

## ENTREPRENEURIAL PERSONALITY AND PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES IN RIVERS STATE

By

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### Abstract

The association between entrepreneurial personality and performance of SMEs in Rivers state was investigated in this research. In this research, a cross-sectional survey was used. The research looked at a total of 212 small business owners and workers. A total of 119 people were chosen from the public as part of the study. On each of the chosen businesses, the systematic sampling approach was used. Respondents were given copies of the questionnaires, and the bivariate hypothesis was tested using Spearman's rank order correlation. According to the findings, there is a substantial positive link between entrepreneurial personality traits (conscientiousness and extraversion) and SMEs performance metrics (business growth and profitability). The research indicated that entrepreneurship and SMEs make a significant contribution to an economy's long-term growth. Entrepreneurial personality, such as creative capabilities, the capacity to collaborate with people, and a good manner of explaining product to clients, are all traits that may be acquired via training. It was suggested, among other things, that for SME owners to perform successfully, they must have personality traits such as conscientiousness and extraversion, which are capable of improving business growth by effectively competing in both the internal and external markets.

**Key Words:** Entrepreneurial Personality, Conscientiousness, Extraversion, Performance of SMES, Business Growth, Profitability.

## 1.0 Introduction

The performance of the SMEs is connected to the overall performance of the country. Shastry et al. have painstakingly documented the contributions of small and medium businesses (SMEs) to global economic growth and development (2011). Both developed and developing nations have changed away from the previous method of economic growth and development, which concentrated on large scale enterprises (LSEs), in favor of SMEs, which are seen to contribute more to the well-being of their economies. According to the National Enterprise Development Programme, SMEs account for 40-55 percent of world GDP and 50-80 percent of global employment (NEDEP, 2011).

Despite the significance of SMEs and all of the government's support mechanisms, SMEs struggle to grow and, in many instances, fail to survive within the time frames set by the government. SME performance has been connected to the personality of the owner (entrepreneur). The relevance of the big five personality traits to small and medium-sized company performance and decision-making processes (Chollet et al., 2016), growth and profitability (Baum and Locke, 2004), and survival (Baum and Locke, 2004) has been recognized (Ciavarella et al., 2004). Overconfidence and the perspectives of entrepreneurs are regarded to have an impact in the performance of SMEs (Lai et al., 2017). Entrepreneurial personalities, methods, talents, motivation, and other external contextual elements all contribute to performance, according to Shaw et al., (2010). Several studies on entrepreneurship have discovered more than 42 unique traits, skills, and abilities that are associated to an entrepreneur's success, but the most essential are the will to succeed, risk tolerance, inventiveness, and improvement. Entrepreneurial personal characteristics and organizational performance features are likely to be connected to at least one of the Big Five personality traits, according to Barricks et al., (2003). To be successful, a SME's owners must possess the skills required to improve the company's growth by effectively competing in both internal and external markets. Hayat (2014) is a completely made-up character.

Despite the fact that many studies have emphasized the role of personality, especially in the context of entrepreneurship, the influence of personality on the performance of SMEs has been largely overlooked. As a consequence, the major purpose of this study is to investigate the relationship between entrepreneurial personality and the performance of small businesses in Rivers State.

## Statement of the Problem

Many researchers, like Iyang (2013), have acknowledged the critical role that SMEs play in attempting to increase employment via entrepreneurial creativity by forming new enterprises to aid in the growth of global economies. However, according to Miles (2011), some SMEs fail during the first three years of business. According to the US Census Bureau, 67 percent of small businesses fail, compared to 80 percent in Canada and 53 percent in the United States. Nigeria is not immune to the global trend of SMEs failing. Internal and external factors are to blame for the failures. On the inside, issues pertaining to an entrepreneur's personality, such as entrepreneurial skills, qualities, inspiration, intellect, knowledge, decision-making, and the capacity to engage with clients and form networks. High operational costs, competition, a lack of money, and a lack of enforcement of laws and educational institutions are all known to stifle the growth of entrepreneurship. Entrepreneurial qualities are critical to the success of economic ventures such as SMEs. SME owners and managers must have basic planning, organizing, coordinating, leadership, and communication abilities. These inventive and innovative qualities are often developed via previous job experience or technical and management training programs. However, SMEs in Nigeria have

had a high rate of failure owing to a lack of entrepreneurial skills required to achieve objectives. Several academic studies on the influence of entrepreneurial personality on the performance of SMEs have been conducted. There are few studies on small and medium scale enterprises in developing countries like Nigeria, and none on small and medium scale enterprises in Rivers State, so this study looked into the relationship between entrepreneurial personality and small and medium scale enterprise performance in Rivers State.

### **Aim and Objectives of the Study**

The aim of this study is to examine the relationship between entrepreneurial personality and performance of SMEs. The specific objectives are;

To examine the relationship between conscientiousness and business growth  
To determine the relationship between conscientiousness and profitability  
To investigate the relationship between extraversion and business growth  
To highlight the relationship between extraversion and profitability

### **Research Question**

The study seeks to profer answer to the following questions

What is the relationship between conscientiousness and business growth?

What is the relationship between conscientiousness and profitability?

What is the relationship between extraversion and business growth?

What is the relationship between extraversion and profitability?

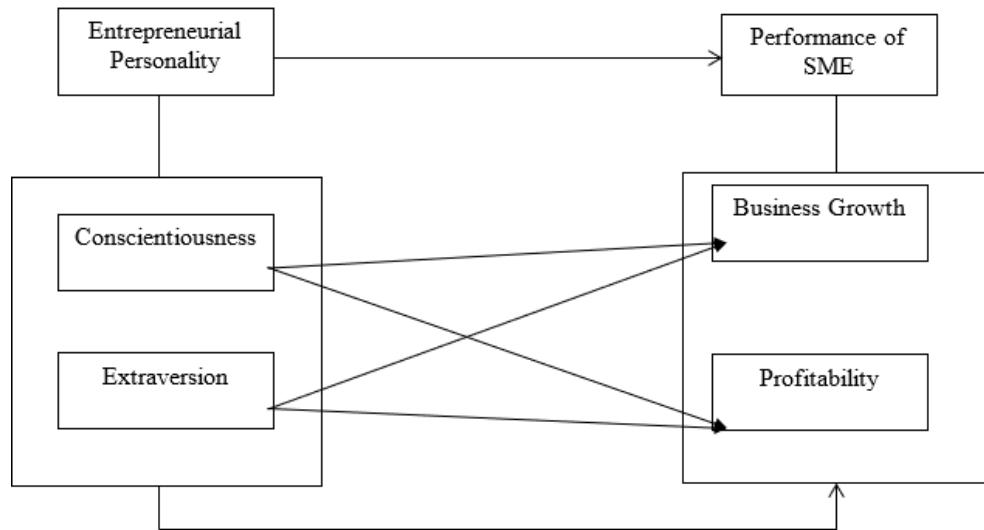
### **Research Hypotheses**

These under listed hypotheses serve as tentative answer to the research questions;

$H_01$ : There is no significant relationship between conscientiousness and business growth  
 $H_02$ : There is no significant relationship between conscientiousness and profitability  
 $H_03$ : There is no significant relationship between extraversion and business growth  
 $H_04$ : There is no significant relationship between extraversion and profitability

## 2.0 Literature Review

### Research Model



**Source:** Adopted from Cuesta, Suarez-Alvarez, Lozano and Garcia-Cueto.

### Concept of Entrepreneurial Personality

Personality qualities linked to entrepreneurial business performance (Hachana et al., 2018) have emerged as a critical aspect that motivates entrepreneurs to succeed (Franco & Prata, 2019). This is because the owner's or manager's personality attributes will have an impact on the company's strategy (Peterson et al., 2003). Personality predicts behavior, and variances in a person's personality lead to behavioral disparities (Nave et al., 2017).

Entrepreneurial personality refers to a person's entrepreneurial perspective, mental state, and behavior patterns when they establish new values in a business setting (Ostergaard, 2014). Personal skills and behaviors, including as confidence and drive, are recognized to influence company performance, according to Yusuf (1995). Desire for goal achievement, internal locus of control, tenacity, risk taking, and self-reliance are among the personality traits characterized as stable internal qualities affecting behavior to which personality is linked. Top entrepreneurs in successful organizations were privileged to have entrepreneurial parents who taught them in business, which provided them a broader experience and early startup expertise, and they also had confidence that they would be successful entrepreneurs, according to Duchesneau and Gartner (1990). Successful entrepreneurs also worked long hours, put their own resources into the company, and had excellent communication skills.

### Conscientiousness

According to Barrick, et al., (2001), the most important personality attribute that influences work performance in all jobs is conscientiousness. It is concerned with the adoption and application of standard conduct that allows an entrepreneur to focus on achieving their goals by being persistent, diligent, and having the capacity to control impulsive behavior (Hermann and Nadkani, 2010). According to Judge et al. (2002), a conscientious personality is able to coordinate, is hardworking, and has the inclination to turn a hypothetical scenario into reality. People with conscientious characteristics work hard because they are constantly associated with achievement, are trustworthy, responsible, and ambitious (Barrick and Mount, 1991). This is one of the most common personality qualities linked to organizational transformation. A conscientious entrepreneur acknowledges and supports change in their company (Liu et al.,

2012) and examines the conditions in order to improve the company's performance by implementing new techniques or experimenting with new ideas (Myszkowski et al., 2015). Individuals with a conscientious personality can tolerate challenges, improbability, and perplexing circumstances (Ratten & Tajeddini, 2017), and have a proclivity to learn new knowledge and share ideas in order to address the problem (Chang et al., 2016). People with a conscientious personality are in high demand to lessen insecurity and get immediate feedback on their performance (Judge et al., 2002). This personality feature is very important in improving a firm's growth and promotion strategy in today's dynamic market environment (Ramdani et al., 2015). According to Ciavarella et al. (2004), high conscientiousness has a favorable association with company survival, however the entrepreneur's openness to experience has a negative relationship and the other Big-5 personality qualities have no relationship.

### **Extraversion**

Extraversion is shown in a person's conduct by how emotive, gregarious, loquacious, governing, and confident he or she is. Hermann and Nadkarni (2010) Entrepreneurs with high levels of extraversion, according to Weiten (2010), are more likely to be optimistic and able to interact smoothly with a wide spectrum of people, including venture investors, customers, and workers. Extroverts are more socially involved, have tighter relationships, and passionately offer to build connections and relationships with a personality of people, according to a meta-analysis (Fang et al., 2015). Creating a business is a dangerous decision that requires self-assurance. As a result, extroverts have a superior framework when it comes to new behaviors (Rauch and Frese, 2007). They are "first movers" and have a proclivity to get into new ventures ahead of others (Zibarras et al., 2008). Extrovert managers are innovative, curious, and take on unique responsibilities (Leonelli et al., 2017). They enjoy a variety of social activities and strategic actions (Malhotra et al., 2017). Managers with an outgoing personality are dedicated to achieving various and distinct goals (Malhotra et al., 2015). They have a strong desire to establish wide networking and social ties in order to get access to new knowledge. In this perspective, starting a performance and seeing it succeed is frequently seen as a new action and a new potential that may be accomplished via extroversion (Johnson et al, 2003). Extraversion describes those who like social interaction, are gregarious, conversational, and aware of their surroundings (Ciavarella et al., 2004). The owner/manager is engaged in a self-development process when extraversion is fully evident in business contacts and activities (Franco & Prata, 2019). Because extroverted people are more likely to be actively engaged in business operations, extraversion has a role in business performance (Franco & Prata, 2019).

### **Concept of Performance of SMEs**

SMEs are defined variously in different nations and within countries, depending on the kind of business. Some researchers define it in terms of the number of employees, while others use the total money generated as an indication. Firm performance refers to a company's market success, which may have a variety of outcomes. In business research, company performance is a crucial concept. It is, nevertheless, a complicated and multidimensional idea. Performance may be defined as a company's ability to create acceptable results and activities. SMEs play an important role in national economies across the globe, producing employment and contributing to innovation. Environmental sustainability and more equitable growth are accomplished via SMEs. In many nations, SMEs account for a large portion of overall job growth. SMEs provide a significant portion of the growth in Gross Domestic Product (GDP) in such nations, whereas bigger businesses seem to be at a standstill (ADB 2002). In the

OECD countries, for example, SMEs account for 95 percent of businesses, 60-70 percent of employment, and 55 percent of GDP, and SMEs create the majority of new jobs. In Nigeria, well-managed SMEs are a key source of job possibilities and income generation. As residents benefit from increased employment possibilities and earnings, the government benefits as well by producing cash in the form of taxes. The amount of transactions, profitability, rate of return on capital, rate of turnover, and market share acquired may all be used to assess a company's performance. Li et al. (2015) employed three metrics to assess performance: growth, profit, and efficiency. The performance of a company is a complex term that is difficult to define (Sanchez and Marin, 2015). According to some studies, both quantitative and qualitative metrics have limits, and therefore they should be used interchangeably. Experience, quality goods and services, the capacity to manage and operate in groups, labor productivity, and corporate responsibility should be examined qualitatively while ROI, profit, and sales should be measured numerically. Sanchez and Marin (2005) examined the performance of SMEs in terms of three factors: profitability, productivity, and market share. Business performance assessment approaches in small and medium firms often employ a combination of (financial and nonfinancial) variables, however challenges occur when entrepreneurs or managers of SMEs are unwilling or unable to provide information about their performance statistics (Beal, 2016). With the significance of SMEs to the economy of all countries in mind, policymakers throughout the globe have moved to promote SMEs at all stages of growth, particularly in an attempt to eliminate the global phenomenon of poverty.

### **Business growth**

Policymakers are more concerned with attributes that aid with successful performance metrics such as growth, investment, long-term survival, and self-reported success, not only those that predict entrepreneurship. The growth of a company is a common metric for determining its performance. According to Utsch and Rauch (2000), measures of innovativeness lead to increases in profit and employment, but measures of initiative simply lead to increases in profit. Growth is defined as a rise in size or quality as a consequence of a development process (Penrose 1959). The most often employed company strategy is growth. It entails rising sales, assets, net profits, and the opportunity to use the experience curve to lower the per-unit cost of items supplied, hence boosting profits. If a company is expanding, it is considered to be successful. The word "growth" has a variety of meanings. Kruger (2004) defines growth as the generating of revenue, the addition of value, and the expansion and volume of a business. Several elements, such as the entrepreneur's personality attribute, availability to resources such as capital and people, influence the growth of the business and distinguish it from a non-growing business. Growth, according to Gilbert et al. (2006), is a product of the choices an entrepreneur takes, such as whether to expand internally or externally, and whether to grow in the local or worldwide market. Mateev and Anastasov (2010) discovered that the size of a business, as well as other unique factors such as financial structure and productivity, affects its growth. They went on to say that although total assets, one of the measures of a company's size, has a direct effect on sales revenue, the number of workers, R&D expenditure, and other intangible assets have little impact on the company's growth prospects.

### **Profitability**

Profitability is defined as the capacity of a company's investment to generate a profit from its utilization. The terms 'profitability' and 'ability' were formed from two words: 'profit' and 'ability.' Profit is defined as the amount left over after expenditures are removed from sales income. The ability of a company to earn money is shown by its ability. Profitability demonstrates a company's financial capabilities and tends to increase its ability to make

money. Toshniwal is an Indian politician (2016). Profitability calculations assist in analyzing and interpreting an organization's current and future earning potential.

Profitability is a critical driver of a company's performance and an essential component of its financial reporting. It depicts an organization's capacity to generate profits at a particular rate of sales, asset level, and capital stock over a specific time period (Margaretha and Supartika, 2016). Profitability enhancements and modalities have lately been a hot topic among scholars, and they have remained significant in the fields of economics, finance, accounting, and management. Profitable businesses create value, employ people, are more likely to be inventive, socially responsible, and provide a significant economic benefit via tax payments (Lazar, 2016; Olutunla and Obamuyi, 2008). As a result, academics have been working hard to determine the elements that drive profitability at both the business and industry levels, utilizing new and sophisticated theoretical models (Al-Jafari and Al-Samman, 2015; Pratheepan, 2014).

Working hard, excellence, honesty, and cooperation, among other things, are factors that impact organizational profitability, according to Guiso et al. (2015). Profitability is the most important indicator of a company's overall performance. Shareholders, creditors, potential investors, lenders, and the government all benefit from profitability ratio analyses.

## **Empirical Review**

Kofi et al. (2020) studied the impact of entrepreneurial traits on SME success (SMEs). To be more specific, the article studied the association between the big five dimensions of business qualities and business success using financial and growth performance as metrics. Data was obtained from 330 Greater Accra SME owners with at least five (5) years of business experience. The data were analyzed using partial least squares (PLS) (Smart PLS 3.0). Conscientiousness is a crucial component that determines financial and growth performance in business. Extraversion, agreeableness, and neuroticism all influenced business success in certain business. Extraversion and neuroticism were shown to have a considerable effect on growth performance, much as agreeableness does on financial performance. The research also found that openness to experience had an insignificant relationship with financial performance and a negative relationship with growth performance. In business to help lower Ghana's high unemployment rate, the results have significance for current and future businesses, as well as politicians. The poor business performance of Indonesian SMEs due to poor management and technology, low market share, lack of cash, and a limited market cannot be disregarded. Improving entrepreneur skill is one business to improve SMEs' performance. Object in Narogong, Bekasi, Hurriyati et al (2016) investigated the impact of entrepreneur skills on business performance. This study is descriptive and quantitative, including an explanatory survey of 30 SMEs owners. The results suggest that entrepreneurial talent has affected business performance at 38% and other factors at 69%. It indicates entrepreneurial abilities have a major impact on business performance. Business owners of SMEs should develop their entrepreneurship skills to boost their business's performance. The study's major goal was to determine how entrepreneurial traits impact small and medium-sized firm performance. 4 questions and 4 null hypotheses were used. The study used a survey research approach and included 200 workers and business owners. The study included 144 people from four business kinds. Experts evaluated and tested questionnaires for dependability, resulting in a 0.92 score. We employed mean and SD to answer study questions and used Pearson Product Moment coefficient to assess null hypotheses. Profitability, market share, growth and customer happiness are dependent factors. The research revealed that entrepreneurial traits favorably impact SME performance.

Entrepreneurs in Port Harcourt should be effectively managed and coordinated to improve performance. Entrepreneurs should create a culture of innovation, and small and medium sized training and conferences should be held to improve entrepreneur capabilities and competitive tactics. According to Jovanovic et al (2018), creativity and innovation are the major drivers of SME growth. Their research sought to evaluate if these characteristics influenced SME profitability in Serbia. In addition, six possibilities were offered. The study included 717 SMEs from South and South-Eastern Serbia. The conceptual model was tested using CFA and Path Analysis. Overall, the findings verified the hypothesis. Wekesa, Gathungu, and Wainaina (2016) studied 314 SME across 9 Kenyan counties. The correlation coefficient, statistic, and t-value were utilized to demonstrate the link between entrepreneurial qualities and business performance. In the study, entrepreneurial age, management abilities, industry experience, and social skills all influenced business performance. Thus, non-timber forest products, small and medium firms' entrepreneurial traits and performance are empirically associated. Firms operated by youthful, experienced, and skillful entrepreneurs perform better. To improve their competitiveness and performance, non-timber forest products SME's must align their strategic choices with owner/manager characteristics. This research concluded that particular governmental measures are required to help many well-educated but jobless young people to start enterprises. It also suggests that particular training programs are required to provide practitioners with the theoretical and practical skills required to improve business performance. On the other hand, Najim, Naser, and Mohamed (2014) observed that entrepreneurial traits (personal, managerial, and organizational) have a statistically significant influence on performance profitability, capacity to fulfill responsibilities, expansion, reputation, and stakeholder relationships. The research only looked at respondents in Jordanian institutions, however there were some parallels with managers in other Arab nations. The research aided Jordanian entrepreneurial institutes with important data and guidance. It also showed the necessity for new entrepreneur practices. To address gaps in the literature on Arabian entrepreneurs' practices. This was one of the few research that looked at the association between entrepreneur qualities and organizational performance in Jordanian institutions. Okunbanjo, Adewale, and Akinsulire (2017) showed that risk taking has a small positive influence on profitability, while competitive aggressiveness and innovation have a big positive effect on SMEs sales growth. To improve both financial and non-financial performance, entrepreneurs must generate fresh business concepts.

### **3.0 Methodology**

In this research, a cross-sectional survey was performed. The survey identified a total of 212 owners and workers of small and medium sized firms in Rivers state. However, a total sample size of 136 was determined using the Krejcie and Morgan (1970) methodology for sample size calculation. As a result, 136 questionnaires were sent to the owners and employees of SMEs who served as the study's respondents. The systematic sampling strategy was adopted in this study. It provides an accurate picture of the whole population and minimizes the bias of researchers when selecting sample cases. Conscientiousness and extraversion were used to assess the independent variable (entrepreneurial personality). Each component was assessed using five items from Goktan (2005). The test-retest reliability was utilized to assess the research instrument's internal consistency. The instrument was found to be reliable in both dimensions, with Cronbach alpha values of 0.84 and 0.97, respectively. The dependent variable (small business performance) was assessed in terms of growth and profitability. Five items were used to assess each component. Cronbach's alpha values for the items for measurements were 0.88 and 0.75, respectively. Items were assessed on a 4-point

Likert scale. SPSS version 21 was utilized to analyze the earlier stated hypotheses using the Pearson product moment correlation statistical analysis.

#### 4.0 Result

A total of 136 questionnaires was distributed to respondents, however, only 132 (97%) copies were retuned. However, only 129 (95%) were well completed and used for the study. The hypotheses test was undertaken at a 95% confidence interval implying a 0.05 level of significance. The decision rule is set at a critical region of  $p > 0.05$  for acceptance of the null hypothesis and  $p < 0.05$  for rejection of the null hypothesis.

#### Decision Rule:

Where  $P < 0.05$  = Reject the null hypotheses

Where  $P > 0.05$  = Accept the null hypotheses

**Table 1:** Conscientiousness and Business Growth Correlations

		Conscientiousness	Business growth
Conscientiousness	Pearson Correlation	1	.758
	Sig. (2-tailed)		.000
	N	129	129
Business growth	Pearson Correlation	.758	1
	Sig. (2-tailed)	.000	
	N	129	129

*Source: Survey Data, 2021*

Table 1 demonstrates that there is a significant relationship between Conscientiousness and Business Growth at the level of  $p < 0.05$  ( $0.000 < 0.05$ ), rho = 0.758. This indicates that Conscientiousness and Business Growth have a strong link. The first null hypothesis is rejected, and we reassert that Conscientiousness and Business Growth have a substantial association.

**Table 2:** Conscientiousness and Profitability Correlations

		Conscientiousness	Profitability
Conscientiousness	Pearson Correlation	1	.621
	Sig. (2-tailed)		.000
	N	129	129
Profitability	Pearson Correlation	.621	1
	Sig. (2-tailed)	.000	
	N	129	129

*Source: Survey Data, 2021*

Table 2 demonstrates that there is a significant relationship between Conscientiousness and Profitability at the level of  $p < 0.05$  ( $0.000 < 0.05$ ), rho = 0.621. This indicates that

Conscientiousness and Profitability have a strong link. The second null hypothesis is rejected, and we reiterate that Conscientiousness and Profitability have a substantial connection.

**Table 3:** Extraversion and Business Growth

		Correlations	
		Extraversion	Business growth
Extraversion	Pearson Correlation	1	.691
	Sig. (2-tailed)		.000
	N	129	129
Business growth	Pearson Correlation	.691	1
	Sig. (2-tailed)	.000	
	N	129	129

*Source: Survey Data, 2021*

Table 3 reveals a significant relationship between Extraversion and Business Growth at the level of  $p<0.05$  ( $0.000<0.05$ ), rho = 0.691. This indicates that Extraversion and Business Growth have a strong link. The final null hypothesis is rejected, and we reiterate that extraversion and business growth have a substantial link.

**Table 4:** Extraversion and Profitability

		Correlations	
		Extraversion	Profitability
Extraversion	Pearson Correlation	1	.661
	Sig. (2-tailed)		.000
	N	129	129
Profitability	Pearson Correlation	.661	1
	Sig. (2-tailed)	.000	
	N	129	129

*Source: Survey Data, 2021*

Table 4 demonstrates that there is a significant relationship between Extraversion and Profitability at the level of  $p<0.05$  ( $0.000<0.05$ ), rho = 0.661. This indicates that Extraversion and Profitability have a strong link. The fourth null hypothesis is rejected, and we reassess that Extraversion and Profitability have a substantial connection.

## Discussion of Findings

The research discovered the following as a result of the results of the field survey:

### Conscientiousness and Business Growth

Table one's findings revealed a strong link between conscientiousness and business growth. This link exists because the p-value ( $p=0.000 < 0.05$ ) was lower than the threshold of significance. The null hypothesis was therefore rejected, but the alternative hypothesis was accepted. Furthermore, the spearman correlation coefficient found a 0.758 link between conscientiousness and business growth. This demonstrates a significant link between

conscientiousness and business growth. As a result, the conscientiousness personality characteristic of entrepreneurs will promote business growth in SMEs. This is in accordance with Ramdani et al., (2015), who claim that the conscientiousness personality characteristic is important for improving a firm's growth and promotion strategy in present or new markets. Ciavarella et al. (2004) also discovered that high conscientiousness is favorably connected to long-term enterprise survival (eight years or more), although the entrepreneur's openness to experience is negatively related, and the other Big-5 personality qualities have no association.

### **Conscientiousness and Profitability**

Table two shows that there is a considerable link between conscientiousness and profitability. The p-value of 0.000 was less than 0.05 ( $p=0.0000.05$ ) in the spearman correlation coefficient, indicating that conscientiousness has a strong link with profitability. As a result, the null hypothesis was disproved, and the alternative hypothesis was accepted. The correlation coefficient ( $r$ ) yielded a value of 0.621. This also demonstrates that conscientiousness and profitability have a substantial link. As a result, entrepreneurs who are diligent are more likely to benefit from their personality attributes. As a result, the study's second goal, which was to see whether conscientiousness had anything to do with profitability, was met. Conscientiousness, openness to experience, emotional stability, and extraversion are all positively connected to entrepreneurial business performance as assessed by firm survival, growth, and profitability, according to Zhao et al. (2010).

### **Extraversion and business growth**

The results of table three revealed a strong link between extraversion and business growth. This link exists because the p-value ( $p=0.000 0.05$ ) was lower than the threshold of significance. The null hypothesis was therefore rejected, but the alternative hypothesis was accepted. Extraversion also has a 0.691 association with business growth, according to the spearman correlation coefficient. This demonstrates a substantial link between extraversion and business growth. As a result of their enthusiasm, extravert entrepreneurs are more likely to build a business. This conclusion is corroborated by Johnson et al., (2003), who claim that starting a business, growing it, and doing well are all perceived as fresh actions and opportunities that may be attained via extraversion.

### **Extraversion and profitability**

Table 4's result reveals a substantial link between extraversion and profitability. The p-value of 0.000 was less than 0.05 ( $p=0.0000.05$ ) in the spearman correlation coefficient, indicating that extraversion has a significant link with profitability. As a result, the null hypothesis was disproved, and the alternative hypothesis was accepted. The correlation coefficient ( $r$ ) yielded a value of 0.661. This also demonstrates that extraversion and profitability have a substantial link. As a result, extravert entrepreneurs are more likely to benefit from their personality qualities. This conclusion is consistent with that of Malhotra et al., (2015), who claim that managers with extravert personalities work hard by focusing on various and distinct goals. Working hard, excellence, honesty, and cooperation, among other things, are factors that impact organizational profitability, according to Guiso et al. (2015).

## **Conclusion and Recommendation**

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In today's competitive trade environment, the impact of entrepreneurial personality on SMEs performance is crucial, since entrepreneurship and SMEs make a significant contribution to an economy's long-term growth. Entrepreneurship development necessitates the development of business personality attributes such as communication and problem-solving skills. Similarly, SMEs' performance will be determined by entrepreneurial personality traits such as creativity, collaboration, and a good manner of presenting goods to consumers, all of which may be cultivated via training. According to this research, the attribute of conscientiousness is well-known for impacting business performance in terms of both growth and profitability for SMEs. The growth and profitability of SMEs were likewise influenced by extraversion. As a result, aspiring entrepreneurs should take notice of the elements mentioned above and apply them to their goal to increase their business's profitability, growth, and overall performance. The following are suggestions made by the research.

1. In order to strengthen their business and maintain their financial and growth performance, SME entrepreneurs in Rives state should focus on the factors outlined in the research.
2. To combat the unemployment threat, policymakers, especially governments, should concentrate on those characteristics that have a strong tendency to boost business growth.
3. For a small business to succeed, its owners must have personality traits such as conscientiousness and extraversion, as well as the ability to successfully compete in both the internal and external markets.
4. To boost their business performance, SMEs should strengthen their entrepreneur skills in business to get good results.

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