



## IMPACT OF ENTREPRENEUR PERSONALITY TRAITS ON THE PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES (SMEs) IN EKITI STATE, NIGERIA

**Onajite O. Godwin,**

**Popoola O. Mary<sup>i</sup>**

Department of Vocational and Technical Education,  
Faculty of Education,  
Ekiti State University,  
Ado-Ekiti, Nigeria

### **Abstract:**

The study examined the impact of entrepreneur personality traits on the performance of Small and Medium Enterprises (SMEs) in Ekiti State. The study adopted descriptive research of the survey design. The population consisted of 16,058 operators of SMEs in Ekiti State. The sample consisted of 324 respondents, and the selection process was based on a multistage sampling procedure. The instrument for data collection was a structured questionnaire constructed by the researcher. The questionnaire was titled "Entrepreneurial Personalities and Performance of Small and Medium Enterprises" (EPPSMEs). Section A elicited information on the bio-data of the respondents; section B had 15 items that measured the performance level of SMEs in Ekiti State, while section C had 20 items on the information on the impact of entrepreneur personality traits on the performance of SMEs in Ekiti State. Sections B and C are structured on a four-point Likert scale, with the scoring range: Strongly Agree (4), Agree (3), Disagree (2) and Strongly Disagree (1). The instrument was subjected to the Cronbach Alpha method of testing reliability to obtain a coefficient of 0.82. Data collected were analyzed using descriptive and inferential statistics. The finding of the study showed that the level of performance of SMEs in Ekiti State was moderate. Based on the findings, it was recommended that government should encourage entrepreneurs through the provision of enabling environment for businesses to strive. It is also recommended that entrepreneurs should see training and seminar workshops as avenues to improve their skills, thus, they are encouraged to attend regularly.

**Keywords:** entrepreneur, personality traits, performance, Small and Medium Enterprises (SMEs)

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<sup>i</sup> Correspondence: email [onajitago@gmail.com](mailto:onajitago@gmail.com)

## 1. Introduction

Entrepreneurship is one of the means through which the aspirations of individuals and even nations can be satisfied. It is the major weapon to curb poverty, unemployment and underdevelopment problems in any country. Thus, its importance to the economic welfare of individuals and families is indispensable. Entrepreneurship revolves around the mindset of human beings, focused on the generation of profitable ideas (Aina, 2018). Entrepreneurs are visionary, goal-driven, innovative individuals or teams that are oriented to developing new businesses and making them profitable to earn a good living and for the development of society.

In Nigeria, entrepreneurship via Small and Medium Scale Enterprises (SMEs) has been the avenue to provide the solution to the malfunctioning of federal or state-owned enterprises (Onajite & Aina, 2017). It does not only create jobs; it also curbs the problems of financial breakdown and social vices. Ajani and Oluyemi (2016) remarked that SMEs represent about 90% of the industrial sector in terms of the number of enterprises and account for 70% of national industrial employment in Nigeria. In spite of the significant growth and contribution of SMEs to the national economy, it appears that their performance level has not been encouraging in terms of increased profit level, sales volume, customers' satisfaction as well as an increase in assets.

Idowu, Olusola, and Olawale (2017) noted that there is a high number of failed and collapsed SMEs in Nigeria, especially in Lagos State due to low profitability, poor business decisions, high cost of production, competition with foreign products and low market share. Also, Oladele (2014) asserted that SMEs in Ekiti State have not been performing well, and this has generated many failures among them. However, it is not yet determined if performances are the results of entrepreneurs' failure to take considered risks, respond sharply to competitors' moves or to produce new products or services.

Consequently, the advancement in technology seems to have given more information to the customer allowing them to make better-informed decisions about which products and services they wish to buy. Satisfying the end users is oftentimes considered a major task for entrepreneurs in Ekiti State, whose interest is to retain the existing customer and gain new ones. The worst scenario is that dissatisfied customers sometimes make complaints that tend to discourage them from patronizing locally-made goods. Customer satisfaction is one of the parameters to know the performance level of a business enterprise is a situation where customers or clients are pleased with the products and services being provided by an entrepreneur. Customer satisfaction was observed to lead to an increase in patronage which invariably results in to increase in sales volume and improvement in the production of the product.

The profit level of the owners of Small and Medium Enterprises appears to be predictable due to the volume of patronage. It then follows that while static sales volume produces a motionless profit level, dynamic and improved sales volume will engender an increase in the profit level. Sales volume is referred to or can be described as the amount or unit of a product that a company or an individual was able to sell in a

particular area. Volume means how to improve the level rise in distributing a product over a period of time. Sales volume can therefore be referred to as the number of units (quantity) that a distributor was able to distribute out to customers over a particular period of time, it could be daily, weekly, monthly, quarterly or yearly. This tends to assist the company in planning strategies for its business performance.

Similarly, an increase in assets appears to be an indication that a company is expanding. Assets are the tangible property a company or firm possessed e.g. land and machines. An asset can equally be referred to as a useful or valuable thing or a person or an item or property owned by a person or a company regarded as having value and available to meet debts.

In the context of SMEs in Ekiti State, it appears that entrepreneurs are not performing as expected, perhaps due to their inability to study the moves of their competitors and be innovative with their services. Commenting on the low performance in of SMEs in Ekiti State, Oladele (2014) noted that most of the entrepreneurs enter the business venture without proper preparation, as much as they have the capital.

Owoseni and Akanbi (2011) observed that the success of SMEs is contingent on many factors, but the greatest determinants of a business' success are entrepreneur personality traits. This follows that the personality traits of entrepreneurs must be considered before venturing into any business(es), and this seems not to be the situation in Ekiti State. Personality traits were described as stable qualities that a person shows in most situations (Ratvi, 2013). The personality of the entrepreneurs can make or mar the success of any business engagement. It involves the ability traits of the entrepreneur to withstand the volatility of the market, compete intellectually and focus on the needs of the customers that are discriminative.

The personality traits of entrepreneurs are needed for a sound judgment of whether the entrepreneur will carry through the business plan successfully or otherwise. According to Idowu, Olusola, and Olawale (2017), entrepreneurs' personality traits that mostly define their operational success are the locus of control, need for achievement, innovativeness, and risk-taking. Gupta and Muita (2013) note that a combination of these attributes stands to distinguish entrepreneurs from non-entrepreneurs and stimulate a higher propensity to function in the entrepreneurial realms.

Locus of control, being one of the personalities of an entrepreneur, does not only involve the decisions taken by an entrepreneur that define their performance level, but environmental factors such as government regulations and political instability are also other controlling factors determining the success of their business engagement (Ajani & Oluyemi, 2016). In the context of Ekiti State, it seems that entrepreneurs tend not to appreciate the potency of the locus of control to improve the operational activities of their services. They appear not to be concerned about government regulations, most especially as it relates to taxation, training and even workshops, with the believes that they've gotten what it takes to effectively and efficiently run their businesses. Thus, this might be responsible for their low performance.

An entrepreneur's desire for business expansion, mastery of skills, and staying competitive in the industry through technological advancement is a prerequisite to higher performance. McClelland (2017) opines that a high need for achievement predicts entry into entrepreneurship. However, SMEs in Ekiti State seem not to be concerned with the nitty-gritty of the need for achievement. Over the years, observation shows that some of the entrepreneurs in Ekiti State are relatively too comfortable with their performance level, even when it is obvious that they can expand their business base. They tend to be contented with their market share without any need for improved performance. It appears that they are less aware that a higher need for more achievements will improve their competitiveness and ability to withstand the dreadful market force.

Risk-taking is the willingness and readiness to commit resources to pursue identified market opportunities that have a reasonable possibility of losses (Idowu, Olusola & Olawale, 2017). The decision to take risks and enter a new market with a new service or product defines a successful entrepreneur as it is a known fact that failure is an integral part of any successful entrepreneur. Thus, failure to do something different and pre-empt the moves of the competitors might cause the loss of customers and a reduction in the market share. Risk-taking seems not to be part of the personality traits of entrepreneurs in Ekiti State, and this might be connected to their low performance. It appears that some believe that if they take risks without any progress in their businesses, the experience may be devastating. They seem to forget that failure to take a calculated risk might compromise their competitive advantage when foreign products or another competitor is introduced in the industry.

Innovativeness is next to an increase in the sales volume, profit level and the satisfaction of customers' desires and needs. Idowu, Olusola and Olawale (2017) opined that innovativeness is the willingness of entrepreneurs or firms to engage in the creativity of ideas in terms of the production process and product and service delivery and trialling the new ideas in the market. This means that an entrepreneur that is not innovative might find it difficult to compete with other entrepreneurs in the same industry. In the context of SMEs in Ekiti State, it appears that innovativeness is not part of the entrepreneur traits. Some of entrepreneurs appear not to be creative enough to translate creative ideas into something concrete, unique, or novel. Personal experience shows that some of them are sound theoretically about the creation of something new, however; they appear to be overwhelmed with the fear of losing their limited resources if their new ideas fail.

Apart from the factors discussed above, demographic variables can also affect the personality traits of entrepreneurs. According to Ajani and Oluyemi (2016), there are some demographic variables affecting the personality trait of entrepreneurs. These variables according to Hisrich and Peters (2013) include education, years of experience and gender. Education is essential in the upbringing of an entrepreneur because of its potency to equip them with the necessary traits to function effectively and efficiently. One thing is to have the capital needed to start a business and another thing is to be equipped with enterprise knowledge. Failure to appreciate the essence of education in running a business venture might affect operational activities. Aina (2018) noted that

uneducated entrepreneurs appeared to be highly intimidated to the extent of considering leaving the market when educated entrepreneurs guarded with innovative and risk-taking traits enter the same industry.

In addition, years of experience have been noted as one of the intervening factors affecting the traits of entrepreneurs in this competitive global market environment (Ajani & Oluyemi, 2016). Years of experience can be regarded as the number of years an entrepreneur has spent in his/her business venture. It is often heard that a business owner with a longer year of experience might perform well than those new entrants in the industry. Owoseni & Akanbi (2011) notes that the years of experience do not matter if the new firm is well-groomed through education and intermittent training to appreciate the details of the personality traits of entrepreneurs. In Ekiti State, there seems to be a paucity of studies to understand the direction of the effect of years of experience on the performance of SMEs.

In the same vein, the gender of the entrepreneur is an important factor that determines the success of any business engagement. The personal experience of the researcher is indifference as regards the possible effect of how the gender of an entrepreneur will affect their operational performance in Ekiti State. In line with the observations made above and with the singular aim of improving the performance of SMEs in Ekiti State, the researcher examined the impact of entrepreneur personality traits on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.

## **2. Statement of the Problem**

The indispensability of the contribution of Small and Medium Scale Enterprises (SMEs) to the economic growth and development of nations has been widely acknowledged and well-documented by researchers and policymakers globally. In light of this, the government of Ekiti State made available several initiatives such as financial grants/loans, entrepreneurship training, youth empowerment, and youth agricultural entrepreneurship development programmes among others, to raise the level of performance of entrepreneurs. Despite all these initiatives, the expansion and the performance of SMEs seem to be crawling in Ekiti State. It is observed that some SMEs in Ekiti State and other states of Nigeria failed to last for five years. While it appears that some environmental factors are affecting their expansion and performance level, it also seems that some of them don't possess the personality traits to withstand the market shock, remain competitive and induced more customers.

Due to the current economic situation of Ekiti State, more entrepreneurs are evolving. It appears that some entrepreneurs in Ekiti State enter the industry with the aim of just "doing something", not knowing what the outcome will be. They believe that the business will fetch them a token or support their needs and wants at the moment. Worrisomely, they tend to care less about what it takes to run a business venture effectively and efficiently.

In Ekiti State, it seems most entrepreneurs make certain decisions which jeopardize their business existence because they have not been able to identify under what situation or circumstance, they can generate the most constructive ideas. Also, what type of personality they possess and its advantage to their innovative ability. It appears that some individuals have this ability within them, but have no idea what it is, and how to make effective and efficient use of them. All these might be responsible for their low business performance and the crawling economic development of the state.

## **2.1 Research Questions**

The following questions guided this study:

- 1) What is the performance level of entrepreneurs in Ekiti State?
- 2) What are the personality traits possessed by entrepreneurs?

## **2.2 Research Hypotheses**

The following hypotheses were formulated for this study:

- 1) There is no significant impact of entrepreneur personality traits on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.
- 2) There is no significant impact of locus of control on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.
- 3) There is no significant impact of innovativeness on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.
- 4) There is no significant impact of risk-taking on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.
- 5) There is no significant impact of the need for achievement on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.
- 6) There is no significant difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on the gender of the entrepreneur.
- 7) There is no significant difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on the years of experience of the entrepreneur.

## **3. Methodology**

Descriptive research of the survey design was adopted for the study and the study was carried out in Ekiti State. The population for this study consisted of all the male and female operators of SMEs in Ekiti State. There are 16,058 Small and Medium Scale Enterprises (SMEs) in Ekiti State as at the time of this study. The sample for the study consisted of 324 respondents, using a multistage sampling procedure. In the first stage, 3 Local Governments Areas (LGAs) were selected in each of the senatorial districts in Ekiti State through a simple random sampling technique. The second stage involved the use of a simple random sampling technique to select 36 SMEs in each of the selected 9 LGAs. In the third stage, a stratified random sampling technique was used to select one operator

in each of the selected SMEs using gender as the basis of stratification. A structured questionnaire titled “Entrepreneur Personality Traits and Performance of Small and Medium Enterprises” (EPTPSMEs) questionnaire was used for data collection. Both face validity and content validity method were employed to validate the instrument. The data collected were analyzed using descriptive statistics such as frequency counts, percentage scores, mean and standard deviation inferential statistics such as regression analysis, t-test and ANOVA were used to test the hypotheses.

#### 4. Results

**Question 1:** What is the performance level of entrepreneurs in Ekiti State?

**Table 1:** Level of Entrepreneurial Performance in Ekiti State

Level of entrepreneurial performance in Ekiti State	Mean	SD	Frequency	Percentage (%)
Low (15 - 44.74)	50.17	5.427	34	11.64
Moderate (44.75 - 55.59)			200	68.49
High (55.60 - 60)			58	19.87
Total			292	100

Table 1 presents the performance level of entrepreneurs in Ekiti State. The result shows that out of 292 respondents sampled, 34 representing 11.64% had low performance. Those with a moderate level of performance were 200 representing 68.49% while those with a high level of performance were 58 representing 19.87%. This showed that the level of entrepreneurial performance in Ekiti State was moderate.

**Question 2:** What are the personality traits possessed by entrepreneurs?

**Table 2:** Mean Rating of Personality Traits Possessed by Entrepreneurs

	N	Mean	Std. Deviation
Locus of Control	292	17.33	1.839
Innovativeness	292	16.51	1.748
Risk Taking	292	16.20	2.173
Need for Achievement	292	17.05	2.301

Table 2 showed the personality traits possessed by entrepreneurs. With a mean score of 17.33, locus of control is considered the most important trait to be possessed by an entrepreneur, this is closely followed by the need for achievement with a mean score of 17.05, innovativeness and risk-taking with mean scores of 16.51 and 16.20 respectively.

**Hypothesis 1:** There is no significant impact of entrepreneur personality traits on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.

In order to test the hypothesis, scores relating to respondents’ entrepreneur personality traits and the performance of SMEs in Ekiti State were computed and subjected to

statistical analysis involving regression statistics at 0.05 level of significance. The result is presented in Table 3.

**Table 3:** Multiple Regression Analysis Showing the impact of entrepreneur personality traits on performance of Small and Medium Enterprises (SMEs)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.579	2.042		.773	.440
Locus of Control	1.103	.100	.374*	11.040	.000
Innovativeness	.239	.107	.077*	2.227	.027
Risk Taking	.080	.044	.057	1.811	.071
Need for Achievement	1.421	.082	.602*	17.248	.000
Dependent Variable: Performance of Small and Medium Enterprises (SMEs)					

**Note:** R = 0.855; R<sup>2</sup> = 0.731; Adjusted R<sup>2</sup> = 0.727; F = 195.096; P = 0.000 < 0.05

Table 3 reveals that there is a positive multiple correlation between entrepreneur personality traits and the performance of SMEs in Ekiti State (R = 0.855). The value of the coefficient of determinant (R<sup>2</sup> = 0.727) indicated that personality traits accounted for 72.7% of the total variance in the performance of SMEs while the remaining 27.3% unexplained variation could largely be due to other variables not examined in this study. The regression result in the table revealed that the entrepreneur personality trait that impacts the performance of SMEs most is the need for achievement ( $\beta = 0.602$ ). This was closely followed by locus of control ( $\beta = 0.374$ ), innovativeness ( $\beta = 0.077$ ), and risk-taking ( $\beta = 0.057$ ). The F-ratio (195.096) was significant at a 0.05 level of significance. This implies that the predictor variables will provide a significant explanation for the variation in the performance of SMEs in Ekiti State. Thus, the hypothesis that there is no significant impact of entrepreneurial personality traits on the performance of Small and Medium Enterprises (SMEs) in Ekiti State was rejected.

**Hypothesis 2:** There is no significant impact of locus of control on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.

In order to test the hypothesis, scores relating to a locus of control and performance of SMEs in Ekiti State were computed and subjected to statistical analysis involving regression statistics at a 0.05 level of significance. The result is presented in Table 4.

**Table 4:** Multiple Regression Analysis Showing the impact of locus of control on the performance of Small and Medium Enterprises (SMEs)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	18.142	2.353		7.709	.000
Locus of Control	1.848	.135	.626*	13.687	.000
Dependent Variable: Performance of Small and Medium Enterprises (SMEs)					

**Note:** R = 0.626; R<sup>2</sup> = 0.392; Adjusted R<sup>2</sup> = 0.390; F = 187.333; P = 0.000 < 0.05



Table 4 reveals that there is a positive correlation between the locus of control and the performance of SMEs in Ekiti State ( $R = 0.626$ ). The value of the coefficient of the determinant ( $R^2 = 0.390$ ) indicated that locus of control accounted for 39% of the total variance in the performance of SMEs while the remaining 61% unexplained variation could largely be due to other variables examined in this study. The F-ratio (187.333) was significant at a 0.05 level of significance. This implies that the predictor variable will provide a significant explanation for the variation in the performance of SMEs in Ekiti State. Thus, the hypothesis that there is no significant impact of locus of control on the performance of Small and Medium Enterprises (SMEs) in Ekiti State was rejected.

**Hypothesis 3:** There is no significant impact of innovativeness on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.

In order to test the hypothesis, scores relating to innovativeness and performance of SMEs in Ekiti State were computed and subjected to statistical analysis involving regression statistics at a 0.05 level of significance. The result is presented in Table 5.

**Table 5:** Multiple Regression Analysis Showing the impact of innovativeness on the performance of Small and Medium Enterprises (SMEs)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	27.762	2.723		10.195	.000
Innovativeness	1.357	.164	.437*	8.275	.000
Dependent Variable: Performance of Small and Medium Enterprises (SMEs)					

Note:  $R = 0.437$ ;  $R^2 = 0.191$ ; Adjusted  $R^2 = 0.188$ ;  $F = 68.479$ ;  $P = 0.000 < 0.05$

Table 5 reveals that there is a positive correlation between innovativeness and the performance of SMEs in Ekiti State ( $R = 0.437$ ). The value of the coefficient of the determinant ( $R^2 = 0.188$ ) indicated that innovativeness accounted for 18.8% of the total variance in the performance of SMEs while the remaining 81.2% unexplained variation could largely be due to other variables examined in this study. The F-ratio (68.479) was significant at a 0.05 level of significance. This implies that the predictor variable will provide a significant explanation for the variation in the performance of SMEs in Ekiti State. Thus, the hypothesis that there is no significant impact of innovativeness on the performance of Small and Medium Enterprises (SMEs) in Ekiti State was rejected.

**Hypothesis 4:** There is no significant impact of risk-taking on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.

In order to test the hypothesis, scores relating to the risk-taking and performance of SMEs in Ekiti State were computed and subjected to statistical analysis involving regression statistics at a 0.05 level of significance. The result is presented in Table 6.

**Table 6:** Multiple Regression Analysis Showing the impact of risk-taking on the performance of Small and Medium Enterprises (SMEs)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	49.429	1.392		35.507	.000
Risk Taking	.045	.082	.032	.547	.585

Dependent Variable: Performance of Small and Medium Enterprises (SMEs)

**Note:** R = 0.032; R<sup>2</sup> = 0.001; Adjusted R<sup>2</sup> = 0.002; F = 0.300; P = 0.585 > 0.05

Table 6 reveals that there is a positive correlation between risk-taking and the performance of SMEs in Ekiti State (R = 0.032). The value of the coefficient of the determinant (R<sup>2</sup> = 0.002) indicated that risk-taking accounted for 0.2% of the total variance in the performance of SMEs while the remaining 99.8% unexplained variation could largely be due to other variables examined in this study. The F-ratio (0.032) was not significant at a 0.05 level of significance. This implies that the predictor variable will not provide a significant explanation for the variation in the performance of SMEs in Ekiti State. Thus, the hypothesis that there is no significant impact of risk-taking on the performance of Small and Medium Enterprises (SMEs) in Ekiti State was accepted.

**Hypothesis 5:** There is no significant impact of the need for achievement on the performance of Small and Medium Enterprises (SMEs) in Ekiti State.

In order to test the hypothesis, scores relating to the need for achievement and performance of SMEs in Ekiti State were computed and subjected to statistical analysis involving regression statistics at a 0.05 level of significance. The result is presented in Table 7.

**Table 7:** Multiple Regression Analysis Showing the impact of need for achievement on the performance of Small and Medium Enterprises (SMEs)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	19.383	1.531		12.657	.000
Need for Achievement	1.806	.089	.766*	20.287	.000

Dependent Variable: Performance of Small and Medium Enterprises (SMEs)

**Note:** R = 0.766; R<sup>2</sup> = 0.587; Adjusted R<sup>2</sup> = 0.585; F = 411.557; P = 0.000 < 0.05

Table 7 reveals that there is a positive correlation between the need for achievement and the performance of SMEs in Ekiti State (R = 0.766). The value of the coefficient of the determinant (R<sup>2</sup> = 0.585) indicated that the need for achievement accounted for 58.5% of the total variance in the performance of SMEs while the remaining 41.5% unexplained variation could largely be due to other variables examined in this study. The F-ratio (411.557) was significant at a 0.05 level of significance. This implies that the predictor variable will provide a significant explanation for the variation in the performance of SMEs in Ekiti State. Thus, the hypothesis that there is no significant impact of the need for achievement on the performance of Small and Medium Enterprises (SMEs) in Ekiti State was rejected.

**Hypothesis 6:** There is no significant difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on the gender of the entrepreneur.

In order to test the hypothesis, scores relating to the performance of male and female entrepreneurs in Ekiti State were computed and subjected to statistical analysis involving t-test statistics at a 0.05 level of significance. The result is presented in Table 8.

**Table 8:** t-test Analysis Showing the difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on the gender of the entrepreneur

Gender	N	Mean	Std. Deviation	Df	t <sub>cal</sub>	Sig
Male	132	50.41	5.106	290	0.680	0.497
Female	160	49.98	5.686			

**Note:** P = 0.497 > 0.05 (Not Significant)

Table 8 showed that df = 290, t<sub>cal</sub> = 0.680 and P value = 0.497 at 0.05 level of significance. Since the P value of 0.497 is > 0.05, the null hypothesis is accepted. This implies that there is no significant difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on the gender of the entrepreneur.

**Hypothesis 7:** There is no significant difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on the years of experience of the entrepreneur.

In order to test the hypothesis, scores relating to the performance of entrepreneurs in Ekiti State based on their years of experience were computed and subjected to statistical analysis involving ANOVA at a 0.05 level of significance. The result is presented in Table 9.

**Table 9:** ANOVA Analysis showing the difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on years of experience of the entrepreneur

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	660.567	3	220.189	8.018*	.000
Within Groups	7908.871	288	27.461		
Total	8569.438	291			

**Note:** P = 0.000 < 0.05 (Significant)

Table 9 showed that df = 291, F<sub>cal</sub> = 8.018 and P value = 0.000 at 0.05 level of significance. Since the P value of 0.000 is < 0.05, the null hypothesis is accepted. This implies that there is no significant difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on the years of experience of the entrepreneur. In order to locate the source of significant difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on years of experience of the entrepreneur, Scheffe Posthoc analysis was carried out. The result is presented in Table 10.

**Table 10:** Scheffe Posthoc analysis showing the difference in the performance of Small and Medium Enterprises (SMEs) in Ekiti State based on years of experience of the entrepreneur

Years of Experience	1	2	3	4	N	Mean
1. Below 1 year				*	152	49.30
2. 1-2 years				*	58	49.59
3. 3-4 years					52	51.04
4. 5 years and above					30	54.20

**Note:** P<0.05 (Significant Result)

The results in Table 10 show that a significant difference exists in the performance of SMEs among entrepreneurs with less than 1 year and 5 years of experience. Also, there is a significant difference in the performance of SMEs among entrepreneurs with less than 1-2 years and 5 years of experience.

## 5. Discussion

The finding from this study revealed that the level of entrepreneurial performance in Ekiti State was moderate. This indicated that most of the SMEs perform at a normal level without the tendency to expand. This perhaps could be a result of the fact that the entrepreneurs are contented with their pace. This finding corroborated that of Ikeme (2012) who submitted that the term profitability is not synonymous with efficiency or effectiveness. He further stated that, though, profitability is an important yardstick for measuring an entrepreneur's performance, the extent of profitability cannot be taken as final proof of efficiency and effectiveness. This means that satisfactory profits can sometimes mark inefficiency and conversely.

The findings further showed that the personality traits possessed by entrepreneurs in Ekiti State include locus of control, need for achievement innovativeness and risk-taking. This finding is in line with the submission of Pontus (2010) who noted that innovation highly entails building on earlier inventions, development, and applications but is also discontinuous in its creative destruction. It is highly important in entrepreneurship because it facilitates entrepreneurial activities by empowering people to take charge of their lives and economic prosperity. The findings also corroborated that of Moroku (2012) who submitted that fundamentals of personality include consistency multiple expression and impact on behavior and actions.

In addition, the findings of the study showed that entrepreneurial personality traits have an impact on the performance of SMEs in Ekiti State. This established the fact that the development of any form in society could be traceable to certain factors among which is personality. This corroborated the submission of Macko (2010) who observed that entrepreneurial personality matter to the success of entrepreneurs. He stated further that entrepreneurial personality traits include behavioural characteristics both inherent and acquired that distinguish one person from another and can be observed in people's relations to the environment and social group.

The findings of this study equally showed that locus of control has an impact on the performance of SMEs in Ekiti State. The reason for these findings could owe to the fact that an entrepreneur has the capacity to determine the level of performance based on the conscious decisions he takes. This finding is in line with that of Boydston, Hopper and Wright (2010) who found that most entrepreneurs don't believe in chance but they are in control of their own destinies. It was also revealed from the findings of the study that innovativeness has an impact on the performance of SMEs in Ekiti State. This indicates that the ability to introduce fresh ideas into one's venture keeps the business relevant in society. This finding corroborated that of Kados (2012) who pointed out that sustainable entrepreneurship can be achieved through the perspective of innovative small and medium-scale enterprises.

It was also revealed from the findings of this study that risk-taking has no impact on the performance of SMEs in Ekiti State. This indicates that one's ability to take risks doesn't guarantee a positive result in the performance of SMEs. The findings negate that of Letam (2014) who conducted a study on entrepreneurship and risk-taking while considering different types of risk such as mental risk, financial risk, job risk, and social and family risk with entrepreneurship. He found that there was a significant and positive relationship between an entrepreneur's objective and risk-taking because entrepreneurs must take risks in order to realize their ideas. Findings from this study equally showed that the need for achievement has an impact on the performance of SMEs in Ekiti State. This indicates that the zeal to achieve success oftentimes serves as internal motivation to succeed and tends to encourage one to invest the needed energy in order to ensure success in one's venture. This finding is in line with the submission of Rishipal and Jain (2012) who submitted that need for achievement is a major factor that influences the degree of risk adaptiveness among entrepreneurs. In their study, the need for achievement is an antecedent for risk adaptiveness among entrepreneurs.

The finding further established that there was no difference in the performance of SMEs in Ekiti State based on the gender of the entrepreneur. This indicates that one's gender doesn't limit the personality traits one possesses which invariably doesn't determine one's performance as an entrepreneur. However, there was a difference in the performance of SMEs in Ekiti State based on the years of experience of the entrepreneur. These findings established the popular saying that experience is the best teacher.

## **6. Conclusion**

Based on the finding of the study, it was concluded that the performance level of SMEs in Ekiti State was moderate. It was also concluded that entrepreneur personality traits have an impact on the performance of SMEs in Ekiti State. However, the performance of SMEs in Ekiti State was not gendered bias.

## 6.1 Recommendations

Based on the finding of this study, it is recommended that;

- 1) Government should encourage entrepreneurs by providing enabling environment for businesses to thrive,
- 2) Irrespective of gender and years of experience, entrepreneurs should see training and seminar workshops as an avenue to improve their skills, thus, they are encouraged to attend regularly.
- 3) Entrepreneurs are encouraged to opt for business ventures in which they have a comparative advantage, this could enable them to focus on areas they can adequately control.
- 4) Entrepreneurs are encouraged to introduce fresh ideas into their businesses as this could entice more patronage from existing and new customers.

## Conflict of Interest Statement

The work is original and it has not been submitted to any publishing out.

## About the Authors

**Dr. Godwin Onnoh Onajite** obtained his first degree B.Sc (Ed) and M.Ed in Business Education from the University of Benin, Benin City, Nigeria and Ph.D also in Business Education from Nnamdi Azikiwe University, Awka, Nigeria. He is currently a Reader in Department of Vocational and Technical Education, Ekiti State University, Ado-Ekiti, Ekiti State, Nigeria. He has authored many articles in local and foreign journals.

**Popoola O. Mary** has her first Degree B.Sc (Ed) in Business Education and currently undergoing her Pqst graduate Studies in the Department of Vocational and Technical Education, Ekiti State University, Ado-Ekiti, Ekiti State, Nigeria.

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