The assessment of competitive scope and organizational capability that leads to higher degrees of performance of SMEs in Adamawa State, Nigeria.

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ABSTRACT
An entrepreneur is a person of very high aptitude who pioneers change, possessing characteristics found in only a very small fraction of the population. It could also be anyone who wants to work for him or herself. The purpose of this research was to appraise competitive scope and organizational capability that leads to higher degrees of performance of SMEs. This study employed a survey research design. The results showed that competence has no significant effect on small and medium enterprise performance. Also from the result it was found that conceptual competence has no significant effect on small and medium enterprise performances. In conclusion, this study contributes to research on entrepreneurship by revealing that: organizational capability, in turn, has a positive impact on firm performance. The study also recommend that there should be an effective study on entrepreneurial commitment competences to enhance small and medium enterprise performance in the state.

Keywords: Competitive scope, organizational capability, performance and SMEs.

INTRODUCTION
In Nigeria, the small and medium enterprises sub-sector have been expanding, especially since the mid-1980s, following the prolonged recession in the economy which forced many large enterprises to lay off large proportion of their work-force [1, 2, 3, 4]. The sector accounts for 70 percent of industrial employment [5, 6, 7]. Also the agricultural sector, which largely consists of SMEs, employs over 60 percent of the nation work-force [8]. The entrepreneurs in turn exploit the available opportunities in the society or their environmental domain, to create or develop new products or services, thus adding value to society while equally maximizing benefits or profits [9]. The impact of the activities of the entrepreneurs or small and medium enterprises (SME) on the socio-political-economic life of Nigeria is quite obvious. It is in recognition of the strategic role of the entrepreneurs in national development, that the federal, states, local governments, and even some corporate institutions are continuously creating the enabling environment to enhance entrepreneurship [10].

An entrepreneur according to [11], is usually a duty that must be done not minding whether it is difficult or not. He/she is a risk taker who likes to take an adventure into the unknown and unfamiliar territories, which with determination and courage wishes to explore and conquer. An entrepreneur is a person of very high aptitude who pioneers change, possessing characteristics found in only a very small fraction of the population. On the other extreme of definitions, anyone who wants to work for him or herself is considered to be an entrepreneur.
According to [12], whatever business one does for a living can be considered as self-employment or an entrepreneurship. That is to say that entrepreneurship abounds in all spheres of human endeavour; electrical engineering trades, building trades, leader works, and business trades. Also, he outlines other types of entrepreneurs as:

i. **Mining and agriculture occupation** - Business in this occupation are mainly on the production of raw materials either by extraction or basic production business in mining and that connected with producing, preparing and selling farm products as well as entrepreneurs in quarry business, potmaking, coaoil farming, fishery, piggery, goatry, poultry, cattle rearing, horticulture.

ii. **Manufacturing (construction occupation)** - Those engaged in this business make or grow crops to be sold or engaged in construction works. People are engaged in such business as soap makers, bakers, porters, carpenters, furniture makers, upholsters, leader workers and shoe makers, boat builders, printers, architects.

iii. **Distribution industry** - Distribution has to do with the business of moving products from their points of origin to where they will be used or consumed. Many activities and institutions are involved in carrying out these functions. Unlike in some other occupation, trades are so broad and unlimited. Most entrepreneurs that are involved in the distribution business include: the wholesalers, retailers, commissioned agents, insurance brokers, bankers, and communication agents.

iv. **Service occupation** - The service industry is fast growing. Selling of personal services is on the increase as the standard of living of the people is increasing. In service industry, there are artistes (musicians, actors, comedians etc) fashion designers, hair dressers, dry cleaners and many others.

Performance according to [13], is described as an action or achievement considered in relation to how successful it is. Performances are variously measured and the perspectives are tied together and consistently monitored from the organization context [14]. What connotes performance varies from one organization to another. Prior to 1980s, financial indicators were the sole measurement rod of performance such as: profit, return on investment, sales per employees and productivity [15].

**Research Question**

This study attempts to find answer to the research question:
What greater competitive scope and organizational capability leads to higher degrees of performance?

**Objectives of the Research**
The specific objective of this research is:
To appraise competitive scope and organizational capability that leads to higher degrees of performance of SMEs.

**Statement of Hypotheses**
H.1. Competitive scope is positively related to firm performance.
H.2. Organizational capability is positively related to firm performance.

**MATERIALS AND METHODS**

**Research Design**

This study employs a survey research design. The study utilizes the survey research design as it is suitable for allowing respondents to express their feelings about the effect of entrepreneurial competencies on small and medium enterprises in Adamawa State.
Table 1: Population for the study

<table>
<thead>
<tr>
<th>S/NO</th>
<th>Name of Government</th>
<th>Local Small enterprise</th>
<th>Medium enterprise</th>
<th>Population Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mubi North</td>
<td>95</td>
<td>45</td>
<td>140</td>
</tr>
<tr>
<td>2</td>
<td>Gombi</td>
<td>80</td>
<td>60</td>
<td>140</td>
</tr>
<tr>
<td>3</td>
<td>Yola North</td>
<td>75</td>
<td>65</td>
<td>140</td>
</tr>
<tr>
<td>4</td>
<td>Numan</td>
<td>100</td>
<td>40</td>
<td>140</td>
</tr>
<tr>
<td>5</td>
<td>Ganye</td>
<td>110</td>
<td>30</td>
<td>140</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>460</td>
<td>240</td>
<td>700</td>
</tr>
</tbody>
</table>

Sample size for study
The sample of the study was drawn from the population using stratified and convenience sampling techniques. A total of 248 enterprises is the sample size used for the study.

Sampling Techniques
Sampling technique adopted for this study are stratified and convenience sampling techniques.

Source of Data
Primary source of data collection used in carrying out this research was the use of the questionnaire. It is employed to gather necessary and relevant data from the respondents. This method was used in order to minimize the problems associated with data collection and to ensure that the results from this are visible and bias free. The questions are designed to sample the views of the respondents on the effect of entrepreneurial competencies on performance of small and medium enterprises.

Instrument for Data Collection
The instrument used for data collection is a structured questionnaire. The questionnaires consist of two (2) sections. Section ‘A’ measures demographic characteristics with items such as age, gender and educational level, section ‘B’ consists of 25 items that deals with investigating the effect of entrepreneurial competencies on small and medium performance.

For the purpose of conducting this research, the researcher has chosen five point likert scales from “Strongly disagree” (1) to “Strongly agree” (5) for all the tested constructs. To obtain the cooperation of the respondents, the nature and purpose of the research are made known to the respondents and anonymity is assured. The respondents are promised access to the study if they so desired.

Validity of the Instruments
Validation is an effective method for content and face validation of research instrument. Consequently, the questionnaire was screened by three (3) experts or professionals made up of the Supervisor, two professionals (experts) from both Federal Polytechnic, Mubi and Adamawa State University Mubi. The appropriateness, comprehensiveness and clarity of the items were observed to make sure they are in line to test what is expected of testing.

Reliability of the Instrument
To get reliable and factual items for test, [16], suggests that internal check in the form of logical test in the questionnaire should be included. Reliability of test items indicates how result can be obtained almost repeatedly using several tests. The research items are structured in a manner to give a reliable result in respect to the study environment. Therefore, cronbach’s alpha is used to test the reliability of the question items.

Methods of Data Analysis
Data collected was analysed using descriptive and inferential statistics. Descriptive statistics (frequency and percentage) is used to analyse section A of the research instrument which deals with the demographic data and the inferential statistic (linear regression analysis) is used to analyze section B of the research instrument which consist of items on independent and dependent variables. The variables are fitted into Regression model below;
Multiple Regression

Multiple regression analysis is an extension of bivariate regression analysis which allows for the simultaneous investigation of the effect of two or more independent variables on a single interval-scaled dependent variable. Thus, a continuous, interval-scaled dependent variable is required in multiple regression, as it is bivariate regression. Interval scaling is also a requirement for the independent variables.

Model specification

The specification of a model is based on the available information relevant to the objectives of the study in question. Here, the predictor entrepreneurial competence and the dependent variable is Small and Medium enterprises performance. The model is stated as: \( Y = a + \beta_1 X_1 + \beta_2 X_2 + \cdots + \beta_k X_k + \epsilon \)

\( Y \) = small and medium enterprises competencies
\( a \) = constant
\( \beta_1 \) (opportunity competence)
\( \beta_2 \) (organizing competence)
\( \beta_3 \) (commitment competence)
\( \beta_4 \) (conceptual competence)
\( \epsilon \) = error term

RESULTS

A sample size of 248 respondents is targeted for this study. With 248 respondents participating in the study, the response rate is 95% which is satisfactory to represent the views of the whole population.

Gender of the respondent

According to the findings illustrated in table 2, male entrepreneurs make up 66.5% of the respondents, while female entrepreneurs make up 33.5%. This indicates that although male entrepreneurs have the highest percentage, therefore, males form a significant proportion of all respondents.

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>165</td>
<td>66.5</td>
</tr>
<tr>
<td>Female</td>
<td>83</td>
<td>33.5</td>
</tr>
<tr>
<td>Total</td>
<td>248</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 2: Gender of respondents

Source: Field Survey, 2020

The age of respondent

The study also seeks to establish the average age of all the participants in the study. The average age of respondents have indirect impacts on the other factors that determine entrepreneur’s performance. The findings indicate that the greatest proportion of respondents is age is between 38-47 years and above these constitute a total of approximately 46.4% for respondent’s population, 29.8% for age 48 years and above, and 57 followed by age between 28-37 years with 23% and the less is 18-27 years, having the less percentage which is 2% as illustrated in table 3.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-27 years</td>
<td>2</td>
<td>0.8</td>
</tr>
<tr>
<td>28-37 years</td>
<td>57</td>
<td>23.0</td>
</tr>
<tr>
<td>38-47 years</td>
<td>115</td>
<td>46.4</td>
</tr>
<tr>
<td>48 years and above</td>
<td>74</td>
<td>29.8</td>
</tr>
<tr>
<td>Total</td>
<td>248</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 3: Age of Respondents

Source: Field survey, 2020
Level of Education

Respondent’s average level of education is one of the factors that have been identified in the literature as affecting the respondents. This study establishes that a significant majority of the respondents are degree holders which constitute 52% followed by respondents with NCE/ND with 34.3%, respondents with other qualification constitute 9.3% each and the least is those with primary/secondary certificate constitute only 4.4% of the respondents as shown in table 4.

Table 4: Educational level of respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary/school certificate</td>
<td>11</td>
<td>4.4</td>
</tr>
<tr>
<td>ND/NCE</td>
<td>85</td>
<td>34.3</td>
</tr>
<tr>
<td>Degree</td>
<td>129</td>
<td>52.0</td>
</tr>
<tr>
<td>other qualification</td>
<td>23</td>
<td>9.3</td>
</tr>
<tr>
<td>Total</td>
<td>248</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2020

Respondents Years in Business

Respondent’s average years in business are one of the factors that have been identified in the literature. This study establishes that a significant majority of the respondents are those in business for 5 years and above with 46.4 %, followed by those in business for 4 years with 32.3% and 3 years with 19.4% and the less are those in business for 2 years with 2% as shown in table 5.

Table 5: Respondents Years in Business

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 years</td>
<td>5</td>
<td>2.0</td>
</tr>
<tr>
<td>3 years</td>
<td>48</td>
<td>19.4</td>
</tr>
<tr>
<td>4 years</td>
<td>80</td>
<td>32.3</td>
</tr>
<tr>
<td>5 years and above</td>
<td>115</td>
<td>46.4</td>
</tr>
<tr>
<td>Total</td>
<td>248</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2020

Reliability Analysis

Reliability analysis allows examination of the properties of measurement scales and the variables making them up. The reliability analysis procedure calculates a number of commonly used measures of scale reliability and provides information on the relationship between individual variables in the scale. This study carries out a reliability analysis to establish the reliability of the independent variables in the study. As indicated in table 6., a Cronbach’s Alpha value of the variables are as follow:

- opportunity competencies = 0.839,
- organizing competencies = 0.796,
- commitment competencies = 0.813,
- conceptual competencies = 0.804,
- small and medium enterprises = 0.782.

The Variable-Total statistics in table 5, reveals that each of the variables had a measure of over 0.6 and small and medium enterprise variable has the list Cronbach Alpha value of 0.782 and the highest is opportunity competencies with cronbach alpha value of 0.839 that means that all of them are reliable.
Table 6: Reliability of Result

<table>
<thead>
<tr>
<th>S/N</th>
<th>Variables</th>
<th>Number of items</th>
<th>Cronbach alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Opportunity competencies</td>
<td>5</td>
<td>0.839</td>
</tr>
<tr>
<td>2</td>
<td>Organizing competencies</td>
<td>5</td>
<td>0.796</td>
</tr>
<tr>
<td>3</td>
<td>Commitment competencies</td>
<td>5</td>
<td>0.813</td>
</tr>
<tr>
<td>4</td>
<td>Conceptual competencies</td>
<td>5</td>
<td>0.804</td>
</tr>
<tr>
<td>5</td>
<td>Small and Medium enterprise performance</td>
<td>5</td>
<td>0.782</td>
</tr>
</tbody>
</table>

Source; Filed Survey, 2020

Inferential Analysis

Inferential statistics are used to infer things about the population at large from information taken from a small sample of that population. Inferential statistics are important in social sciences research as it typically studies a sample and yet it is to reach conclusions about the larger populations from which the sample drawn. Inferential statistics helps to make generalization from the situation not studied.

Regression Analysis Assumptions and Normality Test

The assumptions of multiple regression (MR) that are known as primary concern in the research include: autocorrelation, linearity, homoscedasticity, normality, and collinearity. This section specifically defines each assumption.

Autocorrelation Assumption

The Durbin Watson test for autocorrelation is carried out to test if there is any violation in the assumption. From the results, it shows that there is no autocorrelation within the residuals of the specified model of the regression. The acceptance critical criterion of Durbin Watson is between 1.5 and 2.5. For this study, it can be assumed that the value is within the range of critical criterion that is 2.161 as shown in table 9 below, which indicates that there is no violation of autocorrelation in this study.
Multiple regression can accurately estimate the relationship between dependent and independent variables when the relationship is linear in nature. The chance of non-linear relationships is high in the social sciences, therefore it is essential to examine analyses for linearity. If the relationship between the dependent and independent variables is not linear, the results of the regression analysis will under- or over- estimate the true relationship and increase the risk of errors.

If linearity is violated all the estimates of the regression including regression coefficients, standard errors, and tests of statistical significance may be biased [15]. When bias occurs it is likely that it does not reproduce the true population values. Violation of this assumption threatens the meaning of the parameters estimated in the analysis [16]. It can be seen from figure 2 below that the variables have linear relationship.

Figure 2: Histogramme

**Histogram**

**Dependent Variable: SMSES**

- **Mean**: -2.02E-10
- **Std. Dev.**: 0.582
- **N**: 246

**Regression Standardized Residual**

![Histogram showing linear relationship between variables](image-url)
Source: Field survey, 2020
Figure 3: Normal P-P plot.

Normal P-P Plot of Regression Standardized Residual
Dependent Variable: SMSES

Source: Field survey, 2020
Homoscedasticity assumption
Homoscedasticity means the relationship under investigation is the same with the entire range of the dependent variable. Lack of homoscedasticity is shown by higher errors (residuals) for some portion of range compared to others when homoscedasticity assumption is met, residuals will form a patternless cloud of dots. Lack of homoscedasticity is easily seen in standardized scatter plot. The scatter plot of the standardized predicted dependent variable against standardized residuals. In figure 3 below, service quality is used to predict customer loyalty and the standardized predicted and the residual values are saved. The plot is largely cloudy indicating (homoscedasticity). This shows that there is no violation of homoscedasticity which can lead to the problem of heteroscedasticity.

Multicollinearity Assumption
Multicollinearity is a high degree of correlation (linear dependency) among several independent variables. It commonly occurs when a large number of independent variables are incorporated in a regression model. It is because some of them may measure the same concepts or phenomena. Only existence of multicollinearity is not a violation of the Ordinary Least Squares regression (OLS) assumption. However, a perfect multicollinearity violates the assumption that X matrix is full ranked, making OLS impossible. When a model is not fully ranked, that is, the inverse of X cannot be defined, there can be an infinite number of least squares solutions.
Symptoms of multicollinearity may be observed in situations:

- Small changes in the data produce wide swings in the parameter estimates;
- Coefficients may have very high standard errors and low significance levels even though they are jointly significant and the $R$ for the regression is quite high;
- Coefficients may have the "wrong" sign or implausible magnitude (Greene, 2000). A judgement can be made by checking related statistics, such as tolerance value or variance inflation factor (VIF), Eigenvalue, and condition number. The VIF acceptance range is between 1 and 10 in this study, the VIF in table 10 below is 2.643. It shows that regression is not violated and there is no problem of multicollinearity. The rule of thumb for a large VIF value is ten [16, 17]

**Normality Assumption**

Regression assumes that variables have normal distributions. Non-normally distributed variables (highly skewed or kurtotic variables, or variables with substantial outliers) can distort relationships and significance tests. There are several pieces of information that are useful to the researcher in testing this assumption: visual inspection of data plots, histogram and P-P plots give researchers information about normality. As shown in figures 4 and 5 below:

![Scat Matrix](source: Field survey, 2020)

**Figure 5: Scat Matrix.**
Multiple Regression
The researcher conducted a multiple regression analysis so as to test relationship among variables. The research applies the statistical package for social sciences (SPSS) to code, enter and compute the measurements of the multiple regressions for the study. Table 6 provides the summary of the regression model applied in this study. Coefficient of determination explains the extent to which changes in dependent variable can be explained by the change in the independent variables or the percentage of the variation in the dependent variable (small and medium enterprise) that is explained by all the three independent variables (opportunity, organizing, commitment and conceptual competencies).

According to the regression model applied in this study on table 7, R Square is 0.553 and adjusted R square is 0.545, implying that the independent variables studied explain 55.3% of the entrepreneurial competencies. This implies that the other variables not studied in this research contribute 44.7% of the variability in small and medium enterprises performance. The Durbin-Watson d = 1.747 is between the two critical values of 1.5 < d < 2.5, therefore, it assumes that there is no first order autocorrelation in the data. The ANOVA report or F statistics on table 8, indicates that the overall significance of the regression model applied in this study indicates that, p<0.05 (Sig. =0.00) and therefore our model is significant. The F value is 75.039 and the significant level is 0.000.

Table 7: Model Summarya

<table>
<thead>
<tr>
<th>Model 1</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.743a</td>
<td>0.553</td>
<td>0.545</td>
<td>2.62826</td>
<td>1.901</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), CMMCP, CPCP, ORGCP, OPPCP
b. Dependent Variable: SMEP
Source: Field survey, 2020

Table 8: ANOVAa

<table>
<thead>
<tr>
<th>Model1</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>2073.417</td>
<td>4</td>
<td>518.354</td>
<td>75.039</td>
<td>0.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>1678.583</td>
<td>243</td>
<td>6.908</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3752.000</td>
<td>247</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: SMEP
b. Predictors: (Constant), CMMCP, CPCP, ORGCP, OPPCP
Source: Field survey, 2020

Table 9 shows the coefficient of the variables which indicated that opportunity competence has $\beta=0.044$, $t=0.730$, $P=0.44$, this shows that opportunity competence has no significant effect on small and medium enterprises performance, null hypothesis accepted. The second variable is conceptual competence which has the $\beta=0.094$, $t=1.572$, $P=0.11$. This indicates that conceptual competence has no significant on small and medium enterprises performance, so the null hypothesis is accepted and reject the alternate hypothesis. Organizing competence has $\beta=0.101$, $t=1.685$, $P=0.095$and this shows that their organizing competence has no significant effect on small and medium enterprises performance, therefore, accept the null hypothesis.
Table 9: Coefficients

<table>
<thead>
<tr>
<th>Model 1</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>(Constant)</td>
<td>3.708</td>
<td>0.884</td>
<td>4.197</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>OPPCP</td>
<td>0.039</td>
<td>0.054</td>
<td>0.044</td>
<td>0.730</td>
<td>0.117</td>
</tr>
<tr>
<td>CPCP</td>
<td>0.089</td>
<td>0.056</td>
<td>0.094</td>
<td>1.572</td>
<td>0.117</td>
</tr>
<tr>
<td>ORGCP</td>
<td>0.090</td>
<td>0.053</td>
<td>0.101</td>
<td>1.685</td>
<td>0.093</td>
</tr>
<tr>
<td>CMMCP</td>
<td>0.568</td>
<td>0.058</td>
<td>0.586</td>
<td>9.752</td>
<td>0.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: SMEP
Source: Field survey, 2020


Major findings
- H0.1 - Commitment Competence has no significant effect on small and medium enterprise performance. This hypothesis is supported because the calculated value is greater than P>0.005.
- H0.2 - Conceptual competence has no significant effect on small and medium enterprise performance. This hypothesis is not supported because the calculate value is 0.000 which is less than the level of significance P<0.005.

DISCUSSION
The findings of this study reveals that majority of the respondents are males which consist of 66.5%. The age categories of respondents show that majority of the respondents falls within the age group of 38-47 years and above, these groups have 46.4%. Education level of respondents indicates that secondary school and degree holders are the majority of entrepreneurs with degree is 52%. The respondent is categorized based on their years in business and the result indicates that majority of the respondents has been in business for 5 years and above with 46.4%. Reliability result indicates that opportunity competence has the highest Cronbachs Alpha value of 0.839 while the less is small and medium enterprise performance with reliability value of 0.782 and this indicates that the variables are significant for the study. This study combines two independent variables into one regression, to see the overall effect on small and medium enterprise performance. The result shows two hypothesized effect; one is significant (p<0.05) and the other is not significant (p>0.05). The model summary result of regression analysis indicates the R square of 0.553 and the ANOVA test or the F test indicate 75.039 which shows that the data are significant for the purpose. The coefficient result of the two independent variables are as follows;

Hypotheses1: Commitment Competence has no significant effect on small and medium enterprise performance. This study is counter studied by [17, 18, 19] who examine the impact of owner/managers entrepreneurial competencies on Entrepreneurial Orientation (EO) of team manufacturing firms in Sri Lanka and the relationship between background characteristics of owner/managers and entrepreneurial competencies. The finding is in line with the findings of [20, 21]. Their findings show that funds, managerial skills, government policy, education and facilities are significant related with performance at 5% significantly level. By ranking, funds are considered most significant followed by education, government policy, managerial skill and facilities. The conclusion drawn from the studies is that for business to
continue achieving its expected performance, all determinants must be readily available to complement each other.

Hypotheses 2:- conceptual competence has no significant effect on small and medium enterprise performance. This hypothesis is not supported because the calculated value is 0.000 which less than the level of significance P<0.005. This study is in line with study of [16] who found that organizing competencies, strategic competencies, commitment competencies, external factors, nature of firm, firm knowledge, location, customer orientation, competitor orientation, and inter-functional orientation play have a positive impact on the performance of these SMEs. No association, however, is found between opportunity competencies, relationship competencies, conceptual competencies, and size of firm and SMEs’ performances.

The study specifically seeks to address the effect of the identified entrepreneurial competencies on the performance small and medium enterprise. The study reviews related literature under the following headings; conceptual issues, theoretical framework and empirical studies. The overall conclusion is that technological factor, economical factor and political factors are not statistically found to significantly affect performance of entrepreneurship in the study area. Descriptive research design was the study of 248 entrepreneurs as the sample size, questionnaire is used to gather information from the entrepreneurs and the reliability of variables used is above 0.6 which is reliable as the sample size revealed that although the socio cultural factor have the capability to positively influence performance of entrepreneurship, they had not been fully understood to the advantage of the entrepreneurship in Adamawa state. Therefore, entrepreneurs should study the culture of the operating environment in order to increase performance. The effect of entrepreneurial competencies on small and medium enterprise performance of entrepreneurs was not significant especially on production output despite being moderately rated among the entrepreneurs. The finding on organizing competence indicates insignificant effect on small and medium enterprise. This study concludes that the overall entrepreneurial competence affect small performance.

CONCLUSION

In conclusion, this study contributes to research on entrepreneurship by revealing that: organizational capability, in turn, has a positive impact on firm performance.

RECOMMENDATIONS

Based on the findings of this study, the following recommendations were hereby made.

1. Effective study on entrepreneurial commitment competence to enhance small and medium enterprise performance in the state is required.
2. Government should intervene in training of entrepreneurs to gain more conceptual competence so as to carry out their entrepreneurial activities.

Suggestion for Further Study

Further study can be done in another different geographical location. It can also be done on large scale business, on all the entrepreneurial competencies in regard to small and medium enterprise and on all the 21 Local Government Areas of Adamawa State it should involve the use of SME to analyse data for the study.
REFERENCES


