



Strategic Entrepreneurship and Firms' Competitiveness among Micro-enterprises in Southwest, Nigeria

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Abstract

Strategic entrepreneurship has been identified and recognized as a catalyst for the overall socio-economic development of any developing nation like Nigeria through enhanced firms' competitiveness among micro-enterprises, especially in the manufacturing sector within the Southwest region. Despite its relevance, many micro-enterprises are struggling in an intense, volatile environment, unstable economic conditions and a lack of appropriate and sustainable strategies to attain competitiveness has been the bane for their survival in Nigeria. Stemming the tide of this challenge in the southwest, micro-enterprises owner-managers needed to adopt and incorporate Strategic entrepreneurship, a concept that will enable them to compete favourably to survive in a highly competitive environment, thereby growing them into small, medium and large enterprises, which have implications for enhanced economic growth and development in Nigeria. Therefore, the objective of this study is to examine the impact of Strategic Entrepreneurship on firm competitiveness. The study adopted a cross-sectional survey research design with a population of 91,889 formal micro-enterprises from the manufacturing sector. A sample size of 398 (Males = 52.0%) aged 21-60 years from six southwest states was determined using the Taro Yamane formula, with a purposive sampling technique for distributing the questionnaire to the respondents. A closed-ended questionnaire was used to collect the data. Two hypotheses were formulated and tested using Pearson Product-Moment Correlation (PPMC) and multiple regression. Results of correlation analysis showed that there was a significant and positive relationship between strategic entrepreneurship and firm's competitiveness with ($r = .59^{**}$, $p < .05$). The result also established that strategic entrepreneurship significantly predicted firm's competitiveness with ($R = .27$, $R^2 = .35$; $F(1, 396) = 219.12$, $p < .05$). The study concluded that strategic entrepreneurship plays a significant relationship and predictive role on firm's competitiveness. It was recommended that managers of micro-enterprises especially in the manufacturing sector should inculcate strategic entrepreneurship into their business such that it will make them to be more competitive ever in the face of the current economic turbulence in Nigeria.

Keywords: Firm's Competitiveness, Strategic Entrepreneurship, Micro-Enterprises (MEs)

Introduction

Micro-Enterprises (MEs) are globally recognized as catalysts for global economic growth and considered as key drivers for socio-economic development which has contributed significantly to Sustainable Development Goals (SDGs), particularly for the poverty reduction agenda (Sholeye 2021; Yusuf, 2022., Oluremi & Maku 2024). The sector generates significant income,

provides employment opportunities for development and also play a critical role in the penetration of new markets and stimulate growth and development of economies (Ajuwon, et al., 2017; Awoyemi, & Makanju, 2020). Also, micro-enterprises stand out as the definite foundation of economic diversification and expansion, contributing enormously to socio-economic growth which accounted for almost 90% of

businesses worldwide (Gherghina et al., 2020; Yusuf, 2022; Non, 2023). This enterprise is also one of the largest employers of labour in Nigeria which contributed a lot in terms of Gross Domestic Product (GDP) and employment (NBS, 2019b; Sholeye, 2021; Onyedikachi et al., 2022). Despite the relevance of micro-enterprises to the economic development of any country, micro-enterprises are struggling under intense, volatile environment, unstable economic conditions and lack of appropriate and sustainable strategies to attain competitiveness for their survival in Nigeria (Akoh, 2020; Martin 2021; Nnabugwu, 2021 & Yusuf, 2022).

Competitiveness is a critical factor for firm's survival, growth and success (Shaulska et al., 2021) and micro firms in developing countries like Nigeria need to enhance their competitiveness to survive by surmounting the limitations in their local markets to thrive. One of the 21st century challenges for most firms especially micro-enterprises is increasing global competition in a market that is very dynamic and the prevailing business environment is characterized by increasing globalization, rapid technological advancement and short product cycles which requires firms to establish and maintain their competitiveness for survival and growth (Akoh, 2020 & Yusuf, 2022). It is therefore imperative that micro-enterprises increase their competitiveness to compete effectively and benefit from opportunities in the environment (Fazal et al., 2022). Furthermore, numerous supportive efforts such as giving soft loans, credit facilities etc. by government at different levels and other concerned stakeholders in Nigeria have yielded little or no results as majority of micro-enterprises fail to survive in their first five years of establishment (NBS, 2019b; Fazal et al., 2022).

During the global Covid-19 pandemic as well as the naira redesign policy in Nigeria, people stayed at home, their movement were limited, and thus economic activities decline which endangered micro-enterprises' survival. As a result of the pandemic, many micro-enterprises did not survive and the few ones which survived have continued to operate at an abysmal level (Olatutu, 2021 & Yusuf, 2022). This assertion

was corroborated by Adeokun, (2023) who posited that the failure rate and lack of competitiveness among micro-enterprises is high in Nigeria. Therefore, competitiveness becomes very important for micro-enterprises in a bid for them to compete and to be able to survive in a highly competitive environment like Nigeria. This will also allow many of these micro-enterprises to be able to grow into small, medium and large enterprises which have implications for development of Nigerian economy revitalization orchestrated by the renewed hope agenda of Nigeria current President Bola Tinubu. One variable that has been identified in this study to have an impact on firm's competitiveness is strategic entrepreneurship. Strategic entrepreneurship (SE) is an emerging concept that combined strategic management and entrepreneurship (Al-Hawary, 2020; Buchi et al., 2020). Hughes et al. (2021) defined strategic entrepreneurship as a set of activities through which firms employ entrepreneurial opportunities to create wealth and competitive advantages. According to Schröder, et al. (2021), strategic entrepreneurship involves both strategic (i.e. advantage-seeking) and entrepreneurial (i.e. new opportunity-seeking) activities.

Strategic entrepreneurship is considered as an entrepreneurial action with a strategic standpoint (Boudreaux, 2020; Schröder, et al., 2021). The need for, and the ability to wade through environmental uncertainties have encouraged management of firms to observe the necessity of employing combined entrepreneurship and strategic management concepts, principles and practices in running the affairs of their organizations to engender growth and competitiveness (Schröder, et al. 2021). Many typologies of strategic entrepreneurship in the literature includes entrepreneurial mindset, entrepreneurial leadership, strategic resource management and creativity & innovation. Entrepreneurial mindset is simply defined as the feelings and the belief of a particular ability to think out of the box (Schröder, et al. 2021). Boudreaux (2020) explains that entrepreneurial mindset manifests through innovation, creativity, business alertness and risk taking. Entrepreneurial leadership refers to work environment in which the entrepreneurs act like a

leader and the leader behaves like an entrepreneur. It is an entrepreneurial- leadership practice. Strategic resource management refers to strategic allocation and bundling of organizational resources to create competencies and leverage financial, human, and social capital. This approach enables firms to pursue opportunities, gain advantages, and create wealth simultaneously (Tijjani, et al. 2021). Creativity is defined as generation of new ideas and innovation as implementation of the ideas in the innovation process (Juliana et al., 2021). Creativity is the starting point for innovation while creativity is however necessary but not sufficient condition for innovation. Scholars such as (Boudreaux, 2020; Schröder, et al. 2021; Juliana et al., 2021) have established that strategic entrepreneurship helps firms to compete favorably and thus improve their performance.

It is clearly evident that there has been a consistent failing rate of survival of micro-enterprises in Nigeria due to insufficient knowledge of survival strategies to adopt for their sustainability in a turbulent environment which invariably defeated the main objective of MEs to any nation. Therefore, this empirical fact needs to be tested among micro-enterprises in the Nigerian context as the researcher noted that MEs had received little or no attention with respect to strategic entrepreneurship, sustainability and competitiveness because focus has been more on large and multinational companies despite its huge contribution to the economic GDP and growth of the nation. It is thus believed that proper strategic entrepreneurship will help improve micro-enterprise's competitiveness. Based on the foregoing, the present study examines the impact of strategic entrepreneurship on firm's competitiveness in Southwest, Nigeria.

Research Objective

The main objective of the study is to explore the predictive impact of strategic entrepreneurship on firm competitiveness among MEs in Southwest, Nigeria.

Literature Review

Conceptual Review

Micro-Enterprises (MEs)

Micro-Enterprises are defined as non-firm enterprises comprising employees less than five and a total capital investment below 5 million according to the Micro-Enterprises' Development Policy (2002). The term "micro" refers to something that is extremely little. Micro-enterprises' are extremely tiny companies that deal in the exchange of products and services. Micro-enterprises as defined by Ojukwu (2021) as self-employed people who run extremely tiny firms (micro-businesses) with fewer than ten (10) employees and occasionally run the businesses themselves. As defined by Omoloba and Estay (2023), micro-businesses are all extremely small enterprises, whether formal or informal. Micro-Enterprises (MEs) are defined by Muhammed et al. (2024) as businesses with fewer than ten (10) employees and a total asset (land and buildings not inclusive) valued not more than five million naira. In the report of the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), the definition uses a two-fold class limit: employment and assets with the exclusion of land and buildings. When classifications conflict, the employment-based classification supersedes. As an example, if a company has 11,000,000 Naira as a total valuation of assets with employees of eight (8) people, owner inclusive, it will be recognized as a Micro-enterprise. Micro- enterprises have brought opportunities for a large number of individuals in an economy (Maksum et al., 2020). Long-term unemployment, which in recent time becomes a global phenomenon, is a major motivator for people to start small enterprises all over the world. As a result, several small enterprises spring up, either out of necessity or voluntarily (Bushe, 2019). Micro-enterprises' have an impact on their surroundings, just as the environment has an impact on micro-enterprises. Among the environmental elements that influence a company's operations are policy and economic frameworks, infrastructure quality, cultural preferences, accessibility to financing, and security (Darbi, 2018; Yu et al., 2019., & Akoh, 2020). According to Akoh (2020), the experiences that micro-enterprises acquire in certain situations are not transferrable to another environment.

Firm's Competitiveness

The concept of competitiveness is applied in various level of studies including firm level, micro-economic level for industry and macro-economic level for the national economies (Hanco, 2022). A review by Camargo (2021), also pointed out that the competitiveness concept involves different disciplines, such as comparative advantage, price competitiveness, the strategy and management perspective as well as the historical and socio-cultural perspectives. Competitiveness can also be treated as a dependent, independent, or intermediary variable, depending on the perspectives from which we approach the issue (Möbius & Althammer, 2020). Moreover, competitiveness describes economic strength of a country or industry or firm with respect to its competitors in the global market economy in which goods, services, people, skills and ideas move freely across geographical borders (Shvindina, 2022). A small firm is not a scaled down version of larger firms. Larger and smaller firms differ from each other in terms of their organizational structures, responses to the environment, managerial styles and more importantly, the ways in which they compete with other firms. As a result, the competitiveness studies focusing on large corporations may not be applied directly to the micro-enterprises level. In fact, studies of competitiveness with a focus on micro-enterprises have increased substantially in recent years, with a number of studies devoted to identifying the various factors of competitiveness.

Naturally, major part of micro-enterprises has to compete with foreign competitors either on domestic or international markets, while in case of number of companies on the domestic markets, maintaining position in competition with domestic players is crucial, the "duality" of which, in my opinion, should be taken into account in determining competitiveness of micro-enterprises.

Strategic Entrepreneurship

Scholars have given different meaning to the concept of strategic entrepreneurship, for instance, Ketchen Jr (2020) assert that strategic entrepreneurship is an integration of entrepreneurial and strategic perspectives to

design and implement entrepreneurial strategies that create wealth. Wadhwani et al. (2020) described strategic entrepreneurship as the highest level an organization can reach in maintaining its own efforts and procedures. Strategic entrepreneurship involves behaviours in some ways intended to fuel or create new or improved forms of revenue and competitive advantage (Hughes et al., 2021). As the ability of strategic entrepreneurship lies in that, it is a basic function in defining the strategic plan, trends, strategic practice, evaluation and monitoring, which enhances the strategic performance of the organization as well as it leads to increasing the effectiveness and efficiency of the organization and creating wealth and increasing growth for it. Barbosa and Castañeda-Ayarza (2020) believe that strategic entrepreneurship represents the relationship between strategic management and entrepreneurship in business organizations. Strategic entrepreneurship enhances the competitive advantage of small and medium-sized organizations (Mulyaningsih et al., 2023). Alhamdi (2022) claimed that strategic entrepreneurship is an approach that provides a mixture of other models to the owners of strategic entrepreneurship and the market share of the organization and control of operations while benefiting from the intellectual property and financing of the parent company on a purely commercial basis.

Nguyen et al. (2021) see that strategic entrepreneurship generates a significant participation in the success of the organization. There have been several ways that strategic entrepreneurship can be conceptualized for instance, strategic entrepreneurship is measured as innovation, risk tolerance and available opportunities. Innovation denotes to research, experimentation, initiative, and develop a unique service model; it also outperforms competitors and meets customer requirements. In light of economic change and complexity, organizational service innovation tends to be an important catalyst for efficient operations management. Service innovation has a positive effect on core capability and organizational creativity. Moreover, there is an important focus on the importance of service innovation in order to

achieve service success and competitive advantage (Kokfai et al., 2020).

Past definitions of entrepreneurship have varied in both content and focus, often placing emphasis on individual characteristics, organizational attributes or the practices of either the individual or organization in business strategy and process. McMullen (2021) argues that entrepreneurship is about creating something new in an uncertain environment and for the purpose of profit. Many definitions of entrepreneurship highlight the importance of seeking profits. Hassan and Hussein (2020) claim that entrepreneurship is about pursuing and recognizing opportunities and putting useful ideas into practice. Harvard University defined entrepreneurship as the pursuit of opportunity beyond controllable resources. McMullen (2021) and Hussein (2020) also mention uncertainty and resources beyond control, which brings the aspect of risk to the concept of entrepreneurship. The strategic entrepreneurship perspective assumes that combining and balancing advantage-seeking and opportunity-seeking activities is essential for growth-oriented companies. Balancing means that resources are allocated between advantage-seeking and opportunity-seeking activities in a manner in which existing competitive advantages are exploited and new business opportunities are simultaneously explored (Mustafa et al., 2022). Strategic entrepreneurship started from the economic field (Schumpeter, 1942) and later expanded to the management field (Ketchen Jr, 2020).

Important dimensions of strategic entrepreneurship are: an entrepreneurial mindset, entrepreneurial leadership, the strategic management of resources and applying creativity to develop innovations (Ketchen Jr, 2020). Strategic entrepreneurship needs an entrepreneurial culture or mindset. An entrepreneurship culture includes, risk taking, operating in an uncertain environment, seeking for the opportunities and advantages, flexibility, changeability, competing in the complexity, and environmental orientation. Culture strengthens the entrepreneurial behavior in the organization. An entrepreneurial culture focuses on opportunities, demands, gap. Briefly, it can be

said that, entrepreneurial culture depends on assessing strengths, weaknesses, opportunities and threats, which we know as SWOT. This is the classical strategic management approach. The second dimension of strategic entrepreneurship is entrepreneurial leadership. An entrepreneurial leadership behavior depends on coordinating resources and sending them to the targets. This is a process of focusing on long term purposes, assessing the capabilities of the firm, assessing the circumstances of the environment, and depending on specialization. A strategic leadership influences the personnel in the stream of firm purposes. It gathers the personnel around the firm purposes. Strategic management focuses on the long term. It depends on coordinating the resources of the firms for the long- term purposes after assessing the strengths, weaknesses of the firm, and the opportunities and threats it faces. Strategic management of the resources generally is the respond of firm to the environmental necessities, in terms of using them. It is also conducting of the top management capabilities to the firm activities. It is the process of benefiting in the best way from specialized human resources of the organization. Last of all, applying creativity to develop innovations is the other dimension of the approach of strategic entrepreneurship. Being innovative is a necessity for firms in today's world to compete. For gaining and sustaining a superior competitive advantage innovative behavior is needed. Innovative activities of entrepreneurs can be seen in different types. As stated by Ketchen Jr, 2020); "The entrepreneur is the innovator who implements change within markets through the carrying out of new combinations. The carrying out of new combinations can take several forms; 1) the introduction of a new good or quality thereof, 2) the introduction of a new method of production, 3) the opening of a new market, 4) the conquest of a new source of supply of new materials and parts, 5) the carrying out of the new organization and any industry" (Ketchen Jr, 2020).

Theoretical Review

Porter Diamond Theory of National Advantage

This study is anchored principally on the Porter Diamond Theory of National Advantage. The theory was pioneered by Porter (1990) at the

Harvard Business School. It is an economic diamond structural design developed for small businesses to make entrepreneurs comprehend their competitive position globally. Porter (1990) pioneered an economic model for small and medium-sized organizations to facilitate and enhance global competitiveness. The theory explained the competitive advantage that countries or business groups possess due to peculiar characteristics, which are at their disposal, and discussed how governments can engineer or influence a country's position in a world competitive environment. Porter (1985) believes that the competitiveness of businesses is connected with the performance of other firms or organizations. The theory is useful and relevant to entrepreneurship practices because it measures the level of competitiveness amongst firms or organizations of a common line of business. The Porter Diamond Theory is linked to entrepreneurial innovation, strategic resource management, and the performance of organizations. The principal truth with this theory is the assumption that nations and firms create wealth. The theory noted four basic characteristics of a country's design and the environment in which local firms compete. In the first instance there is a factor endowment which is made up of specialized infrastructure, skilled human capital, technical knowledge, and the institutional ability to improve these specialized resources to show dynamic market conditions can be achieved if the strategic human resources are formulated in a manner that will position them to achieve the firm's goals. Secondly, there is an in-demand condition where the demand for the product is on the increase, the local home market buyer mounts pressure on firms to speedily create and make more advanced products than those of foreign goods. This entrepreneur needs to be entrepreneurially cultured to bring out creative ideas and innovations in the production of goods that will meet the taste of the home buyers. By doing this, it will swell the profitability of firms. Finally, if firms within the same industry relate and support each other, this will meaningfully contribute increasing their inputs and will create an atmosphere for entrepreneurial innovation, where ideas can be translated and there is a room for inventions. These industries make available inputs with minimal cost, and also partake in the

upgrading process, hence promoting other firms to develop quality products. There are also benefits if advanced factors are invested upon by related and supporting industries (Innocent; et al., 2022). Linking this theory to the study, it is clearly evident that firm's competitiveness is determined by its ability to create and sustain competitive advantage in its industries.

Therefore, micro-enterprises can adopt strategies such as innovation, differentiation and cost leadership to compete with larger firms which may further give rise to economy advantage among different firms in a competitive world of business. The theory suggests that rivalry among firms can drive innovation, which can ultimately lead to increased competitiveness. It also provides a useful framework for understanding the competitive advantage of micro-enterprises which will further make the sector to be viable and sustainable in order to enhance the economic development of Nigeria. Thus, entrepreneurs can identify opportunities, challenges and develop strategies to enhance the competitiveness of their firms.

Empirical Review

Rohimi and Kartono (2024) impact and contribution of Strategic Entrepreneurship to the sustainability of competitive advantage in modern businesses faced with dynamic market challenges in Indonesia. The results show that the implementation of Strategic Entrepreneurship has a significant positive impact on organizational adaptation and sustainability in a constantly changing business environment. Ramadan et al. (2024) examines the effect of strategic entrepreneurial behaviors on business performance through the mediation role of business model innovation (BMI) and the moderation effect of competitive intensity. The results have shown that strategic entrepreneurial behavior significantly and positively impacts business performance and business model innovation. Ukenna, et al (2019) examined the effect of strategic entrepreneurship on performance of SMEs in Lagos, Ogun and Oyo States in Nigeria's Agricultural sector. The study adopted survey research design. The population comprised 1152 owner/managers of selected SMEs in the agricultural sector of Lagos, Ogun

and Oyo states, Nigeria. A sample size of 376 was determined using Rao soft sample size calculator. The Findings revealed that strategic entrepreneurship had a significant effect on social value creation. Strategic entrepreneurship had a significant effect on customer satisfaction. Makinde and Agu (2018) examined the effect of strategic entrepreneurship on performance of selected SMEs in Aba metropolis. The study adopted the survey research design. The population of the study consisted of 231 owner/managers of the selected SMEs in the manufacturing, the finance, health and the food and beverages sectors in Aba metropolis. The results revealed that strategic entrepreneurship variables have effects on the performance variables.

Nnabugwu (2021) investigated the link between strategic entrepreneurship and company performance. For the purpose of this study, strategic entrepreneurship is divided into two sections; entrepreneurial orientation and planning flexibility. The entrepreneurial orientation factors used are proactiveness, risk-taking and innovativeness. Influence of strategic entrepreneurship components on SMEs' performance. A firm that embraces learning orientation is likely to promote performance through the use of knowledge-based assets. The influence of learning orientation on SMEs' performance has been reported by some researchers (Asiaei, et al., 2023). However, some studies have reported no significant influence of learning orientation on SMEs' performance like in the work of (Mirić, Nikolic, & Zlatanović, 2023). Mixed results in SMEs' performance studies are inter alia triggered by heterogeneous performance measures (Cantabene, & Grassi, 2024). Despite the mixed results, the direct influence of learning orientation and SMEs' performance is hereby hypothesized that: There are many studies carried out on the area of strategic entrepreneurship elements and their effect on social value creation but their findings are contradicting. The reason for the contradiction is based on the level of entrepreneurial mindset adoption by different firms from different countries. Daspit et al. (2023) established that entrepreneurial mindset positively influences social value creation.

Ziyae and Sadeghi (2020) found that dimensions of entrepreneurial mindset were positively correlated with business performance measured in terms of growth, profit and value creation. The further established that entrepreneurial mindset is not only essential for the small and medium- size firms for survival and growth but it also affects the growth of the society in terms of social development. Strategic entrepreneurship and organizational performance. Yusuf (2022) assessed the impact of entrepreneurship policy on the survival of Small and Medium Scale Enterprises (SMEs) in Nigeria. The study utilized a desk review, by examining the conceptual position of literature and drawing conclusion from the studies, which is utilized in addressing the issue discussed in the study, i.e., entrepreneurship policies and SME's survival. Trickle-down effect theory was utilized. A desk review and reflexivity were also adopted for the methodology. The study found that entrepreneurship is crucial and necessary for the survival of Small and Medium Scale Enterprises.

Rodríguez-Peña (2021) examined the link between the two dimensions of organizational creativity and firm's performance by evaluating the mediating role of corporate entrepreneurship and the moderating role of environment, seeking to explain the strategic role of creativity in entrepreneurial organizations within dynamic, hostile and complex environment. They found that organizational creativity is associated with higher level of firm's performance and has a positive relationship with corporate entrepreneurship; and they also suggest that environment will moderate the relationship between corporate entrepreneurship and firm's performance. In another context, a survey conducted by Duong, et al. (2022), established causality between innovation performances, in a way that innovation in family businesses is more effective than in non-family businesses. The problem is that the decision to implement an innovation brings weight (unwillingness to risk and hesitancy to change). Also, Purkayastha and Gupta (2023) in their study treated tendency towards entrepreneurship in large Japanese corporations (non-family companies). The study found that there is a direct positive correlation between the propensity for entrepreneurship and

integration of marketing and R&D functions and there is a direct positive correlation between the propensity for entrepreneurship, business development and favorable financial effects.

Methods

The study adopted a survey method which adopted a cross-sectional design. A cross-sectional design is a type of research study that involves the collection of data from a population or sample at a single point in time. Three hundred and ninety-eight (398) micro-business owner-managers from manufacturing sector were purposively selected from six southwest states namely Lagos(197), Oyo(82), Ogun(50), Ekiti(39), Ondo(38) and Osun(72).

Measures

Strategic Entrepreneurship: Strategic entrepreneurship was measured using a 21-item of strategic entrepreneurship questions which was self-developed by the researcher. The scale was measured using the five-point Likert scale ranging from strongly Agree (SA), to strongly disagree (SD). Sample of the item includes “I have the believe of starting a micro-business in future” and “ I am able to come up new and original ideas”. The Cronbach alpha of the construct is 0.86.

Firm's Competitiveness: Firm's competitiveness was measured using a 21-item competitiveness questions which was also self-developed by the researcher of the study. The scale was measured using the five-point Likert scale ranging from strongly Agree (SA), to strongly disagree (SD). Sample of the item includes ‘My organization has a process for testing and validating new products’ and “ I prefer to have growth in sales, even at the expense of lower profits.”. The Cronbach alpha of the construct is 0.79.

Validity and Reliability of the Measures

The validity of the of the two variables were done with content validity. This means that experts from related disciplines as well as researcher's supervisor looked through the items and gave their expert opinions about the items that should be deleted and items that should be retained. This was done with the intention that the retained

questions will be able to elicit the intended responses from respondents which can be used to draw meaningful insights from the study. For the reliability, an internal consistency (construct reliability) that is commonly measured as Cronbach's Alpha was utilized. A pilot study which consists of 30 respondents that were not part of the main study were subjected to the questions of the two constructs. A Cronbach alpha of .82 was gotten for strategic entrepreneurship while a Cronbach alpha of .87 was ascertained for firm's competitiveness. Based on the recommendation given by Sudman (2016) that an instrument that has a Cronbach alpha of 0.70 and above has a high reliability standard. Hence, the two variables are good measures which was used for the study.

Procedure

The researcher got permission from the selected micro-enterprise managers. The researcher briefed the respondents regarding the rationale of the study. The participants who consented were given assurance of confidentiality and anonymity of their identities and responses. The participants were also informed of their right to discontinue from the study at any specific point in time if they felt uncomfortable. The researcher recruited and trained six polytechnic students who serves as the research assistants for the study. They were able to assist the researcher with questionnaire distribution and collection of the data in the six southwest states at different point in time. The population of formal micro-enterprises in Southwest, Nigeria is 91,889 (SMEDAN & NBS, 2021) and the sample size is 438 which was determined using Taro Yamane formula. The 438 questionnaires were proportionally distributed across the six states at different point in time as the population of each state differs. A total of 412 questionnaires were returned while 26 were not returned. Further screening on the retrieved questionnaires shows that 14 copies of the questionnaires had a lot of missing responses which make them to be removed. In all, a total of 398 questionnaires were found useable for data analysis, which gave a response rate of 91%. In all, the data collection across the six states spans between May to August 2024.

Data Analysis

The study employed the Statistical Package for Social Sciences (IBM-SPSS, version 27). Data was analyzed in two forms; namely descriptive and inferential. Descriptive statistics was used to analyse the respondents' socio- demographic characteristics while the inferential statistics such as Pearson Product Moment Correlation (PPMC)

and multiple regression were used to test the two hypotheses postulated in the study. Prior to that, preliminary analyses such as missing data screening, univariate and multivariate normality tests were also performed on the data, and they were within the acceptable threshold.

Results

Table 1. Descriptive Analyses of Participants' Demographic Characteristics (N=398)

Variables	Level	Frequency	Percentage (%)
Gender	Female	191	48.0
	Male	207	52.0
Age Range	21-35years	147	36.9
	36-45years	128	32.1
	46 -60years	123	31.0
Marital Status	Single	115	28.9
	Married	204	51.3
	Others	79	19.8
Educational Qualification	OND/NCE	154	38.7
	HND/B.Sc.	205	51.5
	Postgraduate	39	9.8
Number of Employees	1-5	207	52.0
	6-10	191	48.0
Years in Current Business	1-5years	295	74.1
	6-10years	68	17.1
	11years and above	35	8.8

The descriptive table shows that (48.0%) were females while (52.0%) were males. In terms of age, (36.9%) were between 21-35years, (32.1%) were between 36-45years and (31.0%) were between 46-60years. Their marital status shows that (28.9%) were single, (51.3%) were married while (19.8%) have other marital status. Their educational qualification revealed that (38.7%) had OND/NCE, (51.5%) had HND/B.Sc. while (9.8%) holds postgraduate degrees. In term of the number of employees, (52.0%) had between 1-5

employees while (48.0%) had between 6-10 employees. In terms of current years in business, (74.1%) have spent between 1-5years, (17.1%) have used between 6-10years, while (8.8%) have spent 11years and above.

Relationship between variables

There is no significant relationship between strategic entrepreneurship and firm's competitiveness among micro-enterprises owners. The result was presented in Table 2

Table 2. Pearson Product Moment Correlation (PPMC) showing the relationship between strategic entrepreneurship and firm competitiveness

Variables	Mean	SD	1	2
1.Strategic Entrepreneurship	34.85	7.12	-	
2. Firm Competitiveness	36.43	8.03	.59**	

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

The result shows that there was significant positive relationship between strategic entrepreneurship and firm competitiveness ($r = .59^{**}$, $p < .05$). This implies that micro-enterprise owners who perceive high strategic entrepreneurship tends to have increased firm's competitiveness. The hypothesis which stated that there is no significant relationship between

strategic entrepreneurship and firm's competitiveness was confirmed.

Hypothesis Testing

There is no significant and predictive impact of strategic entrepreneurship on firm's competitiveness among micro-enterprise owners. The analysis was tested with a simple linear regression and the analysis presented on Table 3.

Table 3. Simple linear regression showing the predictive impact of strategic entrepreneurship on firm competitiveness

Predictor variable	B	SE	β	T	R	R ²	F	p
(Constant)	12.98	1.61	-	8.03				.00
Strategic Entrepreneurship	.67	.04	.59	14.80*	.59	.35	219.12*	.05

The result of data analysis in Table 3 revealed that strategic entrepreneurship significantly predicts firm's competitiveness ($R = .27$, $R^2 = .35$; $F(1, 396) = 219.12$, $p < .05$). The strategic entrepreneurship contributed 35% in explaining the variance in firm's competitiveness while 65% variation may be as a result of other variables not accounted for in the study. The hypothesis which stated that there is no significant and predictive impact of strategic entrepreneurship on firm's competitiveness among micro-enterprises owners was accepted.

Discussion

This present study contributes to the body of knowledge by examining the impact of strategic entrepreneurship and competitiveness among micro-enterprises in southwest, Nigeria. Two hypotheses were postulated in the study. The first hypothesis found that there was a significant and positive relationship between strategic entrepreneurship and firm's competitiveness. This implies that micro-enterprises owners who perceive high strategic entrepreneurship tends to have increased firm's competitiveness. The study finding is in line with Ukenna, et al (2019) who found out that the adoption of strategic

entrepreneurship practices had optimized competitiveness in terms of social value creation and customer satisfaction. Also, the study's findings were significantly strategic entrepreneurship is correlated with firm's competitiveness which was in tune with the positions of Agu and Makinde (2018), Nnabugwu (2021) and Daspit et al. (2023) on firm's performance measured in terms of growth, profit and value creation. The rationale why this study was like this is because strategic entrepreneurship is a creative mechanism that can serve as a driver toward improving competitiveness among microenterprises.

The second hypothesis found that strategic entrepreneurship significantly predicts firm's competitiveness. This means that strategic entrepreneurship has a positive impact on firm's competitiveness. The study's findings were in line with Makinde and Agu (2018) revealed that strategic entrepreneurship variables have effects on the performance variables. Daspit et al. (2023) established that entrepreneurial mindset positively influences social value creation. Ziyae and Sadeghi (2020) found that dimensions of entrepreneurial mindset were positively correlated with business performance measured in terms of growth, profit and value creation. Rodríguez-Peña (2021) examined the link between the two dimensions of organizational creativity and firm's performance by evaluating the mediating role of corporate entrepreneurship and the moderating role of environment, seeking to explain the strategic role of creativity in entrepreneurial organizations within dynamic, hostile and complex environment. They found that organizational creativity is associated with higher level of firm's performance and has a positive relationship with corporate entrepreneurship. The study finding was in accordance with Purkayastha and Gupta (2023) who found that there is a direct positive correlation between the propensity for entrepreneurship and integration of marketing. The study finding was also in line with Duong, et al. (2022) who found that innovation in family businesses is more effective than in non-family businesses. The rationale why this study was like this is because strategic entrepreneurship remains a very unique construct that entails the use of

strategy and entrepreneurship together which can be used by firms in a creative way which may likely improve the competitiveness of any firm.

Conclusion and Recommendations

Based on the findings of the study, the study concluded that strategic entrepreneurship has a positive relationship with firm's competitiveness. Also, it was further concluded that strategic entrepreneurship can positively predict firm's competitiveness. Based on the conclusion of the study, we recommend that managers of micro-enterprises especially in the manufacturing sector should inculcate strategic entrepreneurship into their business such that it will make them to be more competitive ever in the face of the current economic turbulence in Nigeria. The governments at all levels should create an enabling environment for the creation, implementation and sustainability of strategic entrepreneurship such that when micro-enterprises inculcate the concept into their strategic mission and vision, it may help them remain viable and competitive.

Limitations and suggestions for further studies

Just like any other studies, the present study has some limitations. Firstly, the generalization of the results to other sector enterprises should be taken with restraints. Another limitation is that strategic entrepreneurship has dimensions as well as firm's competitiveness, but only the composite of the two variables were investigated. This in a way may not give a detailed insights about the outcome of the results. Finally, cross-sectional design was utilized which makes it difficult to determine causality among the study variables. Future studies should endeavor to explore more variables that can also sustain firm's competitiveness as well as extend the sector especially that can boost the dwindling Nigerian economy. Also, the sample size can be increased for more robust findings as well as adopt longitudinal study in a bid to comprehensively understand factors that can improve firm's competitiveness among micro-enterprises.

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