (Hanano, 2023). Entrepreneurial practices involve an integrative process that innovatively applies the collective knowledge, skills, and resources of small businesses to address market-related needs, enabling them to add value to their goods and services and meet competitive demands (Hanmaikyur, 2022). Entrepreneurial practices have been identified as one of the most important key ingredients for superior performance and global competitiveness in SMEs (Abaver, 2022). Firm performance (the strategic outcomes that organizations use to realize its goals) has therefore

been established as a focal phenomenon in business studies. SMEs performance is therefore a complex and multidimensional phenomenon that has been established to directly depend on efficient marketing practices. E*nhancing business performance through appropriate marketing practices is of increasing interest to all businesses* (Abaver, 2022). The success or nonperformance of SMEs rests in part on the nature and types of entrepreneurial practices they put in place for their businesses (Hanano, 2023).

Performance is defined as an organization's ability to achieve its goals and objectives and is often measured against these objectives rather than external standards. It can be quantified both qualitatively and quantitatively, considering efficiency and effectiveness. Organizational performance is crucial in management, as it helps organizations assess their progress, identify areas for improvement, and make informed decisions to enhance their overall success (Odongo et al., 2019). One key dimension of organizational performance is economic performance, which focuses on financial metrics such as profitability, productivity, and efficiency. Operational performance can be assessed through metrics such as productivity, efficiency, and quality of work. Social performance can be evaluated using metrics such as customer satisfaction, employee engagement, and community involvement (Odongo et al., 2019). Small and Medium-sized Enterprises (SMEs) are a wide variety and heterogeneous group of enterprises and a very important business segment that provides national socioeconomic development both for developed and developing markets and economies. They embody diverse kinds of sophistication, skills, capital, growth orientation and are found in both formal and informal sectors (Eniola, 2015). They may be owned by individuals, groups, corporate organizations and government and their owners may or may not be poor (Naelati, and SobrotulImti, 2014). These classes of enterprises are found in a wide variety of industries and operate in very different markets (rural, urban, local, national, and international) and social environments (Ediri, 2014) and are drivers of economic growth as they contribute greatly to economic development of both developed and developing nations in diverse ways including reducing unemployment (among many others) even though they are *usually characterized by lack of adequate resources, owner/manager operation, flexibility and low-tech involvement (*Shehu, 2014).

Globally, the importance of small and medium enterprises to the socio-economic development of low and middle-income economies is well documented (OECD, 2009 and DCCI, 2011). SMEs represent a frequently researched area because of their significant economic weight, flexibility, innovation and their fast decision-making (Junde, 2014). Because of their unique role in economic development of nations, SMEs are globally regarded as instruments of change and a pivot of economic catalysts in almost all economies of the world. They are also important movers in the process of structural changes in both developed and developing markets and economies (Szirmai, Naude & Goedhuys 2011) and are significant to the local entrepreneurship, innovative activities and are able to exploit opportunities (UAE, 2012). Entrepreneurial practices have a diverse impact on the performance of small and medium enterprises (SMEs) across global regions, influenced by a complex interplay of economic, cultural, and institutional factors. In the United States, SMEs thrive in a dynamic entrepreneurial ecosystem characterized by a strong emphasis on innovation, risk-taking, and proactive market strategies. Studies indicate that SMEs in the U.S. that embrace innovative practices and invest in new technologies tend to achieve higher growth rates and profitability (Lumpkin & Dess, 2001). Furthermore, the availability of venture capital and a supportive regulatory framework further amplify the positive effects of entrepreneurial practices on SME performance (Audretsch, 2012).The relationship between entrepreneurial practices and

SME performance within the European Union varies across member states due to differences in regulatory support and market conditions.

In Sub-Saharan Africa, entrepreneurial practices significantly influence SME performance within a challenging business environment. SMEs that embrace innovation and leverage informal networks often achieve better outcomes (Olawale & Garwe, 2010). However, limited access to formal finance and infrastructural constraints remains significant barriers (Nichter & Goldmark, 2009). In Nigeria, Small and Medium-scale Enterprises (SMEs) which came into the mainstream of the country's economic activities in the 60's owing to its obvious vital contributions plays a very important role in the process of industrialization and sustainable economic growth (Ocheni, 2015; Abaver, 2022). Like in the developed countries, SMEs in the country have enabled entrepreneurship activities through which employments are constantly generated and poverty is reduced and sustainable livelihood achieved (Ogunmokun, Li & Ling-yee, 2014). These classes of enterprises make up about 97% of businesses in Nigeria and provide on average 50% of Nigeria's employment and its industrial output (Ocheni, 2015). Government and development experts have therefore realized the fact that SMEs possess the needed catalyst to turn the economy around for good (Abaver, 2022). However, for SMEs to effectively and continuously carry out their roles as enumerated above, they must continually perform effectively. The use of appropriate entrepreneurial practices can fuel firm performance in Small and Medium Enterprises (Eniola, 2015). It is however, unfortunate that SMEs performance have fallen short of expectations in Nigeria (Osotimehin, Jegede & Akinlabi, 2012), as the country is still characterized with alarming unemployment rate of 19.7% (National Bureau of Statistics, 2010) and high level of poverty as more than half of the population still live below the poverty line (Cares, 2023). This shows that despite their contributions to economic development of many nations, Small and Medium- Scale Enterprises in Nigeria are still not very effective in their performance. Most SMEs in the country die shortly after their establishment and the few that survive follow suit soon after the ageing or physical incapacitation or death of their owners (Ediri, 2014). The failure rate of small business stands around 50 percent in Africa as 50% of new entrepreneurial ventures disappear within the first five years after their establishment in USA and probably that of Nigeria is higher (Inalegwu, 2014).

1.2 Statement of the Problem

Despite the existence of SMEs in Nigeria, the adoption of entrepreneurial practices among these SMEs aimed at galvanizing their performance remain uncertain. As such, there is limited understanding of the effect of entrepreneurial practices on the performance of small and medium enterprises (SMEs) in the Makurdi metropolis of Benue State, Nigeria. Specifically, there is a lack of comprehensive research that examines how specific entrepreneurial practices influence the performance outcomes of SMEs in this geographical area. Previous research efforts aimed at determining the effect of entrepreneurial practices on performance of SMEs have reported mixed findings; with many studies (Lesi, 2021; Ibrahim et al, 2020; Adamu, 2018; Oghuvwu and Okuwhere, 2018; Isah, 2017; Wekesa, et al, 2016), concluding that entrepreneurial practices have positively influenced performance of SMEs. Which others (Kozubíková, Dvorský, et al, 2017; Xu, et al., 2021; De Mattos and Salciuviene, 2019; Lechat and Torrès, 2016), argued that entrepreneurial practices have no significant and/or negative effect on organizational performance. More so, many of the studies that appear to be similar, have been done a long time ago – which are now time bond (Tagrafa and Akinb 2009; Adegbite, 2006; Luisa, 2006; Onugu, 2005). Furthermore, most of the studies on entrepreneurial practices and sustainability (Lesi, 2021;

Ibrahim et al, 2020; Adamu, 2018; Oghuvwu and Okuwhere, 2018; Isah, 2017; Wekesa, et al, 2016; Kozubíková, Dvorský, et al, 2017; Xu, et al., 2021; De Mattos and Salciuviene, 2019; Lechat and Torrès, 2016), were carried out outside the study area, therefore there is need to carry out this study in Makurdi metropolis.

Against this backdrop, the current study investigates the effect of entrepreneurial practices on performance of SMEs in Makurdi metropolis of Benue State, Nigeria. Rather than focus on entrepreneurship and organizational performance using other case-studies outside Makurdi metropolis, it is more functionally relevant to explore how entrepreneurial practices such as innovativeness, risk-taking, proactiveness and competitive aggressiveness influence performance (customer patronage, employment generation and business expansion) of SMEs in the area, so as to provide actionable insights and recommendations to policymakers, business support organizations, and SME owners/managers to enhance the overall performance of SMEs in the Makurdi metropolis, via entrepreneurial practices.

1.3   Objectives of the Study
The aim of this study is to examine the Effect of Entrepreneurial Practices on Performance of Small and Medium Enterprises in Makurdi Metropolis, Benue State, Nigeria. The specific objectives of the study are to:
   i.   determine the effect of innovativeness on performance of SMEs in Makurdi Metropolis, Benue State.
  ii.   determine the effect of risk taking on performance of SMEs in Makurdi Metropolis, Benue State.
 iii.   determine the effect of proactiveness on performance of SMEs in Makurdi Metropolis, Benue State and;
  iv.   determine the effect of competitive aggressiveness on performance of SMEs in Makurdi Metropolis, Benue State.

1.4   Significance of the Study
The findings of this study are expected to give an insight on how entrepreneurial practices can affect performance of SMEs in the study area. The research work will further provide useful information for policy makers for further development of SMEs through entrepreneurial practices with the view to enhancing both institutional and policy framework in the study area. The result of this study will help consultants, researchers, entrepreneurs, business owners and policy makers on entrepreneurship to understand the power of entrepreneurial practices better so as to aid entrepreneurs to make informed business decisions. The study will also help government in policy formulation on entrepreneurial practices and contribute positively to the body of knowledge. It will create an opportunity for further research on entrepreneurial practices and performance of selected SMEs. The study will provide reading materials for the members of the general public interested in keeping abreast with entrepreneurial practices in Makurdi Benue State, and also stimulate research for other scholars interested in the subject under investigation.

In pursuance of the stated objectives, the study is divided in to five major components. Having addressed the first part of the components, part two focuses on review of related literature covering the theoretical, concepts of entrepreneurial practices on performance of SMEs in Makurdi Metropolis, Benue State, Nigeria. The third section 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 practices on performance of SMEs in Makurdi Metropolis, Benue State, Nigeria.

2.0   LITERATURE REVIEW

This section presents theoretical framework, conceptual framework and review of related empirical studies.

2.1   Theoretical Framework

Resource-based View Theory (RBT) was used as theoretical guide and adopted for this study.

2.1.1   Resource-based View Theory (RBT)

The Resource Based Theory was propounded by Wernerfelt in 1984. According to Yahya (2014), the RBT of the firm which was first coined by Birger Wernerfelt in 1984 attempts an explanation of the relationship between the firm resources and sustenance of modest advantage of superior firm performance and provides a theoretical ground for the assessment of the firm's specific factors that affect their performance and if any of these factors is lacking the performance of the firm will be affected (Aliyu, 2018). RBT is grounded on several key assumptions about firms and their resources. Firstly, it assumes that firms are heterogeneous, meaning they possess a unique set of resources and capabilities that differentiate them from their competitors. Secondly, the theory assumes that these resources and capabilities are not perfectly mobile; they cannot be easily transferred or replicated by other firms. This immobility means that certain resources are unique to the firm and cannot be easily imitated by competitors. Lastly, RBV assumes that not all resources are strategically relevant; only those that meet specific criteria are valuable, rare, inimitable, and non-substitutable (VRIN) can provide a sustained competitive advantage (Wernerfelt, 1984).

The resource-based perspective argues that sustained competitive advantage is generated by the unique bundle of resources at the core of the firm (Conner and Prahalad, 2016; Barney, 2011). In other words, the resource-based view describes how business owners build their businesses from the resources and capabilities that they currently possess or can acquire (Dollinger, 2009). The theory addresses the central issue of how superior performance can be attained relative to other firms in the same market and posits that superior performance result from acquiring and exploiting unique resources of the firm (Wernerfelt, 1984). Implicit in the resource-based perspective is the centrality of the venture's capabilities in explaining the firm's performance. Resources have been found to be important antecedents to products and ultimately to performance (Wernerfelt, 1984). According to resource-based theorists, firms can achieve sustained competitive advantage from such resources as strategic marketing (Michalisin *et al,* 2017; Powell, 2012), management skills (Castanis and Helfat, 2011), tacit knowledge (Polanyi, 2016), capital, employment of skilled personnel (Wernerfelt, 1984) among others.

RBV is a broadly supported model for thinking about how organisations compete which proposes the limits on a firm's activities are the resources it controls (which can be tenuously defined) and the quality of the administrative framework that is used by the firm to co-ordinate their use. If there are weaknesses, they must relate to limitations relating to one or other of its precepts, or one or more 'missing' elements. One example of limitations in the precepts is our ability to fully understand them. If we are unable to accurately form a view about the extent of a firm's resources, or to fully understand the nature of its administrative patterns, our ability to use this information to usefully direct strategy has to be constrained. An example of a 'missing' element is the assumption in RBV that the context within which a firm operates provides good information about

opportunities both current and future. This perhaps can be approximated away by claiming 'good environmental awareness' is yet another resource to include in the firm's inventory - but it is still possible to suggest that context-changing events (such as innovation and regulatory change) are not well reflected in the pure RBV view. The utility and influence of RBV as a mental-model for considering how organizations fit into the wider landscape, or as a framework for decision making should not be dismissed, but there certainly is a case to be made to argue that RBV is best considered an abstract framework upon which to build, rather than a solution in its own right.

The Resource Based Theory is considered the most relevant theory for this study. This is because, for an organization to effectively grow and expand into the market the organization resource-based perspective presents the fact that sustained competitive advantage is generated by the unique bundle of resources at the core of the firm (Aliyu, 2018). Hence, the effective use of this resource is important in their quest to expand into the market. The relevance of these theories cannot be overemphasized; it emphasizes the importance of the use of strategies and resources in improving the firm's market share (Dollinger, 2009). This includes the quality of human resource, ability to take calculated risk, being innovative, proactive and competitive aggressiveness. Hence, resource-based view theory guides this work.

2.2   Conceptual Framework
The conceptual framework for this study is put in place to clarify the dominant concepts used in this study. The framework also provides clear links of the independent variables and dependent variable as they relate to each other in this research.

2.2.1   Concept of Entrepreneurial Practices
Entrepreneurial practices encompass the principles of entrepreneurship that are consistent, appropriate and feasibly carried out in a sustained reasonable period of time (Lesi, 2021). For Such practices to be effective, they must adopt and utilize philosophies, strategies and activities associated with the entrepreneurship concept capable of winning competition and enhancing high performance. They must also represent a broad range of practices that must be based on marketing principles. According to Hisrich, *et al,* (2021), entrepreneurship practices encompass the dynamic processes and behaviors through which individuals or teams identify, evaluate, and exploit opportunities to create new value or enhance existing products, services, or processes. Their definition emphasizes the entrepreneurial journey as a continuous process of opportunity recognition, assessment, and exploitation. It underscores the role of innovation in driving entrepreneurial endeavors, whether through the introduction of novel products or services, improvements in operational efficiency, or the adaptation of new technologies to meet market demands. These practices are included in the study because they are the most frequently enumerated as entrepreneurial practices in the literature and evidences indicating association between them and entrepreneurship have been widely documented (Koh, 2016). However, according to the current study entrepreneurial practices is defined as the process of by which entrepreneurs identified business possibilities existing gaps, developed means of closing the gaps and gets rewarded

2.2.2   Dimension of Entrepreneurial Practices
There are four practices of Small and Medium Enterprises namely: innovativeness, risk taking, proactiveness and competitive aggressiveness (Lyon, Lumpkin, and Dess, 2011). The dimensions are explained individually as follows:

i. Innovativeness: Innovativeness is an important entrepreneurial practices factor in explaining the level of firms' performance and competitiveness of an entrepreneur. It refers to attempts to embrace new ideas, creativity, experimentation, novelty, and technological leadership in technologies, products, services, and processes within the respective environments (Lyon, *et al*., 2011). Firms explicitly take the innovative concept to establish business operations through developing new strategies of products, services, technologies, and processes in the competition. Innovativeness is also defined as a willingness to foster a spirit of creativity and support firms in introducing new products, services, and novelty, technological leadership, and research and development in developing new processes (Lyon, *et al*., 2011), it is the capacity to introduce new processes, products, and ideas in the organization.

ii. Risk taking: Risk taking is an important component of entrepreneurial characteristics. It refers to a willingness and a proclivity to accept, the uncertainty and risk factor, tolerate ambiguity, and commit resources to risky ventures (Lee and Peterson, 2010). In the concept of risk taking, firms tend to effectively take risks in return for potential rewards. Risk taking is also a tendency to take bold actions such as borrowing heavily, committing a high percentage and a large portion of resources to ventures and projects with uncertain outcomes, and venturing and entering into unknown new markets and territories (Lyon, Lumpkin, and Dess, 2011). It definitely commits a relatively large share of assets and significant borrowing. Accordingly, a firm with greater risk-taking ability actually displays a large resource commitment to uncertain and novel business, including high-risk and high-return business. For the more understanding of risk taking, it is defined as the degree to which firms are willing to make large and risky resource commitments and obtain high returns by seizing opportunities in the marketplace (Lumpkin and Dess, 2016).

iii. Proactiveness: proactiveness is defined as the opportunity-seeking, forward-looking perspective that involves introducing new products and services ahead of the competition and acting in anticipation of future demand to create change and first mover advantage-seeking efforts to shape the environment (Kropp and Zolin, 2015). It is necessary to pursue and anticipate opportunities and participate in new and emerging markets. It helps firms' fruit and gain advantages by being the first to capitalize on new opportunities (Lee and Peterson, 2010). Firms with a greater proactiveness are likely to achieve business chances in the competitive markets and take more benefits, rewards, and advantages from the markets. Consequently, proactiveness also refers to a response and an approach to market opportunities through active market research and first mover actions, such as introduction of new products and services ahead of competitors (Lumpkin and Dess, 2011).

iv. Competitive aggressiveness: Competitive aggressiveness refers to an entrepreneur's propensity to directly and intensely challenge its competitors to achieve entry and improve position to outperform industry rivals in the marketplace (Lumpkin and Dess, 2016). It is critical to the survival and success of new start-ups. Firms that have successfully implemented the competitive aggressiveness concept tend to perceive outstanding competitiveness and gain greater business outcomes. Accordingly, competitive aggressiveness reflects to the willingness to challenge market rivals directly in order to gain market share and opportunity (Kropp and Zolin, 2015). With the interest of competitive aggressiveness, it is also defined as the intensity and the tendency of a firm's efforts to outperform industry rivals through assuming a combative posture and a forceful response to competitor's actions and employing a high level of competitive intention in attempts to surpass rivals (Lumpkin and Dess, 2011).

2.2.3 Concept of Performance of Small and Medium Enterprises

Small and medium-sized enterprises or small and medium-sized businesses are businesses whose personnel numbers fall below certain limits. The abbreviation "SME" is used by international organizations such as the World Bank, the European Union, the United Nations and the World Trade Organization (Robert, 2014). Posits that Performance can be seen as a resultant efforts in form of activities of the business enterprise which includes its strategy and operational activities, management of all segments of business enterprise such as the human resources, finance, production, marketing (Mark and Nwaiwu, 2015). Small and Medium Enterprises (SMEs) performance can be judged by many different constituencies, resulting in many different interpretations of successful performance. Each of these perspectives of SMEs performance can be argued to be unique (Robert, 2014). Performance management can take many forms from dealing with issues internal to the organization to catering to stakeholders or handling issues in its environment.

2.2.4 Measurement of SMEs Performance

According to Komppula, (2014), performance of Small Enterprises is viewed as their ability to contribute to job and wealth creation through Enterprises start-up, survival and growth. The current research considers customer patronage, employment generation and business expansion as success indicators

i. Customer Patronage

Customer patronage, according to Garga and Bambale (2016), is the loyalty and regularity with which customers choose to purchase goods or services from a particular business or brand. It is a critical indicator of customer satisfaction, retention, and overall business success. Patronage reflects not only the frequency of customer transactions but also the level of trust and preference customers have for a business compared to its competitors. In practical terms, measuring customer patronage involves several key metrics and methods. One such metric is the repeat purchase rate, which calculates the percentage of customers who make repeat purchases within a specified time frame, such as monthly, quarterly, or annually (Garga and Bambale, 2016).

ii. Employment Generation

Measuring employment generation by small and medium enterprises (SMEs) in Makurdi metropolis is the number of direct employees hired by SMEs serves as a fundamental metric. This includes full-time, part-time, and contract workers engaged by SMEs across various sectors such as retail, manufacturing, services, and agriculture. By conducting surveys or accessing employment records from SMEs, the researcher quantified the total number of individuals directly employed by these enterprises. The performance of SMEs is measured through the number of people they employ. Employment generation globally is one of the most significant reasons for encouraging the promotion and development of SMEs. SMEs account for well over half of the total shares of employment, sales and value added (Davis, Haltiwagner, Schuh, 2013). From the viewpoint of economic development, SMEs create almost half of new jobs in the economy, and it is assumed that they are good jobs (Davis, Haltiwagner, Schuh, 2013; Edmiston, 2017).

iii. Business Expansion:
According to Okpara (2011), business expansion is the rate at which the business is able to grow from its initial stage to different stages in terms of number of branches, number of employees employed and increase in sales. It is essential that the company, while expanding, view successful expansion on a profitability level, not just from a sales growth level.

Additionally, Musa and Aisha (2012) Consider business expansion as a business strategy in which growth is obtained by increasing the number of stores in which customers can buy a company's products and services. Measuring business expansion by small and medium enterprises (SMEs) in Makurdi metropolis involves assessing several key indicators such as; financial metrics such as revenue growth and profitability can indicate the success of SMEs in expanding their operations and capturing larger market shares. Tracking increases in sales volume, average transaction size, and gross profit margins over time provides quantitative evidence of business expansion among others.

iv. Quality of service delivery: the rate of service delivered with the minimal errors that, enhance accuracy, efficiency and effectiveness. Quality of service delivery refers to the level of excellence and consistency with which small and medium enterprises (SMEs) in Makurdi metropolis meet and exceed customer expectations. This can be measured by customer feedback mechanisms such as surveys, reviews, and complaint resolution logs can provide direct insights into customer satisfaction levels and perceptions of service quality. SMEs can systematically collect and analyze feedback to identify areas for improvement and track changes in customer satisfaction over time. Secondly, service performance metrics, including service delivery speed, accuracy, reliability, and responsiveness, can be monitored through operational data and performance indicators. These metrics help SMEs evaluate their operational efficiency and identify opportunities to enhance service quality.

2.3 Review of Related Empirical Studies

Jalali and Jaafar (2024), examined the mediating role of innovativeness between extra-industry network and performance. The study used the proportionate stratified random sampling method to select the study sample and the questionnaire survey approach to 580 SMEs. A total of 150 completed questionnaires were returned. Partial least squares structural equation modeling was administered to analyze data via Smart PLS 3.0 software. The results showed that proactiveness is mediated by the relationship between the extra-industry network and the performance of Iranian SMEs. In addition, the results illustrated that proactiveness is mediated by the relationship between innovativeness and the performance. The findings also address the limitation of previous studies on Iranian SMEs through the independent examination of the mediating role of innovativeness between firm extra-industry network and performance. This study examined the mediating role of innovativeness between firm extra-industry network and performance, whereas, the current study will examine the effect of innovativeness and other dimensions of entrepreneurial practices on the performance of SMEs in Makurdi metropolis.

Lesi (2021) examined Entrepreneurial Practices and Performance of Small and Medium Enterprises in Port Harcourt Metropolis. The study investigated Entrepreneurial Practices and Performance of Small and Medium Enterprises in Port Harcourt Metropolis. The main purpose of the study was to find out how entrepreneurial practices affect performance of small and medium sized businesses. The study adopted four research questions and four null hypotheses. A survey research design was adopted; the population of the study was 200 employees and owner of small and medium enterprises. The sample size was 144 participants selected from four types of businesses. Questionnaires were instruments for data collection which were validated by experts and went through reliability test to come out with high results of 0.92. Mean and Standard Deviation were used to answer the research questions while the null hypotheses were tested using

Pearson Product Moment coefficient. The four hypotheses accepted the alternate that there is significant relationship between the independent variables: entrepreneur risk taking, innovativeness, competitive aggressiveness and competency, and the dependent variables profitability, market share, growth and customer satisfaction. The study concluded that entrepreneurial practices affect positively and significantly performance of small and medium enterprises. It was recommended that Risk taking practices of entrepreneurs in Port Harcourt should be well managed and integrated with the objective of increasing performance. Innovation and innovative practices should be considered as a culture among the entrepreneurs and training and conferences on small and medium sized businesses should be adopted to increase entrepreneur competencies and competitive strategies. However, the study was in Port Harcourt Metropolis. While the current study is conducted in Makurdi metropolis.

Ibrahim, Odeyemi and Jones (2020) examine Entrepreneurial Practices and Performance of Small and Medium Enterprises (SMEs) in Kwara State. This research x-rays the effects of entrepreneurial practices on the performance of small and medium enterprises in Kwara State. It is aimed at finding out the extent to which entrepreneurial practices helps SMEs performance in Kwara State. In an attempt to establish the thrust of this research, primary and secondary data were generated. Secondary data were sourced from articles textbook and journals and primary data was generated through self-administered questionnaire. Both descriptive and inferential statistics were utilized for data analysis with the aid of statistics package for social science. Descriptive data was analyzed using simple percentage table and regression analytical tools were to test the hypothesis. From the empirical result obtained, it was discovered that that entrepreneurial practices (risk taking propensity, innovativeness and self-confidence) considered in this study were predictors of SME performance. The result also showed that there was a significant relationship between risk taking and sales growth. Based on the findings from the study, it was recommended that Entrepreneurial practices should be enhanced as a means of nurturing SMEs performance and long- term growth and survival. The merit of the study however includes the study of entrepreneurial practitioners in the sector of interest of the current study, the use of expert who are knowledgeable in the subject matter and the use of the right statistical tool in establishing the nexus between the variables of the study.

Adamu (2018), examined the effect of entrepreneurial practices on business performance in Jos North. A survey method was used for this study. The population of the entire business entrepreneur in Ahmadu Bello Way Jos North Local Government Area of Plateau State. Out of 1050 persons 180 persons were selected as the sample size. A questionnaire developed in five Likert scale was used to obtain data. Mean scores were used to analyze the data obtained from the field. The result of the analysis indicates that entrepreneurial practices in an entrepreneur facilitate effective management and creativity required to survive in the competitive business world today. The practices of an entrepreneur are basically risk taking, creativity, goal oriented and need for achievement, strong leadership quality and forecasting in to the future enhances the performance of an entrepreneur. In spite of this, entrepreneurship in Jos North is constraint with problems arising from inability to access loan, poor infrastructural facilities as well as unconducive environment sequel to political crisis. The strength of the study lies in the use of more entrepreneurial practices in the study area for the study. This will give the result of the study a robust outlook.

Isah (2017), examined the effect of entrepreneurial practices on small and medium enterprises performance in Benue State, Nigeria. The study focused on selected SMEs in Makurdi Metropolis. A survey design was adopted for the study and data was collected through administration of questionnaires. The population of the study was 1,250 registered SMEs in Benue State and a sample size of 300 was arrived at using Yamane's formula. The questionnaire was used as the instrument for data collection. Cronbach Alpha was used for reliability of instrument and factor analysis was employed to test the validity of the instrument. The data were analyzed using descriptive statistical tools such as tables and simple percentages and regression was used in testing of hypotheses with the aid of Statistical Package for Social Sciences (SPSS 21). The findings of this study indicated positive significant effect of need for achievement on the performance of SMEs in Benue State. It also revealed a significant effect of self-confidence on performance of selected SMEs in Benue State. Finally, the study revealed a positive significant effect of risk taking on the performance of selected SMEs in Benue State. The weakness of this empirical review is in the sample sized used for the study. With the population of 1,250 respondents, the appropriate sample size for the study is 316 when scientifically calculated using sample size determination techniques. But the strength of the study is that it brings perspective of entrepreneurial practices from a different sector other than the banking sector which will enrich the understanding about entrepreneurial practices

3.0   METHODOLOGY

The researcher adopts the survey research design in this research work. The choice of the survey research design for this research is justified that a survey helps to capture a wide range of information from various business owners and managers. The choice of Makurdi Metropolis among the various Local Governments in Benue State is that the Local Government Area has the largest concentration of Small and Medium Enterprises in Benue State. Record from the State Ministry of Commerce and industries shows that there are five hundred and two registered Small and Medium Enterprises in Makurdi Metropolis (see Appendix II for the list). Five hundred and two (502) SMEs constitutes the population of this study (Ministry of Commerce and Industry, 2022). The sample size (223) for this research was determined quantitatively using the 1969 Taro Yamane formula, while simple random sampling was used to select the lists registered SMEs in the study area. Structured questionnaire serves as the data collection instrument. The study reported a validity index of 0.934 and overall reliability of 0.893.

The variables used in this study were categorized into two main types: the independent and dependent variables. The independent variable for this study is performance of SMEs in Makurdi metropolis, Benue State, Nigeria while the dependent variable is entrepreneurial practices. These variables were all measured using item scales developed by previous scholars drawn from existing literature. Modifications were however made where necessary to suit the study context of SMEs in Makurdi metropolis. The independent variable in this study has four major constructs which include innovativeness, risk taking, proactiveness and competitive aggressiveness. On the other hand, the dependent variable – performance – has constructs which measured in terms of customer patronage, employment generation, business expansion and quality of service delivery. Guided by the nexus between the variables of the study, a functional relationship is established between them. As shown below, the implicit form of the model is shown as:

$PRFM = f(ENTP)$ -   -   -   -   -   -   -   (1)

Where,

PRFM = Performance of SMEs

ENTP = Entrepreneurial Practices

F = functional relationship

PRFM = f(INVT, RSTK, PROA, CMPT)   -   -   -   -   -   (2)

Where,

INVT = Innovativeness

RSTK = Risk taking

PROA = Proactiveness

CMPT = Competitive aggressiveness

PRFM = Performance of SMEs

The explicit form of the model is stated as shown below:

PRFM = b_0 + b_1INVT + b_2RSTK + b_3PROA + b_4CMPT + U_t-   -   -   - (3)

b_0 = Regression intercept

b_1, b_1, b_3, b_4 = Regression coefficients

U_t = error terms

A priori expectation

(X_1) = Innovativeness; *a priori* expectation is positive

(X_2) = Risk taking; *a priori* expectation is positive

(X_3) = Proactiveness; *a priori* expectation is positive

(X_4) = Competitive aggressiveness; *a priori* expectation is positive

Multiple regression analysis was used to evaluate the relationship between the variables of the study. However, probability value of the regression estimate was used to test the 4 hypotheses for this study. The data for the study was collected, coded and analyzed with the aid of computer-based Statistical Package for Social Sciences (SPSS version 20.0 for Microsoft Windows). Various statistical methods will be used in analyzing this study: percentages, frequency and tables were used to examine the respondents' bio-data and other research objectives. **Decision rule:** The following decision rules was adopted for accepting or rejecting hypotheses: *If the probability value b_i [p (b_i) >1/2b_i]* we accept the null hypothesis, that is, we accept that the estimate b_i is not statistically significant at the 5% level of significance. *If the probability value b_i [p (b_i) < 1/2b_i]* we reject the null hypothesis, in other words, that is, we accept that the estimate b_i is statistically significant at the 5% level of significance.

4.0   RESULTS AND DISCUSSION

This section deals with Data Presentation and Analysis, Test of Hypotheses and Discussion of findings.

4.1   Demographic Practices of the respondents

The demographic practices of the respondents using percentages and frequencies is presented in the Tables 6.

Table 6: Demographic Practices of the respondents

Construct	Frequency	Percentage (%)
Gender of respondents		
Male	110	52.88
Female	98	47.12
Total	**208**	**100.0**
Age of respondents		
18-27	41	19.71
28-37	52	25.00
38-47	44	21.15
48 yrs above.	71	34.13
Total	**208**	**100.0**
Marital Status of respondent		
Married	114	54.81
Single	94	45.19
Total	**208**	**100.0**
Education status of respondent		
SSCE	28	13.46
OND/NCE	56	26.92
HND/Degree	77	37.02
Postgraduate	47	22.60
Total	**208**	**100.0**
Years of Business operation		
Below 1-5 years	72	34.62
6-10 Years	48	28.08
12-16 Years	51	24.52
16 years and above	37	17.79
Total	**208**	**100.0**
Sector of SMEs		
Services	67	32.21
Manufacturing	59	28.37
Education	41	19.71
Agro allied	23	11.06
Financial	18	8.65
Total	**208**	**100.0**

Source: Field Survey, 2023

The Table 6 overleaf shows the demographic practices of our respondents, majority of the respondents (110) 52.88% are male while (98) 47.12% constitutes females. This shows the predominance of male respondents in the small and medium enterprises in the study areas, this is because men have the stamina to take risk and they initiate new businesses in the face of risks and uncertainties more than their female counterparts and also many women are reluctant to venture

into entrepreneurship, primarily due to lack of funding and the task of taking care of the family, which is a stumbling block for female entrepreneurship. Majority of the respondents (71) 34.13% were between the ages of 48 years and above, other constitutes (52) 25.00 % and are between the ages of 28-37, (44) 21.15 % were between the ages of 38-47 while (41) 19.71 % are 18-27. The result above shows that those who venture into small and medium enterprises in the study areas are more matured and are capable of handling and managing all the pros and cons of the business they started. Marital status of our respondents indicates that majorities (114) 54.81% are married and (94) 45.19% are single. This is expected because the respondents that are married have much responsibilities, hence their ability to venture into small and medium enterprises are higher than their single counterparts.

Concerning our respondent's educational status, majority of our respondents (77) 37.02% have HND/Degree as their highest qualification, followed by OND /NCE which constitutes (56) 26.92%, those who have postgraduate as their highest qualification constitutes (47) 22.60% while SSCE holders constitutes the lowest percentage which is (28) 13.46 %. This means that most of the entrepreneurs who operate small and medium enterprises in the study areas are highly literate and are competent in their business dealings. Also years of business operation of the respondents showed that majority of the respondents (72)34.62%have done their business operations for below 1-5 years, (48) 28.08% of the respondents specified that they have done their business operations for 6-10 years, the respondents that constituted (51) 24.52% have done their business operations for 12-16 years, while those that have done their business operations for 16 years and above constituted (37) 17.79 %. This result implies that most of the respondents have sufficient banking experience that is needed to provide valid information to the study. This is because those with work experience from 6-10 years, (48) 11-15 years and 16 years and above are more in percentages than those with less experience such as 1-5 years. The result of the sectoral distribution of the Small and Medium Enterprises in the study area indicates that majority of the sector (67) 32.21% operates in the service industry. (59) 28.37% are from the manufacturing sector, (41) 19.71% are from the education section while (23) 11.06% are from the agro allied sector. The financial services industry is the least with the frequency of 18 and percentage of 8.65%. This result shows the prevalence of the service industry among the type of small and medium enterprises operated in the study area.

4.2   Presentation of the Result based on the specific objective of the study

Table 7: Innovativeness

Variables	Frequency	Percentage
Innovation is vital to entrepreneurship since it is part of economic development.		
Strongly Agree	81	38.94%
Agree	62	29.81%
Disagree	41	19.71%
Strongly Disagree	24	11.54%
Total	**208**	**100.0**
Innovation helps firms to expand new business formation.		
Strongly Agree	74	35.58%
Agree	52	24.64%
Disagree	48	25.00%
Strongly Disagree	34	16.35%
Total	**208**	**100.0**
Innovation is a key force to firm's performance and		
Strongly Agree	83	39.90%
Agree	72	34.62%
Disagree	31	14.91%
Strongly disagree	22	10.58%
Total	**208**	**100.0**
Firms develop new strategies through innovativeness.		
Strongly Agree	86	41.35%
Agree	63	30.29%
Disagree	32	15.38%
Strongly Disagree	27	12.98%
Total	**208**	**100.0**

Source: Field Survey, 2023

Table 7 shows that majority of our respondents (81) 38.94% strongly agreed that innovation is vital to entrepreneurship since it is part of economic development, (62) 29.81% respondents agreed, (41) 19.71% disagreed while (24) 11.54% strongly disagreed. Majority (74) 35.58% strongly agreed that, innovation helps firms to expand new business formation, (52) 24.64% respondents agreed, (48) 25.00% disagreed while (34) 16.35% strongly disagreed. (83) 39.90% of our respondents strongly agreed that, innovation is a key force to firm's performance and competitiveness, (72) 34.62% agreed, (31) 14.91% disagreed and (22) 10.58% strongly disagreed

to this statement. Majority of the respondents (86) 41.35% strongly agreed that, firms develop new strategies through innovativeness, (63) 30.29% agreed, (32) 15.38% disagreed while (27) 12.98% strongly disagreed to this statement. From the above description, we agree with Lee, Lee and Pennings (2011) that innovativeness reflects firms' propensity to engage in a new idea generation, experimentation, and research and development resulting in new products and processes. Thus, firms are eager to promote the ability of implementing innovativeness to achieve new potential operations as effective tools and strategies for gaining competitive advantage and sustainability.

Table 8: Risk Taking

Variables	Frequency	Percentage
To take advantage in the uncertain markets and environments, firms must take risk.		
Strongly Agree	83	39.91%
Agree	72	34.62%
Disagree	34	16.35%
Strongly Disagree	19	9.13%
Total	**208**	**100.0**
Firms take risk to gain superior customer and business value.		
Strongly Agree	79	37.98%
Agree	63	30.29%
Disagree	39	18.75%
Strongly Disagree	27	12.98%
Total	**208**	**100.0**
Firms promote risk behaviors to successfully acquire best practices and returns in the competitive market.		
Strongly Agree	76	36.54%
Agree	67	32.21%
Disagree	37	17.79%
Strongly disagree	28	13.46%
Total	**208**	**100.0**
Firms with stronger level of risk taking are able to effectively expand to customers in the new and unknown environment.		
Strongly Agree	86	41.34%
Agree	73	35.10%
Disagree	29	13.94%
Strongly Disagree	20	9.62%
Total	**208**	**100.0**

Source: Field Survey, 2023

Table 8 shows that majority of our respondents, (83) 39.91% strongly agreed that, to take advantage in the uncertain markets and environments, firms must take risk, (72) 34.62% respondents agreed, (34) 16.35% disagreed, while (19) 9.13% strongly disagreed to the statement. Majority (79) 37.98% strongly agreed that, firms take risk to gain superior customer and business value, (63) 30.29% agreed, (39) 18.75% disagreed while (27) 12.98% strongly disagreed to the statement. (76) 36.54% of our respondents strongly agreed that, firms promote risk behaviors to successfully acquire best practices and returns in the competitive market, (67) 32.21% agreed, (37) 17.79% disagreed while (28) 13.46% strongly disagreed. Majority of our respondents (86) 41.34% strongly agreed that, firms with stronger level of risk taking are able to effectively expand to customers in the new and unknown environment, (73) 35.10% agreed, (29) 13.94% disagreed while (20) 9.62% strongly disagreed to the statement. From the above results, it is obvious that firms with a risk taking behaviour and propensity are willing to engage and incur large resource commitments to uncertain and novel business and reap rewards and benefits of venturing into new and unknown territories.

Table 9: Proactiveness

Variables	Frequency	Percentage
Proactiveness is necessary to pursue and anticipate opportunities and participate in new and emerging markets.		
Strongly Agree	83	39.90%
Agree	72	34.62%
Disagree	29	13.94%
Strongly Disagree	24	11.54%
Total	**208**	**100.0**
Proactiveness helps firms to fruit and gain advantages by being the first to capitalize on new opportunities.		
Strongly Agree	91	43.75%
Agree	83	39.90%
Disagree	21	10.10%
Strongly Disagree	13	6.25%
Total	**208**	**100.0**
Firms with a greater proactiveness are likely to achieve business chances in the competitive markets.		
Strongly Agree	76	36.54%
Agree	52	25.00%

Disagree	46	22.12%
Strongly disagree	34	16.35%
Total	**208**	**100.0**

Firms are proactive in seeking out an attractive include and creating the necessary resources to facilitate new entry.

Strongly Agree	73	35.10%
Agree	54	25.96%
Disagree	48	23.08%
Strongly Disagree	33	15.87%
Total	**208**	**100.0**

Source: Field Survey, 2023

Table 9 shows that majority of our respondents (83) 39.90% strongly agreed that, proactiveness is necessary to pursue and anticipate opportunities and participate in new and emerging markets, (72) 34.62% agreed, (29) 13.94% disagreed, while (24) 11.54% strongly disagreed. Majority of our respondents, (91) 43.75% strongly agreed that, proactiveness helps firms to fruit and gain advantages by being the first to capitalize on new opportunities, (83) 39.90% agreed, (21) 10.10% disagreed while (13) 6.25% strongly disagreed. (76) 36.54% of our respondents strongly agreed that, firms with a greater proactiveness are likely to achieve business chances in the competitive markets, (52) 25.00% agreed, (46) 22.12% disagreed, while (34) 16.34% strongly disagreed. Majority of our respondents, (73) 35.10% strongly agreed that, firms are proactive in seeking out an attractive include and creating the necessary resources to facilitate new entry, (54) 25.96% agreed, (48) 23.08% disagreed, while (33) 15.87% strongly disagreed to the statement. The above analysis makes us agree with Lumpkin and Dess, (2011) firms with a greater proactiveness are likely to achieve business chances in the competitive markets and take more benefits, rewards, and advantages from the markets. Consequently, proactiveness refers to a response and an approach to market opportunities through active market research and first mover actions, such as introduction of new products and services ahead of competitors.

Table 10: Competitive Aggressiveness

Variables	Frequency	Percentage
It helps firms learn industry development and understand technology development for short-up ventures.		
Strongly Agree	73	35.10%
Agree	64	30.77%
Disagree	48	23.08%
Strongly Disagree	23	11.06%
Total	**208**	**100.0**
Competitive aggressiveness is an important mechanism to explain aggressive completion of the markets.		
Strongly Agree	81	38.94%

Agree	42	20.19%
Disagree	51	24.52%
Strongly Disagree	34	16.35%
Total	**208**	**100.0**

It helps business to achieve global competiveness.

Strongly Agree	69	33.17%
Agree	64	30.77%
Disagree	39	18.75%
Strongly disagree	36	17.31%
Total	**208**	**100.0**

Strong level of competitive aggressiveness promotes potential capabilities and competencies to gain higher performance.

Strongly Agree	78	37.50%
Agree	64	30.77%
Disagree	39	18.75%
Strongly Disagree	27	12.98%
Total	**208**	**100.0**

Source: Field Survey, 2023

Table 10 shows that majority of our respondents, (73) 35.10% strongly agreed that, it helps firms learn industry development and understand technology development for short-up ventures, (64) 30.77% respondents agreed, (48) 23.08% disagreed, while (23) 11.06% strongly disagreed to the statement. Majority (81) 38.94% strongly agreed that, competitive aggressiveness is an important mechanism to explain aggressive completion of the markets, (42) 20.19% respondents agreed, (51) 24.52% disagreed while (34) 16.35% strongly disagreed. (69) 33.17% of our respondents strongly agreed that, it helps business to achieve global completeness, (64) 30.77% agreed, (39) 18.75% disagreed while (27) 17.31% strongly disagreed. Majority (78) 37.50% strongly agreed that, Strong level of competitive aggressiveness promotes potential capabilities and competencies to gain higher performance, (64) 30.77% agreed, (39) 18.75% disagreed while (27) 12.98% strongly disagreed to the statement. From the above result it is seen that competitive aggressiveness is critical to the survival and success of new start-ups. Firms that have successfully implemented the competitive aggressiveness concept tend to perceive outstanding competitiveness and gain greater business outcomes.

Table 11: Performance of SMEs

Variables	Frequency	Percentage (%)
Customer patronage has improved the performance SMEs in the study area.		
Strongly Agree	78	35.50

Agree	63	30.29
Disagree	43	20.67
Strongly Disagree	24	11.54
Total	**208**	**100.0**
SMEs in the study area have performed well by employing large number of people.		
Strongly Agree	64	30.80
Agree	57	27.40
Disagree	49	23.56
Strongly Disagree	38	18.27
Total	**208**	**100.0**
SMEs create almost half of new jobs in the economy.		
Strongly Agree	93	44.71
Agree	82	39.42
Disagree	21	10.10
Strongly disagree	12	5.77
Total	**208**	**100.0**
Business expansion is a strategy that increase the performance if SMEs in Nigeria.		
Strongly Agree	81	38.94
Agree	63	30.29
Disagree	38	18.27
Strongly Disagree	26	12.50
Total	**208**	**100.0**

Source: Field Survey, 2023

Table 11 shows that majority of our respondents (78) 35.50 % strongly agreed that, customer patronage has improved the performance SMEs in the study area, (63) 30.29% respondents agreed, (43) 20.67 % disagreed and (24) 11.54 % strongly disagreed. Majority (64) 30.80 % strongly agreed that, SMEs in the study area have performed well by employing large number of people, (57) 27.40% respondents agreed, (49) 23.57 % disagreed while (38) 18.27 % strongly disagreed. (93) 44.71 % of our respondents strongly agreed that, SMEs create almost half of new jobs in the economy, (82) 39.42% agreed, (21) 10.10 % disagreed and (12) 5.77 % strongly disagreed to this statement. Majority of the respondents (81) 38.94 % strongly agreed that, business expansion is a strategy that increase the performance if SMEs in Nigeria (63) 30.29% agreed, (38) 18.27% disagreed while (26) 12.50 % strongly disagreed to this statement.

4.3   Regression Results and Discussion
       Preliminary Diagnostic Tests
This section presets the following regression preliminary diagnostic tests that are necessary to establish the validity of a model.

Table 12: Collinearity Diagnostics

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions				
				(Constant)	INVT	RSTK	PROA	CMPT
	1	4.768	8.000	.00	.00	.00	.00	.00
	2	.121	9.282	.00	.01	.05	.54	.08
1	3	.057	4.120	.00	.32	.04	.13	.61
	4	.042	8.689	.01	.53	.28	.18	.25
	5	.012	10.990	.98	.14	.62	.15	.06

a. Dependent Variable: PRFM

Source: SPSS 20.0 Output, 2023

The result of the Collinearity diagnostics test in Table 18 indicates that there are no serious problems with multicollinearity. Several Eigenvalues are close to 0, indicating that the predictors are highly intercorrelated and that small changes in the data values may lead to large changes in the estimates of the coefficients. However, condition indices value greater than 15 indicate a possible problem with Collinearity. As shown by the result of the condition indices which indicates that none of the values are larger than 15.00, this suggests that there is no serious problem with Collinearity in the dataset used for this study.

Table 13: Statistical Significance of the model

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	580.429	4	145.107	1.707	.020[b]
1	Residual	1275.321	15	85.021		
	Total	1855.750	19			

a. Dependent Variable: PRFM
b. Predictors: (Constant), CMPT, PROA, INVT, RSTK
Source: SPSS 20.0 Result Output, 2023

The result of the statistical significance of the model is presented in Table 13. 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 $(4, 15) = 0.1707$, $p = 0.020^b$ (i.e., the regression model is a good fit of the data).

Table 14: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.926[a]	.831	.730	9.22070	1.327

a. Predictors: (Constant), CMPT, PROA, INVT, RSTK

b. Dependent Variable: PRFM

Source: SPSS 20.0 Result Output, 2023

Table 14 shows the model summary. The coefficient of determination R^2 for the study is 0.831 or 83.1%. This indicates that 83.1% of the variations in the model can be explained by the explanatory variables of the model while 16.9% of the variation can be attributed to unexplained variation captured by the stochastic term. The Adjusted R Square and R^2 show a negligible penalty (73.0%) for the explanatory variables introduced by the researcher.

Table 15: Regression coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	19.995	16.273		3.229	.024		
	INVT	.674	.266	.569	2.253	.037	.906	1.104
	RSTK	.451	.265	.388	2.703	.011	.882	1.134
	PROA	.259	.173	.352	1.495	.156	.829	1.207
	CMPT	-.442	.229	-.420	-1.935	.072	.971	1.029

a. Dependent Variable: PRFM

Source: SPSS 20.0 Result Output, 2023

a) Effect of innovativeness on the Performance of SMEs in Makurdi Metropolis, Benue State.
PRFM = 19.995 + 0.569INVT + 0.388RSTK + 0.352PROA - 0.420CMPT
    p-value [0.037]   [0.011]   [0.156]   [0.072]

The result of the multiple regression as shown in Table 15 show that a innovativeness (INVT) has a positive effect on performance of SMEs (PRFM) and the relationship is statistically significant (*p<0.05)* and in line with *a priori* expectation. This means that a unit increases in innovativeness (INVT) will result to a corresponding increase in the performance of SMEs (PRFM) by margin of 56.9 %.

b) Effect of risk taking on the performance of SMEs in Makurdi Metropolis, Benue State.
PRFM = 19.995 + 0.569INVT + 0.388RSTK + 0.352PROA - 0.420CMPT
    p-value [0.037]   [0.011]   [0.156]   [0.072

A positive relationship exists between Risk Taking (RSTK) and performance of SMEs (PRFM) and the relationship is statistically significant (*p<0.05)* and in line with *a priori* expectation. This means that a unit increases in Risk Taking (RSTK) will result to a corresponding increase in the performance of SMEs (PRFM) by margin of 38.80 %.

c) Effect of proactiveness on the performance of SMEs in Makurdi Metropolis, Benue State.
PRFM = 19.995 + 0.569INVT + 0.388RSTK + 0.352PROA - 0.420CMPT
    p-value [0.037]   [0.011]   [0.156]   [0.072

Proactiveness (PROA) was positively related to performance of SMEs (PRFM) and the relationship is not statistically significant (*p>0.05)* but in line with *a priori* expectation. This means that a unit increases in Proactiveness (PROA) will result to a corresponding increase in the performance of SMEs (PRFM) by margin of 35.20%.

d) Effect of Competitive Aggressiveness on the Performance of SMEs in Makurdi Metropolis, Benue State.

PRFM = 19.995 + 0.569INVT + 0.388RSTK + 0.352PROA - 0.420CMPT
      p-value   [0.037]   [0.011]   [0.156]   [0.072

Competitive Aggressiveness (CMPT) was negatively related to performance of SMEs (PRFM) and the relationship is not statistically significant (*p>0.05)* but in line with *a priori* expectation. This means that a unit increases in Competitive Aggressiveness (CMPT) will result to a corresponding decrease in the performance of SMEs (PRFM) by margin of 42.0 %.

4.4   Testing of the Hypotheses and Discussion of Findings
4.4.1   Decision Rule for accepting or rejecting hypotheses based on probability value criteria.

Using probability value of the estimate to test the hypotheses, we have the following decision rule. ***Decision rule:*** *If the p-value of* (b_i) > than the critical value we accept the null hypothesis, that is, we accept that the estimate b_i is not statistically significant at the 5% level of significance. Or if the *p-value of* (b_i) < than the critical value, we reject the null hypothesis, in other words, that is, we accept that the estimate b_1 is statistically significant at the 5% level of significance.

H_{01}:   Innovativeness has no significant effect on the performance of SMEs in Makurdi Metropolis, Benue State.
PRFM = 19.995 + 0.569INVT + 0.388RSTK + 0.352PROA - 0.420CMPT
      p-value   [0.037]   [0.011]   [0.156]   [0.072
The result of the multiple regression as shown in Table 15 show that a innovativeness (INVT) has a positive effect on performance of SMEs (PRFM) and the relationship is statistically significant (*p<0.05)* and in line with *a priori* expectation. This means that a unit increases in innovativeness (INVT) will result to a corresponding increase in the performance of SMEs (PRFM) by margin of 56.9 %. Using the probability value of the estimate, *p* (b_1) < critical value at 0.05 confidence level. Thus, we reject the null hypothesis. That is, we accept that the estimate b_1 is statistically significant at the 5% level of significance. This implies that innovativeness has a significant effect on the performance of SMEs in Makurdi Metropolis, Benue State. This finding is in tandem with that of Abubakar (2014), who examined the relationship between entrepreneurial practices of owner managers and the growth of SSBs from the year 2006 to 2010 and found that innovative technical skills and entrepreneurial experience have significant and positive influence on business growth.

H_{02}:   Risk taking has no significant effect on the performance of SMEs in Makurdi Metropolis, Benue State
PRFM = 19.995 + 0.569INVT + 0.388RSTK + 0.352PROA - 0.420CMPT
      p-value   [0.037]   [0.011]   [0.156]   [0.072
A positive relationship exists between Risk Taking (RSTK) and performance of SMEs (PRFM) and the relationship is statistically significant (*p<0.05)* and in line with *a priori* expectation. This means that a unit increases in Risk Taking (RSTK) will result to a corresponding increase in the performance of SMEs (PRFM) by margin of 38.8%.Using the probability value of the estimate, *p* (b_2) < critical value at 0.05 confidence level. Thus, we reject the null hypothesis. That is, we accept that the estimate b_2 is statistically significant at the 5% level of significance. This implies that Risk Taking has a significant effect on the performance of SMEs in Makurdi Metropolis, Benue State. This finding is in line with the findings of Isah (2017) who examined the effect of entrepreneurial practices on small and medium enterprises performance in Benue State, Nigeria and found that risk taking has a positive significant effect on the performance of selected SMEs in Benue State.

H$_{03}$: **Proactiveness has no significant effect on the performance of SMEs in Makurdi Metropolis, Benue State**

PRFM = 19.995 + 0.569INVT + 0.388RSTK + 0.352PROA - 0.420CMPT

     p-value   [0.037]   [0.011]   [0.156]   [0.072

Proactiveness (PROA) was positively related to performance of SMEs (PRFM) and the relationship is not statistically significant (*p>0.05)* but in line with *a priori* expectation. This means that a unit increases in Proactiveness (PROA) will result to a corresponding increase in the performance of SMEs (PRFM) by margin of 35.20%. Using the probability value of the estimate, p (b$_3$) < critical value at 0.05 confidence level. Thus, we accept the null hypothesis. That is, we accept that the estimate b$_3$ is not statistically significant at the 5% level of significance. This implies that Proactiveness has no significant effect on the performance of SMEs in Makurdi Metropolis, Benue State. This finding is in line with that of Muzenda (2014) who investigated the effect of entrepreneurial attributes, firm practices and external factors on the performance of SMEs and found that entrepreneurial attributes, firm practices and external factors demonstrated significant association with SMEs performance.

H$_{04}$: **Competitive aggressiveness has no significant effect on the performance of SMEs in Makurdi Metropolis, Benue State.**

PRFM = 19.995 + 0.569INVT + 0.388RSTK + 0.352PROA - 0.420CMPT

     p-value   [0.037]   [0.011]   [0.156]   [0.072

Competitive Aggressiveness (CMPT)was negatively related to performance of SMEs (PRFM) and the relationship is not statistically significant (*p>0.05)* but in line with *a priori* expectation. This means that a unit increases in Competitive Aggressiveness (CMPT) will result to a corresponding decrease in the performance of SMEs (PRFM) by margin of 42.0 %. Using the probability value of the estimate, p (b$_4$) > critical value at 0.05 confidence level. Thus, we accept the null hypothesis. That is, we accept that the estimate b$_4$ is not statistically significant at the 5% level of significance. This implies that Competitive Aggressiveness has no significant effect on the performance of SMEs in Makurdi Metropolis, Benue State. The findings of Tagrafa and Akinb (2009) who studied the effect of entrepreneurial practices on enterprise ownership with data collected from 213 SMEs in Kenya revealed a negative relationship between enterprise ownership type and having entrepreneurial characteristics. Adegbite (2006) who studied the impact of entrepreneurial practices on the performance of manufacturing SMEs in Nigeria using data collected through questionnaire from 100 SMEs found similar results.

5.0   CONCLUSION AND RECOMMENDATIONS
This section presents conclusion and recommendations of the study.

5.1   Conclusion
The study examines the Effect of Entrepreneurial Practices on the Performance of Small and Medium Enterprises in Makurdi Metropolis, Benue State, Nigeria as shown by the result of the multiple regression where innovativeness and risk taking was shown to have a positive and significant effect on the performance of small and medium enterprises in the study area. The conclusions of this study offer a number of significant contributions and implications that are beneficial for many stakeholders. Though the study donates to the body of knowledge by providing statistical evidences in regard to series of four different independent variables encompassing entrepreneurs' practices on firm performance, the ability to simultaneously examine these

relationships is valuable for better understanding of the how entrepreneurial practices affects performance of Small and Medium Enterprises especially in the study area.

5.2   Recommendations
Based on the findings of the study the following recommendations are made:
The following are the summary of the study based on the specific objectives of the study:

i. The management of the small and medium enterprises in the study area should pay a serious attention to innovativeness by taking steps such as use of technology in small and medium enterprise. The result of the study has been shown to improve performance as the world is in search of a more innovative ways of solving problems of the society. Management of SMEs should conduct an assessment of current technological needs and gaps within their businesses. They should then prioritize investments in relevant technologies, such as e-commerce platforms, digital marketing tools, and customer relationship management (CRM) systems.

ii. It is recommended that managers of small and medium enterprises should take calculated risk which as it has been proved from empirical results that it can bring about performance. This should be done by developing a clear risk management framework that outlines the types of risks they are willing to take and the potential returns. They should also perform thorough market research and feasibility studies to understand the potential impacts of these risks.

iii. Managers and business owners should focus on their competence in engaging with daily business challenges as they arise. This involves identifying their strength and being prompt in making business decisions and dealing with issues. The competence can be improved through training. SME managers should identify key areas where they need improvement by conducting a skills audit and performance reviews. Based on the results, tailored training programs should be developed to address these gaps, including workshops, online courses, and mentorship programs.

iv. Competitive aggressive strategies such as quality leadership, cost reduction and focus on the goal for which the management is set to achieve is recommended for improving performance. Thus, as a result, management therefore is enjoined to strategically ensure that they chose the most appropriate competitive aggressive strategy that will not be detrimental to the growth and performance of the small and medium enterprises under study. Management should start by conducting a comprehensive competitive analysis to identify strengths, weaknesses, opportunities, and threats (SWOT) in relation to their competitors.

5.3   Suggestions for Further Studies and Contribution to Knowledge
Further research should extend their scope to other local governments in Benue State to improve the external validity of the result of the study. More proxies of performance of small and medium enterprises should be used in future study so that the effect of entrepreneurial practices can be established for the various measures of performance so as to provide a clearer picture of the relationships under study. This study established that Innovativeness as a dimension of entrepreneurial practice contributes the most to the performance of SMEs in the study area with a beta coefficient of $[\beta_1 = 0.569, \rho = 0.037, s(b_1) = 0.266, t = 2.253]$. Innovativeness has a positive effect on performance of SMEs and the relationship is statistically significant (*p<0.05*) and in line with *a priori* expectation.

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