

# Entrepreneurial Mindset And Organizational Success In Smes In Rivers State.

JACK ADOKIYE, DR. A. D. ALAGAH, B. C. ONUOHA

UNIVERSITY OF PORT HARCOURT, DEPARTMENT OF MANAGEMENT, RIVERS STATE, NIGERIA DEPARTMENT OF  
MANAGEMENT, UNIVERSITY OF PORT HARCOURT, RIVERS STATE, NIGERIA  
DEPARTMENT OF MANAGEMENT, UNIVERSITY OF PORT HARCOURT, RIVERS STATE, NIGERIA

**ABSTRACT:** This empirical study on entrepreneurial mindset and organizational success was to ascertain the relationship and possible effect of dimensions such as innovativeness, pro-activeness and risk-taking on measures such as customer satisfaction and market share. The study used the cross-sectional overview of the semi trial plan, while simple random technique was adopted. Data were collected through the questionnaire and analysis was done using spearman rank correlation order via statistical package for social sciences (SPSS) version 21. The respondents comprised of 100 participants drawn from 20 SMEs in Rivers State. It was revealed that a significant relationship exist between both variables (entrepreneurial mindset and organizational success), this is as a result of seven(7) null hypotheses that were all rejected based on insufficient evidence for acceptance. Based on the revelation, the study recommends therefore that SMEs operators and managers should be entrepreneurial in practice and Government ought to as matter of extreme importance pay attention to provisions of enabling policies and infrastructures that will enhance the success of SMEs in Rives State.

**Keywords:** Entrepreneurial Mindset, Organizational Culture, Organizational Success, SMEs.

## Introduction

In the current increasingly dynamic and competitive business environment, how firms become successful and stay successful is certainly not by following the traditional ways of doing things; but now requires firms to be more entrepreneurial in their behaviors [30]. In their finding, many pioneering firms have gone out of business because of their failure to adapt to environmental changes and uncertainties. In support to this assertion, [46] suggested that in a dynamic environment, organizations need to act entrepreneurially so as to be successful in the midst of the challenges in the environment. In the same vein, signs of threats and competitions are common features of a complex and dynamic environment, where only the entrepreneurial firms survive. [13], therefore suggest that organization must be more entrepreneurial to succeed in business. Many of the previous studies revealed that entrepreneurial mindset have positive and significant impact on organizational success [46]; [28] contend that organizations where, entrepreneurial behaviors are high, such organization will achieve higher performance and growth irrespective of the business environment in which they operate. Also according to [41] that entrepreneurial-mindset gives organizations competitive advantage in an existing or new market because it enable them to always discover, create, and exploit opportunities regularly, well ahead of their competitors. According to [16] entrepreneurial mindset relates to a set of personal or behavioral traits, values, perception, attitude, a pattern of thinking about business opportunity that is connected to the pursuing of opportunities in the market. Organizational success is a must for the continuity of any firm so as to meet its needs and the interest of stakeholders [20]. He submitted further, that managers have responsibility to carry-out managerial functions of strategizing and obtaining the necessary inputs which is put together to successfully execute operation. Organizational success is concerned with organizations members pulling their efforts towards achieving

organizational goals which has so many potential benefits, including the following: economic of scale, increase profitability, sales increment and market share, hiring the best employees, increase prestige and employee satisfaction etc. [27]. Over the past decade, a lot of work has been done highlighting the significance of entrepreneurial mindset (behaviors) as a means for solving organizational problems and the role of boasting successful performance of organizations [30]; [27]; [46]; [23]; [28], yet the researchers has discovered that no significant study has been carried out to determine the extent to which entrepreneurial mindset (behaviors) influence organizational success in firms in Nigeria [4]. Similarly, previous studies tend to concentrates on SMEs in developed countries with very little studies in respect to developing countries such as Nigeria [10]; [24]. Furthermore, previous studies focused on established corporate organizations and medium-large scale organizations, leaving out SMEs which is considered to be a very powerful means of national development [4]; [3]. It is against this backdrop that the researchers feel constrained to investigate the relationship between entrepreneurial-mindset and organizational success.

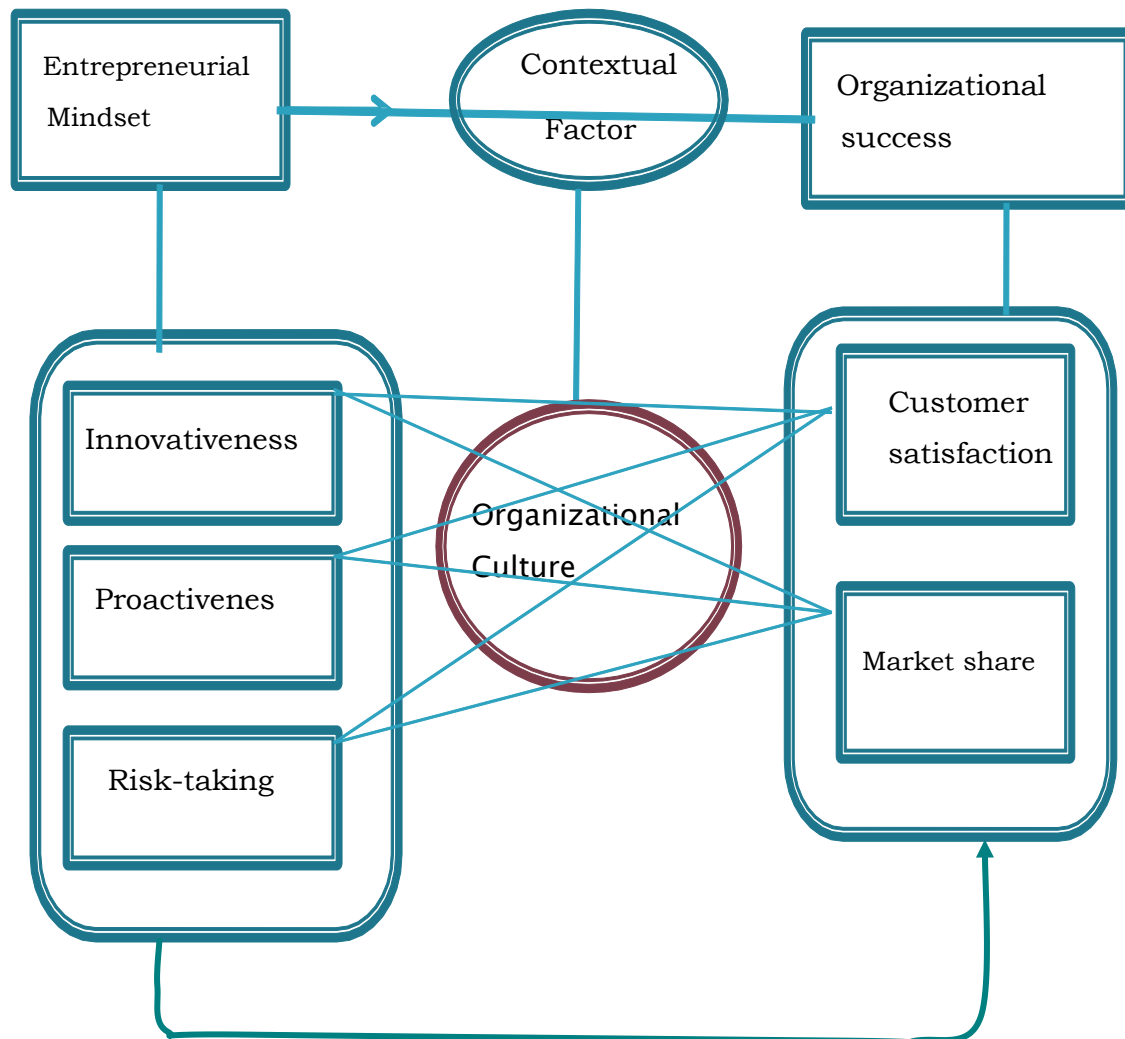
## Statement of the Problem

Small and Medium Enterprise (SMEs) have continued to be acknowledged as the bedrock for national growth and development of most economies of the world [4]. Conversely, the SMEs sub-sector in Nigeria has continued to increasingly experience organizational failures cause by several challenges in the business environment. He discussed further, that the SMEs sector has not live up to its expectation, despite every effort by the Government and concerned stakeholders in assisting and fostering the sub-sector. Prior studies revealed that over the past decades, the Government of Nigeria has made many efforts in boosting this sector. It has established an institutional framework consisting of industry support agencies, formulations of supporting policies and assistance from financial institutions. These had led to the

creation of several agencies: National Enterprises Development Programme (NEDEP), Small and Medium Enterprises Development Agency (SMEDAN), and presently the Bank of Industry [4]; [3]. According to [29] that SMEs are responsible for the inventions and creations of new products and services, process, techniques and markets resulting into economic development. However, the level of entrepreneurial mindset and competencies amongst entrepreneurs who engaged in Small and Medium Scale Enterprises in River State is not

sufficiently clarified. [3], is of the views that SMEs in the developing countries, faces two major challenges: Internal factor such as lack of entrepreneurial competencies, management skill, commitment, resources, strategies choice and External factors including: competitors, culture, technology, infrastructure, policies inconsistencies in Government and official bureaucracy. Against this back-drop, we are compel to study the relationship between entrepreneurial-mindset and organizational success in SMEs in Rivers State.

**Figure 1:** Operational Framework of Entrepreneurial Mindset and Organizational Success.



**Source:** Dimensions: entrepreneurial mindset were Adapted from [13]. Measures of organization success were adopted from [32]

### Research Hypotheses

In pursuance of the research objectives the following hypotheses are formulated for this study. They include:

- Ho<sub>1</sub>:** There is no significant association between innovativeness and customer satisfaction of SMEs in Rivers State.
- Ho<sub>2</sub>:** Innovativeness has no significant effect with market share of SMEs in Rivers State.
- Ho<sub>3</sub>:** There is no significant relationship between pro-activeness and customer satisfaction of SMEs in Rivers State.

- Ho<sub>4</sub>:** Pro-activeness has no significant connection with market share of SMEs in Rivers State.
- Ho<sub>5</sub>:** There is no significant relationship between risk taking and customer satisfactions of SMEs in Rivers State.
- Ho<sub>6</sub>:** There is no significant association between risk taking and market share of SMEs in Rivers State.
- Ho<sub>7</sub>:** The culture of an organization does not significantly moderate the relationship between entrepreneurial mindset and organizational success.

### Significance of the Study

There are two basic significance of this study: the practical significance and theoretical significance.

#### Practical Significance:

- 1) The findings of this study will enrich the major stakeholders in the SMEs sub-sector: entrepreneurs, business operators, managers and employees by enlightening their understanding concerning the roles and benefits of entrepreneurial mindset in the success of an organization. The result of the work shall enable the management of SME's to comprehend the effects of entrepreneurial mindset on organizational success particularly during period of economic uncertainty. Hence identify area where improvement can be done.
- 2) This study will go a long way in providing understanding to the government and policy makers in the formulation of better policies relating to fostering and development of SMEs.
- 3) Employees: The study benefits employees by showing how to act and the directions out of unfavorable economic situation.

#### Theoretical Significance

- 1) This study will contribute significantly to the existing stock of knowledge in the entrepreneurship and management literatures, particularly in the Small and Medium Enterprises (SMEs) sector in Nigeria, since it provides reliable empirical results that can be useful to academic scholars and practitioners.
- 2) Beside the potential importance that will be gained, this study will be a challenge to further research by any scholar who will have interest on the study under review because of its finding and recommendations.

## LITERATURE REVIEW

### Theoretical Framework

Entrepreneurship theories are important to the study of the topic under review. Today, there are so many interesting and relevant theories that will be of insight to the study of entrepreneurial mindset. This study intends to examine entrepreneurial mindset as an element in the entrepreneurial process of an organization that facilitates organizational success. Therefore theoretical understanding can be gained by adopting two theoretical developments such as the psychological entrepreneurial theory of competency by [8] and the theory of entrepreneurial alertness which was made popular by [21]. The psychological entrepreneurial theory of competency was first popularized by Richard Boyatzis. This theory states that the possession of a set of entrepreneurial characteristics by an individual such as creativeness, proactive-ness, and openness to experience; for the competencies of the entrepreneur leads to sustainable competitive advantage and success. According to [28] is the most important determinant for the successes or failures of firms. It considered the entrepreneur as an individual with unique personality traits: value system, attitudinal, managerial abilities, technical competencies

and needs which distinguished the entrepreneur from the non-entrepreneur. He argued that personality traits as a theory of entrepreneurship is analyzed from the individual level of organization which is centered prominently on the entrepreneurial behaviors.

### Concept of Entrepreneurial Mindset

Entrepreneurial Mindset refers to the behaviors, disposition, attributes and attitudes that are connected with creativity, innovation with a view to capture opportunities in the business environment for organizational success [12]. Also in the view of [2] define entrepreneurial mindset as the mental process and inclination toward capturing opportunity by being creative and innovative in time of favorable and turbulent times. [28], assert that it is opinion and readiness of individual or organization to quickly discover, take action when the need arises both in conducive and turbulent situations with the intension to exploit business opportunities. According to [16] that entrepreneurial mindset is about the distinctive mental ability of an entrepreneur and the skills to quickly exploit opportunities in either new market or existing market that facilitate creations of new products and markets. In order words, it is a way of thinking and an approach to capturing business opportunities and the willingness to allocate resources to ventures with a high expectation of gains.

### Innovativeness

According to [25], that innovation involves a process of introducing unique change to either products or services adjudged by consumers as having added value, thereby giving the organization competitive advantage. [40], was the first to articulate the roles of the innovative entrepreneurs in the market process and coined the definition of innovation. He argued against the neoclassical theory and proposed an economic process he called "creative destruction" or "creative innovation" which he described as the propensity by which entrepreneur innovate their business and the new entry of goods and services, new source of supply and new methods of production that discard the old products and services. [37], maintained that innovativeness involves pursuit of novelties or a creative behavior that seeks to find new solutions to challenges confronting organization and an attempt to change the existing status quo of a given area of an organization. He further affirms that creativity is the starting point of innovation and a means to exhibit the entrepreneurial behaviors of managers in the organizations. Innovativeness reflects sets of actions created through which organization seeks to benefit from entrepreneurial behaviors that rival competitors have not spotted or identified [12].

### Proactiveness

Pro-activeness according to [1] is the mental skill to take action urgently and without doubt when the need arises both in conducive and turbulent time in an attempt to pursue business opportunity. Pro-activeness is a strategy to achieve business success of an organization, characterized by confidently seeking for opportunities by launching new products, services or market before competitors and having an opinion of the future changes in demands and emerging uncertainty in the firm's

external environment [1]. Pro-activeness involves anticipatory, change-oriented and self-initiated behavior in the market place by managers where they exhibit boldness, competitive aggressiveness and adventurous characteristics relative to rival competitors [1]. In the view of [33], there are different levels to which individuals and organizations are proactive. He stated further that there are proactive and reactive firms. Pro-active firms are firms that act in advance of a future situations or happenings, rather than just reacting to happenings in the market. This implies taking control and making things happen; creating change in preparation to prior occurrences of any business uncertainty (reactivates) [43].

### **Risk-Taking**

Risk-taking according to [36] is considered as managerial decision making process that accepts the willingness to allocate resources to venture with a high expectation of failure. The concept risk is not sufficiently defined in the literatures of entrepreneurship and management theories. It is a concept whose meaning differs according to the different authors and in the context in which it is used. Risk-taking is connected to the capability of firms to pursue favorable and turbulent business situations that have possibilities of producing losses or noticeable difference from expectation [31]. He further submitted that embarking on any new ventures, start-ups involve risk, or the possibility that actual result may differ from expectation.

### **Concept of Organizational Success**

The concept "Organizational success" is not sufficiently defined in the literatures of entrepreneurship and management. It is a concept whose meaning differs according to the different authors and in the context in which it is used [11]. [9], defined organizational success as a qualification attached to a firm that is productive, flexible, adaptive and able to achieve its goals. According to [17], defines organizational success as the degree to which a firm focuses and realizes its goals. Goals and objectives are the reasons for firm's existence and the outcomes it seeks to achieve. The degree of goals achievement, determine the success of the firm. Goals according to [17] is the proposed future state that an organization or individual strive to achieve.

### **Customer's Satisfaction**

Customer satisfaction is regarded as the firm's indispensable performance indicator (KPI). The concept customer satisfaction is an indication that the managers of firm understand the needs of their customers. Therefore, being able to satisfy the needs of customers is crucial to the success of the organizations. Since the environment is dynamic and the market competitive, where firms contest for customers, customer satisfaction is a strategic tool considered as a key distinction and increasingly has become a salient element of strategies business policies implemented by successful organizations. According to [22] that customer satisfaction as the summation of outcome of perceptions, assessment and psychological responses to the consumption experiences with a product/service. There are substantial studies that establish the benefits of customers' satisfaction. It is confirmed fact that satisfied customers are important to long-term

organizational success [18]. It is also considered as a universal concept that affects all organization regardless of the magnitude, type, size or the location of the organization. Many researchers in the management literature, have conceptualize customer satisfaction as a phenomenon where individuals expresses their feeling of delight or (displeasure) resulting from assessing the perceive performance or out come in regard to an expectation [34].

### **Market Share:**

Market share is described as part of the total industry or markets total sales that are earned by a specific firm over a length of time, measured in percentage. According to [14], it can also be described as the share of the general market sales for each brand which is usually quoted in terms of volumes or value. Market share is calculated as a percentage of sales in its target market. By totaling the firm's sales over the period and dividing it by the total sales of the industry over the same period [14].

### **Organizational Culture.**

Organizational culture is includes values, beliefs, attitude and behaviors that is common among organizational group [19]. In a broader perspective, culture refers to the common believe system, principle and behaviors held by members of a group of society or organization which determines how they conduct and interact with each other and with stakeholders which they pass to others members from generation to generation [39]. Similarly, [42] considered culture as the unifying factor in an organization which they described as the shared philosophies, values, assumptions, beliefs, expectations, altitudes and norms that bind an organization together thereby unifying organizational capability into a cohesive whole.

### **Relationship between Entrepreneurial Mindset and Organizational Success**

Previous researchers assert that entrepreneurial actions are considered strategic factor to competitive advantage and improved performance in an organization, irrespective of the type, size, age and location of the organization [46]; [44]; [26]; [45]. According to [16], entrepreneurial orientation tends to generate innovativeness by creating new resources or carrying out new combination which leads to new products and new markets that can improve organizational profitability and success. Also, [46] assert that entrepreneurial mind-set enable organization to champion new initiative in an established organization which is made possible by creating an innovative culture that carrying out research and development which is focused on idea development. This can enable the organization to have the first mover advantage which result to positive competitive advantage in the organization.

## **METHODOLOGY**

### **Research Design**

According to [6] research design is a logical model that guides the researchers in the various stages of the study. The study adopted a cross-sectional survey of the quasi-experimental design. This method is adopted because the



respondents are not subject to manipulation [6]. Additionally, the quasi-experimental design was chosen because it is more efficient, economical, and time saving [35]. Also, the moderating effects of organizational culture in SMEs will be evaluated.

### Population of the Study

[38], defined population as the total collection of elements about which the researchers desire to made inferences. There were one thousand five hundred (1500) SMEs,

registered with the Rivers State Ministry of Trade and Commerce spread across the state at the time of the study (River State yellow page, 2016). However, the accessible population consists of owner-managers and supervisory personals (accountants, marketers) of twenty (20) selected SMEs. It was from the accessible population the sample size is drawn. Table 1 below is used to illustrate the population distribution.

*Table 1: Population Distribution.*

S/NO	NAME OF ENTERPRISES	OWNER/ MANAGERS	% DISTRIBUTION
1.	LA SIEN TABLE WATER	12	7.7
2.	KEL TECTNOLOGY	10	6.5
3.	CALLUS MILLER COMMUNICATION	8	5.2
4.	ESTY ZAM TABLE WATER	6	3.9
5.	EPANAL BOAT BUILDERS	8	5.2
6.	BEST ALUMINIUM	8	5.2
7	GLAXO PAINT AND CHEMICALS	8	5.2
8	CRYSTAL –LINK ALUMINIUM	6	3.9
9	WINNING EDGE FARM	10	6.5
10	PHOTO FAST	8	5.2
11	HOME CHARM PAINTS	5	3.2
12	PROMA NOA CHAUFFEUR SERVICE	6	3.9
13	PELEGRINI CATERING	6	3.9
14	FAR EAST PAINT LUSTRE INK IND.	8	5.2
15	PLAZA LE CHEF FOOD	8	5.2
16	PHOTO EXPRESS SERVICES	6	3.9
17	BRINO TABLE WATER	6	3.9
18	MINA HOTELS	10	6.5
19	ALO ALUMINIUM	10	6.5
20	BEST BITE FAST FOOD	6	3.9
	TOTAL	155	100

Source: Researcher's Field Survey, 2017

### Sampling Procedure and Sample Size Determination

The sampling technique adopted in this study was the probability simple random sampling technique. It is adopted to enable each unit of the population to have equal or non-zero chance of being selected. Obio-Akpor and Port-Harcourt local Government Areas are selected as the study area because of their homogeneity, having a large proportion of SMEs and known level of commercial activities. The twenty (20) SMEs firms selected comprised of one hundred and fifty five (155) participants in this study. The number of participants was source from the personal desk of each of the selected SMEs under study. The Taro Yamen's sample size determination formula was used in determining the sample size of 112 for this study at 0.05 level of significance and copies of the research instrument(questionnaires) were distributed proportionally to each SMEs according to the proportionate distribution [6].This is displayed on table 2 below.

Table 2: Sample Size Distribution.

S/NO	NAME OF ENTERPRISES	OWNER/ MANAGERS	SAMPLE SIZE	DISTRIBUTION OF QUESTIONNAIRE
1.	LA SIEN TABLE WATER	12	10	10
2.	KEL TECTNOLOGY	10	8	8
3.	CALLUS MILLER COMMUNICATION	8	5	5
4.	ESTY ZAM TABLE WATER	6	4	4
5.	EPANAL BOAT BUILDERS	8	6	6
6.	BEST ALUMINIUM	8	6	6
7	GLAXO PAINT AND CHEMICALS	8	6	6
8	CRYSTAL –LINK ALUMINIUM	6	4	4
9	WINNING EDGE FARM	10	8	8
10	PHOTO FAST	8	6	6
11	HOME CHARM PAINTS	5	4	4
12	PROMA NOA CHAUFFEUR SERVICE	6	4	4
13	PELEGRINI CATERING	6	4	4
14	FAR EAST PAINT LUSTRE INK IND.	8	6	6
15	PLAZA LE CHEF FOOD	8	6	6
16	PHOTO EXPRESS SERVICES	6	3	3
17	BRINO TABLE WATER	6	3	3
18	MINA HOTELS	10	8	8
19	ALO ALUMINIUM	10	8	8
20	BEST BITE FAST FOOD	6	3	3
	TOTAL	155	112	112

Source: Researcher’s Field Survey, 2017

**Data Collection Method**

This study utilized the primary source of data which was gotten from the respondents via a carefully cultured questionnaire and the secondary data which was culled from textbooks, newspaper publications, articles, journals and online publications from the internet. These materials discussed issues related to the research problems.

**Test of Validity**

According to [38] that validity deals with the appropriateness of an instrument to measure what it intend to measure. The content and face validity were adopted. The questionnaire was subjected to face validity to ensure that the instrument was doing what it is expected to do in this study. To test the validity of the instrument, the questionnaire was given to experts in the management field and the researcher’s supervisors for validation. They made necessary suggestions and contributions. Their responses lead to the modification of some of the items prior to administration to the respondents.

**Reliability of Instrument**

The measurement instrument was subject to Cronbach Alpha test of reliability which gives a high reliability

output of above 0.7 which is considered having internal reliability

Table 3: Test of Reliability of Instruments

Variables	Indicators	Alpha coefficients
Entrepreneurial Mindset	Innovativeness	.895
	Pro-activeness	.722
	Risk-taking	.705
Organizational Success	Customer Satisfaction	.812
	Market Share	.834
Organizational culture		.847

Source: Survey Data, 2017

**Data Analysis Techniques**

To empirically evaluate the relationship between entrepreneurial mind-set and organizational success, descriptive analyses and inferential analyses was employed in this study. The Spearman’s rank order correlation coefficient was used through the aid of the

statistical package for social sciences (SPSS) version 21. The Spearman’s rank order correlation coefficient (Rho) was used to test the stated hypothesis between the variables. The Spearman’s rank order correlation coefficient (Rho) is given as:

$$Rho = 1 - \frac{6 \sum d^2}{N(N^2 - 1)}$$

Where Rho = rank of

correlation coefficient

$$\sum d = \text{rank of X minus rank of Y}$$

N = number of observation

**RESULTS AND DISCUSSION**

As a two-tailed and non-directional study, evaluation of the result is based on correlations and not the direction of

such correlations. The study adopts a 95% confidence interval therefore a significance level of 0.05 relative to the p-value is used in the acceptance or rejection of previously stated hypotheses. The spearman’s rank order correlational statistical tool, a non-parametric statistical test tool, is adopted in the test for correlations and strength of relations.

*Table 4: Hypotheses testing illustrates the output for tests for hypotheses Ho<sub>1</sub> and Ho<sub>2</sub>*

			IN	CS	MS
Spearman's rho	IN	Correlation Coefficient	1.000	.732	.502
		Sig. (2-tailed)	.	.000	.000
		N	100	100	100
	CS	Correlation Coefficient	.732	1.000	.660
		Sig. (2-tailed)	.000	.	.
		N	100	100	100
	MS	Correlation Coefficient	.502	.660	.1000
		Sig. (2-tailed)	.000	.000	.
		N	100	100	100

Source: Research survey, 2017

**Hypothesis one: The relationship between innovativeness (IN) and customer satisfaction (CS)**

The first hypothesis states that “there is no significant relationship between innovativeness and customer satisfaction”. The hypothesis sought to examine the relationship influence of innovativeness on customer satisfaction. Using the spearman’s rank order correlation statistical technique to test the hypothesis, the result (Rho = 0.732, p = 0.000 ≤ 0.05) shows that there is significant relationship between innovativeness and customer satisfaction. We therefore reject the null hypothesis and accept the alternate.

**Hypothesis Two: The relationship between innovativeness (IN) and market share (MS)**

The second hypothesis states that “there is no significant relationship between innovativeness and market share”. The hypothesis sought to examine the relationship influence of innovativeness on market share. Using the spearman’s rank order correlation statistical technique to test the hypothesis, the result (Rho = 0.502, p = 0.000 ≤ 0.05) shows that there is significant relationship between innovativeness and market share. We therefore reject the null and accept the alternate hypothesis.

*Table 5: Hypotheses testing illustrates the output for tests for hypotheses Ho<sub>3</sub> and Ho<sub>4</sub>*

			PR	CS	MS
Spearman's rho	PR	Correlation Coefficient	1.000	.442	.373
		Sig. (2-tailed)	.	.000	.000
		N	100	100	100
	CS	Correlation Coefficient	.442	1.000	.660
		Sig. (2-tailed)	.000	.	.
		N	100	100	100
	MS	Correlation Coefficient	.373	.660	.1000
		Sig. (2-tailed)	.000	.000	.
		N	100	100	100

Source: Research survey, 2017

**Hypothesis Three: The relationship between pro-activeness (PR) and customer satisfaction (CS)**

The third hypothesis states that “there is no significant relationship between pro-activeness and customer satisfaction”. The hypothesis sought to examine the relationship influence of pro-activeness on customer satisfaction. Using the spearman’s rank order correlation statistical technique to test the hypothesis, the result (Rho = 0.442, p = 0.000 ≤ 0.05) shows that there is positive and low relationship between pro-activeness and customer satisfaction. Based on this, we reject the null and accept the alternate hypothesis.

**Hypothesis Four: The relationship between proactiveness (PR) and market share (MS)**

The fourth hypothesis states that “there is no significant relationship between proactiveness and market share”. The hypothesis sought to examine the relationship influence of proactiveness on market share. Using the spearman’s rank order correlation statistical technique to test the hypothesis, the result (Rho = 0.373, p = 0.000 ≤ 0.05) shows that there is low positive relationship between proactiveness and market share. Based on this, we reject the null and accept the alternate hypothesis.

*Table 6: Hypotheses Testing illustrates the output for tests for hypotheses Ho5 and Ho6*

			RT	CS	MS
Spearman's rho	RT	Correlation Coefficient	1.000	.774	.620
		Sig. (2-tailed)	.	.000	.000
		N	100	100	100
	CS	Correlation Coefficient	.774	1.000	.660
		Sig. (2-tailed)	.050	.	.
		N	100	100	100
	MS	Correlation Coefficient	.620	.660	1.000
		Sig. (2-tailed)	.000	.000	.
		N	100	100	100

Source: Research survey, 2017

**Hypothesis Five: The relationship between risk-taking (RT) and customer satisfaction (CS)**

The fifth hypothesis states that “there is no significant relationship between risk-taking and customer satisfaction”. The hypothesis sought to examine the relationship influence of risk-taking on customer satisfaction. Using the spearman’s rank order correlation statistical technique to test the hypothesis, the result (Rho = 0.774, p = 0.000 ≤ 0.05) shows that there is significant relationship between risk-taking and customer satisfaction. Based on this, we reject the null hypothesis and accept the alternate hypothesis.

hypothesis sought to examine the relationship influence of risk-taking on market share. Using the spearman’s rank order correlation statistical technique to test the hypothesis, the result (Rho = 0.620, p = 0.000 ≤ 0.05) shows that there is significant relationship between risk-taking and market share. Based on this, we reject the null hypothesis and accept its alternative.

**Hypothesis Six: The relationship between risk-taking (RT) and market share (MS)**

The sixth hypothesis states that “there is no significant relationship between risk-taking and market share”. The

*Table 7: Moderating effect of organizational culture*

Control Variables			EM	OS	OC
-none- <sup>a</sup>	EM	Correlation	1.000	.863	.741
		Significance (2-tailed)	.	.000	.000
		Df	0	95	95
	OS	Correlation	.863	1.000	.795
		Significance (2-tailed)	.000	.	.000
		Df	95	0	95
	OC	Correlation	.741	.795	1.000
		Significance (2-tailed)	.000	.000	.
		Df	95	95	0



OC	EM	Correlation	1.000	.671	
		Significance (2-tailed)	.	.000	
		Df	0	95	
OS	OC	Correlation	.671	1.000	
		Significance (2-tailed)	.000	.	
		Df	95	0	

Source: Research survey, 2017

### Hypothesis Seven: There is no significant Moderating effect of organizational culture on the relationship between entrepreneurial mindset and organizational success

The result for the multivariate analysis reveals that organizational culture significantly moderates the relationship between entrepreneurial mindset and organizational success. This is as the correlation coefficient for the control of the effect of organizational culture on the relationship between entrepreneurial mindset and organizational success = 0.671 (where  $P < 0.05$ ); as compared to the correlation coefficient without control for organizational culture = .863 (where  $P < 0.05$ ). Based on this, we reject the null hypothesis and accept its alternative.

### Discussion of Findings

The discussion of the finding was done in relation to the hypotheses tested

#### Hypothesis one: Relationship between innovativeness and customer's satisfaction.

The SPSS output shows a significant and strong association between Innovativeness and Customers Satisfaction. This is in line with the argument of [46], in their study; where they assert that entrepreneurial mind-set enable organization to champion new initiative in products development and quick responses to customers' needs which is made possible by creating an innovative culture that carrying out research and development which is focused on idea development and customer satisfaction. Customer satisfaction is an important parameter for business managers. Therefore managers tend to look for ways to improve customer's satisfaction. Therefore in line with these finding, this study therefore rejects the null hypothesis and accept the alternate hypothesis.

#### Hypothesis two: Relationship between Innovativeness and market share:

Shows that are significant and strong relationship between Innovativeness and market share in SMEs that operates in Rivers State. This is in agreement with [15] where they posit that the ability of an organization to expand its market share is associated with the degree of innovativeness in the organization. Furthermore, our finding was in consonance with the assertions of [37] that entrepreneurial behaviors have the capability to overcome any market turbulence regardless of the sizes or locations. Increasing market share is one of the key determinants of business firms because increase market share raises profitability. As a result of this, many firms are seeking for ways to expand their market share. Therefore in line with these finding, this study therefore rejects the null hypothesis and accept the alternate hypothesis.

#### Hypothesis three, relationship between pro-activeness and customer satisfaction:

We found that there is significant but weak relationship between pro-activeness and customer satisfaction in SMEs that operates in Rivers State. This finding is confirmed by Ray on his study of the impacts of pro-activeness on industrial manufacturing firms in china; that proactive firms are regularly identifying opportunities and initiate actions ahead of any future uncertainty or unforeseen occurrences. However, [31] argued that pro-activeness as an element of entrepreneurial behavior could be misled or misguided which most likely result into losses or organizational failure. Therefore, managers should be mindful of the degree of venturing or investing into the unknown. Therefore in line with these finding, this study therefore rejects the null hypothesis and accept the alternate hypothesis.

#### Hypothesis four, relationship between pro-activeness and market share:

We found that there is significant but weak relationship between pro-activeness and market share in SMEs that operates in Rivers State. This is in line with [5] view that proactive organizations are constantly adding values, creating unique and new products from available resources as a means of strategic renewal and competitiveness. Similarly, [7] are in agreement with our finding that proactive oriented firms actively seek for means to adapt to the changing need of their customers by constantly scanning for information about any possible change in the market place. Therefore in line with these finding, this study therefore rejects the null hypothesis and accept the alternate hypothesis.

#### Hypothesis five, relationship between risk-taking and customer satisfaction:

We found that there is significant and strong relationship between risk-taking and customer satisfaction in SMEs that operates in Rivers State. This is in line with the observations of [13], who opined that the favorable perception of the external environment by managers will determine their willingness to engage in risk-taking. This is in agreement with [40] that innovativeness and venturing into new area of business operations, unavoidably involves errors, large degree of risk and speculation, however, suggested that managers should take risk to satisfy their customers. Therefore in line with these finding, this study therefore rejects the null hypothesis and accept the alternate hypothesis.

#### Hypothesis six: Relationship between risk-taking and market share:

We found a significant and strong relationship between risk-taking and market share in SMEs that operates in

Rivers State. This is in consonance with the assertion of [12], in their study of risk-taking propensity and market share. They asserted that SMEs embark on risk taking under the proposition of accomplishing competitive advantage against rival by acting beforehand, allocating more funds for research and development that result into increase market share. Therefore in line with these finding, this study therefore rejects the null hypothesis and accept the alternate hypothesis.

### The moderating role of organizational culture

The finding with regards to organizational culture revealed that there was significant and strong moderation of studied variables by organizational culture. This is in line with [19] submission on a study conducted among students in 23 countries on the impact of organizational culture on performance. He stated that culture influence people's attitudes and behaviors at the workplace leading to proper coordination and integration that supports efficiency and effectiveness among organizational members. Therefore in line with these finding, this study therefore rejects the null hypothesis and accept the alternate hypothesis.

### Conclusions

Based on our findings and discussions, the following conclusions were made:

- That entrepreneurial mind-set within SMEs expressed in term of innovativeness, proactiveness and risk-taking are essential ingredients to organizational survival and finally leads to organizational success, measured by customer satisfaction and market share. This opinion fully agreed with [46] and [28] assertion that entrepreneurial initiatives and behaviours are critical determinants that enhance performance and organizational success.
- Entrepreneurial mind-set is considered a strategic organizational approach towards actualizing organizational objective and goals. This is in line with [41] submission that states that entrepreneurial mind-set gives firms competitive advantages and success.

### Recommendations

In light of the above, the study recommends that:

- SMEs operators should establish an entrepreneurial culture that supports innovativeness, pro-activeness and risk-taking propensity in Rivers State.
- SMEs should learn and develop the ability to adapt and adjust to the changing and competitive business environment.
- Government (policy makers) should as a matter of criticality begin to recognize and provides more enabling laws, policies and environment that should encourage and enhance SMEs success in Rivers State.
- Funding is a critical factor in the development of SMEs; therefore Government should increase funding in this sector.
- Institutions of learning should begin to teach the act of entrepreneurship among students so as to become more entrepreneurial.

### Suggestion for Further Studies

This study investigated the relationship between entrepreneurial mindset and organizational success within certain specified theoretical, geographical and target scope; thus the generalization of the result of the study can only be specific to the target population given the parameters of the industry wherewith it was carried out.

- As a result of this, we therefore suggest that effort be made to ascertain the validity of these results within other industries or national context. We advocate a replication of the study to industries such as oil and gas, manufacturing, as well as telecommunication.
- Further research should be carried out with other entrepreneurial dimensions such as autonomy, competitiveness aggressiveness and measures such as: profitability, owner's satisfaction, productivity. For the moderating variable, organizational size and age should be considered.

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