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**ENTREPRENEUR/OWNER CHARACTERISTICS AS DETERMINANT OF GROWTH
OF SMALL AND MEDIUM PRINTING ENTERPRISES IN NORTHERN NIGERIA.**

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ABSTRACT

This study investigated whether Entrepreneur/Owner characteristics is a determinant of growth of Small and Medium Printing Enterprises (SMPEs) in Northern Nigeria. To achieve this specific purpose, the study set out with a view to finding solution to perennial growth problem associated with Small and Medium Printing Enterprises in Northern Nigeria. This is anchored on the premise that SMPEs and other SMEs are a major source of job creation, employment and wealth if properly grown and nurtured to maturity. They further represent the seeds for future large companies and corporations. Literatures related to Entrepreneur/Owner characteristics were reviewed. Descriptive survey research design was used for the study while a total of two Hundred and twenty five (225) respondents were used through census method. A structured questionnaire was used as the main instrument administered for collecting pertinent data. This instrument was subjected to content and face validation by experts and professionals in printing, entrepreneurship, measurement and evaluation and statistical fields. Various statistical tools were used to analyze data. The empirical literature showed that Entrepreneur/Owner characteristics are key determinants of growth of SMPEs in both developed and emerging economies all over the world. Other literatures also revealed that SMPEs like other SMES in developing countries are faced with monumental challenges. The result of the data analysis revealed that Entrepreneur/Owner characteristics have a great positive influence on the growth of SMPEs in Northern Nigeria. According to the findings of the study affirmed that academic qualification, locus of control, vision, technical skill, innovativeness, risk taking propensity, leadership style and customer relationship of Entrepreneur/Owner influence the growth of Small and medium Printing Enterprises in Northern Nigeria. The study recommends that adequate attentions be given to the development of Entrepreneur/Owner characteristics to enable Entrepreneurs/Owners play their expected role in growing their enterprises to the desired height in the Nigeria economy.

Keywords: Entrepreneur/Owner characteristics, Growth of Small and Medium and Printing enterprises,

Background of the Study

This study investigated whether Entrepreneur/Owner characteristics are a determinant of growth of Small and Medium Printing Enterprises (SMPEs) in Northern Nigeria. The study specifically examined whether academic qualification, locus of control, vision, technical skill, innovativeness, risk taking propensity, leadership style and Owner-customer relationship of Entrepreneur/Owner have influence on the growth of Small and medium Printing Enterprises in Northern Nigeria.

1. Statement of the Problem

Small and Medium Printing Enterprises (SMEPs) in Nigeria have not performed creditably well and hence have not played the expected vital and vibrant role in the economic growth and development of Nigeria. One of the likely factors responsible for this phenomenon could be attributed to entrepreneur/Owner traits. According to Tagrafa & Akinb (2009), relationship Between the Characteristics of Entrepreneurship and the Business Owner, innovation, risk taking and internal locus of control are essential traits for the success of starting new business. Similarly, Zimmerer & Scarborough (1998) say, profiles of the entrepreneur is his/her desire for responsibility, preference for moderate risk, confidence in their ability to succeed, desire for immediate feedback, high level of energy, future orientation, skill at organizing, high degree of commitment, tolerance for ambiguity and flexibility if the enterprise must grow to a desired height. This is what the study is set to investigate.

2. Study Objectives

The major objective of this study is to investigate whether entrepreneur/Owner characteristics is a determinant of growth of Small and Medium Printing Enterprises in Northern Nigeria. This study further investigated whether academic qualification, locus of control, vision, technical skill, innovativeness, risk taking propensity, leadership style and Owner-customer relationship of Entrepreneur/Owner have influence on the growth of Small and medium Printing Enterprises in Northern Nigeria.

3. Research Design

This study adopted descriptive research design. Descriptive research survey is a procedural research method that is concerned with the collection of data for the purpose of describing and interpreting existing conditions, prevailing practices, attitudes and ongoing processes. It is one of the most widely applied on non-experimental research designs in the field of social sciences and

allied fields in data collection of large volume from an unbiased sample of individuals sampled from the targeted population (Nachimias and Nachimias 2009). According to Gakure (2010), the choice of descriptive design is anchored on the premise that descriptive research design is one of the most important data collection methods in social sciences and as such is used extensively to collect information that will be used in determining the effect of the independent variable on the dependent variable. They are also useful in clarifying the understanding of a problem rather than generalizing the findings the study emphasized.

The study targeted 225 Small and Medium Printing Enterprises in Northern Nigeria that are based Kaduna. This study targets this population in view of the fact that Kaduna has being one of the oldest regional headquarters of Northern Nigeria and have a number of beehives of SMPE activities across major towns of the state. Findings from this study could be replicated as a fair representation of the entire Northern Nigeria. A list of questionnaire was prepared and administered on the targeted population to find out whether entrepreneur/Owner characteristics are a determinant of SMPEs in Northern Nigeria. 223 of the total questionnaire were retrieved.

4. Review of Literature.

Selected literatures on Entrepreneur/Owner characteristics as a determinant of growth of Small and Medium Enterprise with printing SMEs inclusive in Northern Nigeria were reviewed based on the objective and the research design.

5. Importance of SMPEs/SMEs

Small and Medium Enterprises are globally known and acknowledged as major sources of creation and generation of employment as shown in Table 1.

Table 1 Enterprise creation and employment generation benchmark comparison

| Index | UK | Belgium | Ireland | Nigeria |
|------------------------------------|-----------|----------------|----------------|----------------|
| No of SMEs (%) | 99.6 | 99.8 | 99.5 | 87 |
| No. of persons employed (%) | 54.0 | 66.6 | 66.5 | 10 |
| Value added | 51,6 | 57.4 | 55.6 | NA |

Source: European Commission Enterprise and *Industry SBA fact sheet.

These enterprises are being given increasing policy attention in recent years, particularly in third world countries partly because of growing disappointment with results of development strategies focusing on large scale capital intensive and high import dependent industrial plants. (Taiwo, Ayodeji and Yusuf 2012). Similarly, according to Organization for Economic Co-operation and Development (OECD) 2011, the Small and Medium Enterprises' sector if strategically positioned and encouraged to grow will also generate employment, create wealth, reduce the prevalence of poverty and sustain economic growth and development.

6. Influence of Entrepreneur/Owner Characteristics on Growth of SMPEs/SMEs

Entrepreneur/owner characteristics influence the growth of SMPEs. findings of a study by Opara & Wynn (2007) affirmed that, to a certain extent the growth of SMEs is a matter of decisions made by an individual entrepreneur. This is backed up with another study on Growth of small organizations by Storey (1994). Findings of the study also revealed that small firms are influenced by three major factors – the background/resource of the entrepreneur, the nature of the firm, and the strategic decisions taken by the owner/manager. Similarly, Baum, Locke &

Smith (2001) postulated that an entrepreneur's personality traits, growth motivation, individual competencies and personal background are the most important determinants of growth of a firm. Another study by Carter & Jones-Evans, (2000), Storey, (1994) in Woldie, Leighton & Adesua (2008) on factors influencing small and medium enterprises (SMEs): an exploratory study of owner/manager and firm characteristics revealed that educational level of owner/manager influences growth of SMPEs. The study further emphasized that there is no question as to the fact that basic education enhances the overall quality of the owner/manager by providing him/her with basic numeric and literacy skills. Thus, increasing the chance of survival his enterprise. Carter and Jones-Evans, (2000); Storey, (1994) in like manner said there is significant relationship between the educational qualification of the owner/manager and the level of growth attained. Growth is higher in firms where the owner/manager has a college or university degree than in those whose owner/manager with less academic qualification..

This study on whether entrepreneur/owner characteristics are determinants of growth of Small and Medium Printing Enterprises will then serve as one of the open **windows** to growth of the nation's economy. At the same time, it will serve as a spring board for industrialization of the nation. This bears in mind the impact of Small and Medium Printing Enterprises on developed economies since its discovery in that region. It is equally of paramount interest to this study looking at Nigeria's vision **20-20-20** that envisages that Nigeria will be among the Top **20** World Economies by the year **2020**. Thus, the need to carry out this study in this sector that has hitherto served as one of the major catalyst for industrialization of most developed economies. It is against this background that this study is focused on whether entrepreneur/owner characteristics are a determinant of growth of Small and Medium Printing Enterprises in Northern Nigeria.

7. Findings

The study investigated academic characteristic of the entrepreneur/owners. Results on Table 2 revealed that 130 of the respondents are holders of Primary School Certificates. This represents 58.3% of the respondents. 60 (26.9%) of the respondents are holders of Secondary School Certificates while 20 of the respondents representing 8.9% are holders of Tertiary Certificates. The remaining 13 (5.8%) of the respondents hold Printing Trade Certificates. To a large extent academic exposure of the Entrepreneur particularly to printing trade can influence the growth of SMPEs.

Table 2 Academic Charateristfindingsics of Entrepreneur/Owners of SMPEs

| Qualification | Frequency | Percent |
|------------------------------|-----------|---------|
| Primary school certificate | 130 | 58.3% |
| Secondary school certificate | 60 | 26.9% |
| Tertiary school certificate | 20 | 8.9% |
| Printing trade certificate | 13 | 5.8% |
| Total | 223 | 100% |

As to whether Locus of control of Entrepreneur/Owners of SMPEs influence the growth of their enterprises, Fig. 1 revealed that 100 of the respondents representing 44.84% agreed that owners of SMPEs have locus of control while remaining 123 (55.16%) of the Entrepreneurs disagreed the view that SMPE owners have locus of control as illustrate on Fig. 4.28.

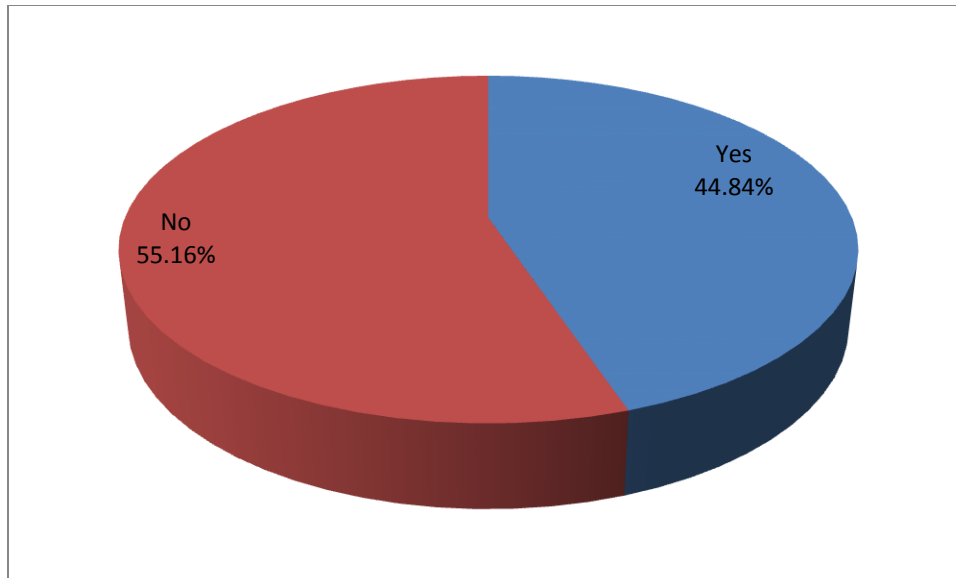


Fig. 1 SMPE Entrepreneur/Owner Locus of Control

On the influence of academic qualification of owners on the growth of SMPEs as shown on Table 3, the study revealed that a vast majority (199) of the respondents representing 89.24% agreed that the level of education of SMPE Owners have high influence on the growth of their enterprises, while the remaining (24) representing 10.76% said that academic qualification of entrepreneurs/owners have less influence the growth of SMPES in Northern Nigeria.

Table 3 Influence of Level of Education of Entrepreneurs/Owners on SMPEs

| Response | Frequency | Percent |
|----------------|-----------|---------|
| High influence | 199 | 89.24% |
| Less Influence | 24 | 10.76% |
| Total | 223 | 100% |

On whether visionary characteristics of the Entrepreneurs/Owners have influence on the growth of SMPEs, data on Table 4 showed that most of the respondents (180) representing 80.72% of the total respondents says that SMPEs owners' vision have great influence the growth of SMPES

in Northern Nigeria while the remaining 43 (19.28%) said Entrepreneur/Owners’ vision have minimal influence the growth of SMPEs.. As confirmed in Fig. 4.30.

Table 4 Influence of Entrepreneur/Owners’ Vision on Growth of SMPEs

| Response | Frequency | Percent |
|-------------------|-----------|---------|
| Great influence | 180 | 80.72% |
| Minimal influence | 43 | 19.28 |
| Total | 223 | 100% |

On acquisition of relevant technical skills by SMPE operators, Fig. 2 showed that only 60 (26.91%) of the total respondents have relevant technical skills while most of the respondents (163) representing 73.09% do not have relevant technical skills that may likely help them to grow their SMPEs to desired level.

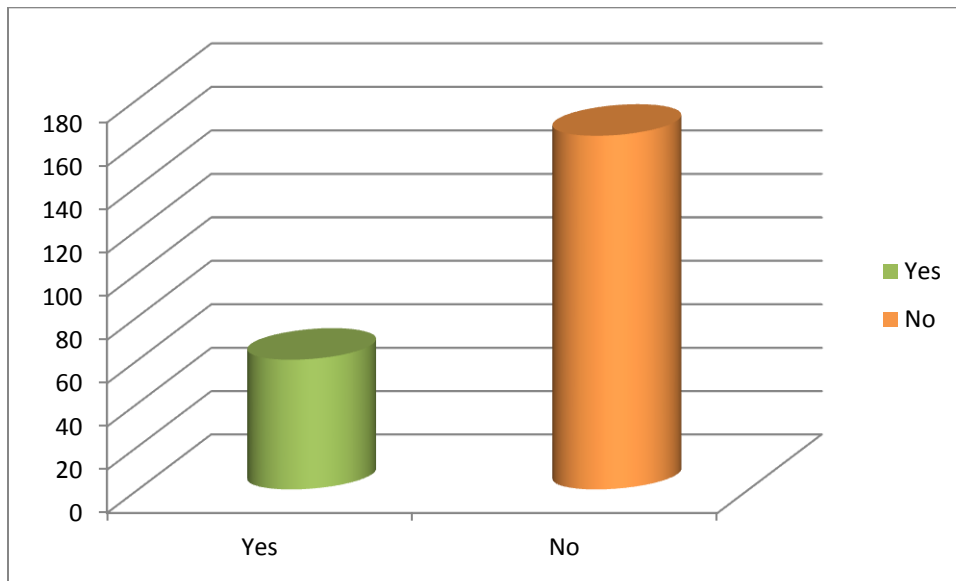


Fig. 2 Relevant Technical Skills of SMPE Operators

On whether SMPE operators are innovative, data on Table 5 showed that 20 of the total respondents representing 8.97% are innovative while most of the respondents (203) representing

91.03% of the respondents are not innovative. This may be one of the likely factors responsible for low growth of SMPEs in Northern Nigeria.

Table 5 SMPE Operators’ Innovativeness

| Response | Frequency | Percent |
|----------|-----------|---------|
| Yes | 20 | 8.97% |
| No | 203 | 91.03% |
| Total | 223 | 100% |

On the risk taken propensity of Entrepreneurs/ Owners, illustration on Fig.3 revealed that only 23 of the respondents representing 10.31% have propensity for risk taking while the rest 200 (89.69%) of the respondents do not have propensity for risks.

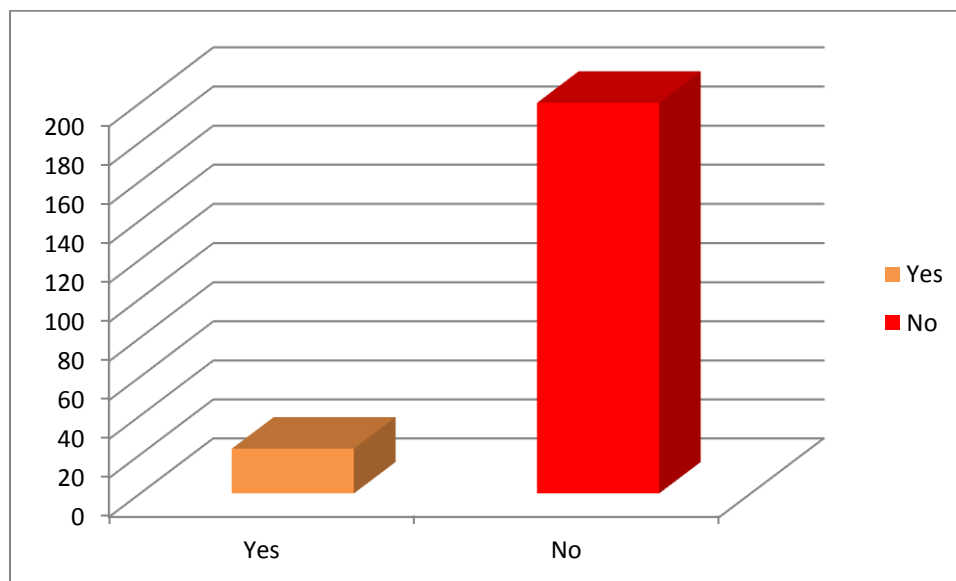


Fig.3 Entrepreneurs/Owner Propensity for Risk Taking

On whether leadership style of SMPE operators influence the growth of SMPEs, Table 6 revealed that a vast majority 190 of the respondents with about 85.20% agreed that the leadership style of Entrepreneurs/Owners greatly influence growth of SMPEs in Northern Nigeria. On the

other hand, the rest respondents 33 (14.8%) supported the view that leadership style of SMPE operators mildly influence on the growth of SMPEs in Northern Nigeria.

Table 6 Influence of Leadership Style of Owners on Growth of SMPEs

| Response | Frequency | Percent |
|----------|-----------|---------|
| greatly | 190 | 85.20% |
| Mildly | 33 | 14.8% |
| Total | 223 | 100% |

On the influence of Owner Customer relationship on the growth of SMPEs in Northern Nigeria, Table 7 revealed that a vast majority (195) of the respondents corresponding to 87.44% agreed that Owner. Customer relationship exhibited high influence on the growth of SMPEs. The rest correspondents (28) representing 14.8% opined that Owner Customer relationship have low influence on the growth of SMPEs in Northern Nigeria.

Table 7 Owner Customer Relationship Influence on SMPEs

| Response | Frequency | Percent |
|----------|-----------|---------|
| High | 195 | 87.44% |
| Low | 28 | 12.56% |
| Total | 223 | 100% |

Based on different econometric models presented here in this paper, growth in SMEs can be explained by traditional firm characteristics; such age and size. In some models the sector in which the firm operates is one of the factors influencing growth. Leadership skills and entrepreneurial skills for good firm governance, legal framework also can be considered determinants factors in firm growth. (Woldie, Leighton & Adesua 2008, Opara & Wynn 2007, Baum et al 2001). Emphasis here is on leadership and entrepreneurial skills and the influence it

exerts on the growth of SMEs. In a study by Tagrafa & Akinb (2009) Relations Between the Characteristics of Entrepreneurship and the Business Owner: An Analysis Of SME's In Kenya the finding revealed that innovation, risk taking and internal locus of control are essential traits for the success of starting new business(Wang & Wong, 2004). According to Lumpkin and Dess (1996), key entrepreneurial process include autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness. According to Zimmerer & Scarborough (1998), profiles of the entrepreneur is his/her desire for responsibility, preference for moderate risk, confidence in their ability to succeed, desire for immediate feedback, high level of energy, future orientation, skill at organizing. Other characteristics frequently exhibited by entrepreneurs include, high degree of commitment, tolerance for ambiguity and flexibility. The findings further stated that innovation becomes an important factor used to characterize entrepreneurship (Miller & Friesen, 1982; Miller & Friensen, 1983; Karagozoglu & Brown, 1988; Covin & Slevin, 1989). It is necessary to associate these personality characteristics with the entrepreneurship closely because entrepreneurship is a behavior which has the desire of starting new business and carrying on the work and developing it. These findings corroborates with the assertions that entrepreneur/owner characteristics has great influence on the growth of SMPEs in Northern Nigeria.

8. Conclusion

This study was able to establish a strong relationship between Entrepreneur/owner characteristics and growth of businesses and recommends that the Nigerian and regional government should

establish close links with SMEs, particularly in the small and medium printing industries to encourage adequate harnessing of resources and strategies that will enable the sector to expand. It can therefore be concluded that entrepreneur/owners characteristics (educational level, personal traits, leadership styles) influenced the growth of SMPEs in Northern Nigeria.. The higher the educational level of Entrepreneur/Owner, the higher the tendency for the enterprises to grow. Furthermore, entrepreneur/owner characteristics should be viewed as a key driver to the growth of Small and Medium Printing Enterprises not only in Nigeria but the world at large especially in developing economies. Investments in developing and bringing out positive traits of entrepreneur/owner managers should be seen an investment in the right direction with high returns. This will to a large extent contribute to the growth of SMPEs in Northern Nigeria.

9. Recommendation

Form the foregoing, the study strongly recommend that adequate training programmes, constant workshops and seminars should be put in place for Entrepreneurs/owners of SMPEs by government agencies and non-governmental organizations to enable SMPEs takes its pride of place and plays her expected role in the Nigeria economy. Policy issues on SMPE sector be softened to facilitate the needed growth in this sector of the economy. SMPE operators should avail themselves of any such training opportunities to enable them grow their enterprises form subsistence to a conglomerate status. This squarely rests on the government at both regional and national level to develop appropriate road map for the development and growth of SMPEs/SMES in the Northern Nigeria and the country at larger.

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