

## **ENTREPRENEURIAL MINDSET AND SUSTAINABILITY OF SMALL AND MEDIUM SCALE ENTERPRISES IN ENUGU STATE NIGERIA**

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### **ABSTRACT**

The study examined entrepreneurial mindset and sustainability of small and medium scale enterprises in Enugu State Nigeria. This study sought to determine the effect of Business alertness on sustainability of small and medium scale enterprises in Enugu State Nigeria, ascertain the nature of the relationship between entrepreneurial risk-taking and sustainability of small and medium scale enterprises in Enugu State Nigeria and investigate the influence of entrepreneurial innovation on sustainability of small and medium scale enterprises in Enugu State Nigeria . The descriptive survey research design was adopted for the study. The population of the study consist of 108 registered small and medium scale enterprises in Enugu State ,because of the small nature of the population it was also used as a sample size Data were collected through primary and secondary sources. Out of 108 copies of the questionnaire distributed, 87 copies (70.93 %) were returned while 21 copies (29.07%) were not returned. The

hypotheses were tested using sample linear regression and Pearson product moment correlation coefficient . The findings revealed that business alertness had a significant and positive effect on sustainability of small and medium scale enterprises in Enugu State Nigeria(  $r= 0. 966$ ;  $t = 34. 205$ ;  $p< 0.05$ ). There was a positive relationship between entrepreneurial risk-taking and sustainability of small and medium scale enterprises in Enugu State Nigeria (  $r =.868$ ,  $P<.05$ ). Entrepreneurial innovation had a significant and positive influence on sustainability of small and medium scale enterprises in Enugu State Nigeria (  $r = 0.778$ ;  $t = 16.944$ ;  $p< 0.05$ ). The study concluded that an entrepreneurship mindset positively contributes to the sustainability and performance of Small and Medium-sized Enterprises (SMEs) in Enugu State, Nigeria, through creative thinking, innovativeness, and a proactive approach to opportunities, according to various studies. The study recommended that SMEs in Enugu State, businesses should focus on fostering innovation and calculated risk-taking to adapt to market changes, develop strong financial management skills through accessible training, improve technical and technological readiness via access to resources

**Keyword: Entrepreneurial Mindset; Entrepreneurial Risk-taking; Business Alertness; Entrepreneurial innovation; Sustainability**

## Introduction

Entrepreneurship has long been acknowledged as an important growth strategy for sustaining the country's economic growth (Israel & Johnmark, 2014), particularly in career perspectives and business opportunities which generate profits (Othaman, Ghazali & Cheng, 2005; Gurol & Atsan, 2006). The growth and development of an economy propelled by increased and improved entrepreneurial activities spells better living standards for its citizen. Recently researchers have postulated that a focus on the role of entrepreneurial mindset has the potential to contribute significantly to the study of entrepreneurship (Kirzner, 1997; McGrath & MacMillan, 2000).

The entrepreneurial mindset refers to a set of attitudes, behaviors, and cognitive abilities that entrepreneurs possess (Cui & Bell, 2022). The entrepreneurial mindset plays a crucial role in the success of startups, and studying its impact on venture success can provide valuable insights for aspiring entrepreneurs and policymaker. An enterprising mindset is about having a way of thinking, which sees opportunities, rather than barrier, that sees possibilities rather than failure

and wants to do something to make a difference rather than sit and complain about the problems (Susilo, 2014).

Entrepreneurial mind-set entails the personality of the individual involved including the field in which he/she has chosen to work. More significantly, the term "entrepreneurial mind -set" refers to a group of attitudes, abilities, and behaviors that people require in order to be successful in their chosen fields of personal or professional endeavor. They consist of self-initiative, taking risks, being adaptable and flexible, being creative and innovative, and having critical thinking and problem-solving skills (Simpeh, 2011). The entrepreneurial mindset encompasses several key characteristics like creativity, risk-taking propensity, resilience, adaptability, and a passion for innovation (Raimi & Kah, 2022). These characteristics drive entrepreneurs to identify opportunities, pursue ambitious goals, and overcome challenges. Entrepreneurs with an entrepreneurial mindset are known for their creativity, which allows them to identify unique business opportunities and develop innovative solutions

The relevance of entrepreneurial mind-set in modern business can be attributed to live support of any business or economy in dire need of innovative salvation from its deplorable state of economic and business turmoil. Entrepreneurial mind-set is the propeller of positive futuristic projection that ensures growth, expansion, profitability, increased sales volume, tremendous employee capacity etc. of MSME's (Swan, 1956). The entrepreneurial mind-set is an alert mind provoking significant proactive initiative to suite and counter all circumstances in favour of the entrepreneur and its affirmative translation into the environment (Thaddeus, 2012).

Globally SMEs plays a major role in most economies, and are considered the backbone of countries such as the United States, United Kingdom SMEs and a host of others (World Bank, 2019). SMEs are considered vital to the economy as employers and are a major contributors to economic growth; they are significant drivers of job creation, and new innovation (Roland 2018). Despite the crucial role SMEs play as employers of labour, SMEs productivity across the globe continues to be disappointing (Nesta, 2017)

In Nigeria, small and medium-sized enterprises (SMEs) have been identified as the backbone of the economy and thus key drivers of economic growth. Despite their prevalence, SMEs are more vulnerable to external influences than larger companies, as they lack market power, compete on

domestic markets and are often subcontractors to larger companies (Leithy, 2017). A major challenge for SMEs is to constantly improving performance in the long term in this highly competitive environment. Several SMEs have been characterized by poor performance and shutdown before their fifth year anniversary (Anichebe & Agu, 2013) Despite the many challenges restraining the prospect of SMEs in Nigeria at the macro level, yet scholars position the gains that having entrepreneurial mindset such as entrepreneurial knowledge, innovativeness, business alertness, risk taking, and Autonomy can offer for entrepreneurs in a challenging environment. Perhaps, the inability of the SMEs owner/manager's inability to display effective entrepreneurial mindset could be responsible for the decline in the success recorded. To buttress this narrative, Ukenna, Makinde, Akinlabi, and Asikhia (2019) pointed that among the many possible reasons responsible for failure of SMEs is the mindset of those whose responsibility it is to manage the business

### **Statement of the Problem**

Small and Medium-Scale Enterprises (SMEs) in developing countries, including Nigeria, struggle with and often fail to achieve long-term sustainability due to a lack of an embedded entrepreneurial mindset within their leaders and organizations. This lack of a dynamic, innovative, and adaptive "entrepreneurial mindset" leads to poor performance, inability to innovate, strategic planning deficiencies, and ultimately, business failure, despite the critical role SMEs play in economic development

Despite the significant contributions of small and medium-sized enterprises to economic growth and development, many SMEs face challenges in achieving long -term sustainability.one potential factor influencing SME sustainability is the entrepreneurial mindset of their owners/managers.

### **Objectives of the Study**

- i. To determine the effect of Business alertness on sustainability of small and medium scale enterprises in Enugu State Nigeria

- ii. To ascertain the nature of the relationship between entrepreneurial risk-taking and sustainability of small and medium scale enterprises in Enugu State Nigeria
- iii. To investigate the influence of entrepreneurial innovation on sustainability of small and medium scale enterprises in Enugu State Nigeria

## **Review of Related Literature**

### **Conceptual Review**

Entrepreneurial mindset is the inclination to discover, evaluate, and exploit opportunities. According to Kraus and Meier (2016), entrepreneurial mindset is about creativity, innovation and taking opportunities that leads to organizational wealth creation and success and that this type of mindset enables entrepreneurs to make realistic decisions when faced with uncertainties. Successful entrepreneurs contribute towards the development of society and advancement of economic growth (Wu, 2009)

Entrepreneurial mindset is simply defined as the feelings and the belief of a particular ability to think out of the box (Leeds & Lackéus,, 2013; Lackéus, 2016). Scholars have described the entrepreneurial mindset as that ability to repeatedly initiate new product or service ideas, reconvert all resources into new uses, bringing new ideas from many sources. Ideas must be generated, resources assembled, the new product or services produced and delivered to users (Lackéus & Williams, 2015, Lackéus, 2016).

Entrepreneurial mindset is defined as a specific state of mind which orientates human conduct towards entrepreneurial activities and outcomes and correlation analysis proved that in holistic approach, entrepreneurial mindset has significant relationship with performance of small and medium enterprises (Asenge, et al 2018). An exploratory study of Neneh, (2012) suggested that acquiring an entrepreneurial mindset requires re-learning how to motivate themselves, take risk, and become creative and innovation. Enhancing an entrepreneurial mindset and functioning with an entrepreneurial orientation prepares emerging leaders with knowledge, skills and ability to cope with ambiguity and face complexity in organization (Victor, 2018).

## **Business alertness**

Business alertness involves a proactive stance based on a number of cognitive capacities and processes such as prior knowledge and experiences, pattern recognition, information processing skills, and social interactions (Chang, Liu, & Huang, 2014). According to McMullen and Shepherd (2006), alertness is not entrepreneurial unless it involves judgment and a movement toward action. In addition, McMullen and Shepherd (2006) stressed that to act on the possibility that one has identified an opportunity worth pursuing is at the heart of being an entrepreneur.

Characteristics of business alertness involves scanning and searching for new information, connecting previously- disparate information, and evaluating whether the new information represents an opportunity. Tang et al. (2012) provide a formal conceptualization of alertness within the context of entrepreneurship, arguing that it has three behavioural components: a proclivity to scan and search for new information, an ability to connect disparate information and an inclination to evaluate whether a new piece of information represents an opportunity.

**Ho: Business alertness has no effect on sustainability of small and medium scale enterprises in Enugu State Nigeria**

## **Entrepreneurial Risk-taking**

Lumpkin and Dess (1996) considered risk-taking as management decision-making process that accept the willingness to undertake uncertainty, and seize opportunities in the market place by committing large resources with the expectation to achieve high returns on investment. Risk taking represents a willingness to withstand uncertainty and mistakes as one explores new ideas, advocates unconventional or unpopular positions, or tackles extremely challenging problems without obvious solutions, in order to increase the likelihood of accomplishment (Neves and Eisenberger, 2014).

Lewin and Stephen (1995) studied risk-taking propensity in organizations and indicated that risk-taking propensity is the degree to which individual organizations exhibit, support and willingness to make risky commitments of resources and funds across situation of uncertainty for the purpose of capturing opportunities. Too little and too much risk taking are both dangerous for organizations' long-term welfare (Wicks et al., 1999). The degree of optimal risk may vary

substantially by job type and organization, making it a “conditional good” (Molina-Morales et al., 2011) risk taking has major implications for employee and organizational outcomes

**Ho: There is no relationship between entrepreneurial risk-taking and sustainability of small and medium scale enterprises in Enugu State Nigeria**

### **Entrepreneurial Innovation**

Innovation is a term that is widely used across disciplines and is inherently rooted in and associated with entrepreneurship. The origins of the study of innovation can be found in the economics of innovation as outlined by Schumpeter (1934). Schumpeter linked entrepreneurship to innovation by describing the entrepreneur as someone who introduces 'creative destruction', i.e. radical innovation, which leads to more efficient allocation of production factors and thus productivity improvements. Innovation is a key outcome firms seek through entrepreneurship and is often the source of competitive success. Firms that encourage entrepreneurship are risk takers, are committed to innovation, and act proactively in that they try to create opportunities rather than wait to respond to opportunities created by others (Djordjiev, 2013). Entrepreneurial innovation is the process of pursuing opportunities with actions and adjustments to suit the situation and responses in a free market for wealth creation ( Chang & Wang, 2013; Daryani & Tabrizinia, 2015; Dogan, 2015; Nhuta & Kapofu 2015).

**Ho: Entrepreneurial innovation has no influence on sustainability of small and medium scale enterprises in Enugu State Nigeria**

### **Theoretical Review**

#### **Schumpeter's Entrepreneurship Theory**

Entrepreneurship Theory was founded by Schumpeter (1991). The theory was premised on the idea that creativity and innovation are key factors in any entrepreneur's field. While Schumpeter (1991) argues that entrepreneurship knowledge can go a long way in helping the firm to become successful, the entrepreneur should be innovative in order to accumulate a lot of profit in a highly competitive and dynamic market. In the entrepreneurship theory, Schumpeter chooses a case of a capitalist closed economy that is in static equilibrium. He argued that the entrepreneurs always interfere this equilibrium position through the introduction of an innovation which helps

to propel the economy to a new development level. In this case, innovation could occur in different ways such as innovation of recent products, methods of production, innovation in management processes, among other innovations. The entrepreneurship theory is suitable to this study because it accentuates function of e-procurement on performance of the SMEs. In relation to Schumpeter's Entrepreneurship Theory, the SMEs adopt e-procurement as an innovation to enable them performs above rivals. The SMES in Nairobi have employed several e-procurement technologies in order to increase operational efficiency. In this study therefore, Schumpeter's Entrepreneurship Theory offered a guide in the understanding of these technologies on the procurement processes and the overall performance. Schumpeter's entrepreneurship theory is credited to be a dynamic one, which is associated with Innovations of new products and processes.

### **Empirical Review**

Francis (2025) did a study on the influence of entrepreneurship mindset on Small and Medium Enterprises Performance in Yola metropolis, Adamawa State. The study was premised on the fact that poor performance of business could emanate from other factors like a lack of initiative and an administrative framework or linkage to support and sustain business growth, which to a large extent affect the profit margins of the enterprises. This poor performance of business will have an influence on the economy in different ways: bureaucratic corruption, absence of social consensus on important macroeconomic policy issues, and low profitability. The main objective of this study is to examine the influence of entrepreneurship development on small and medium enterprises performance in Yola metropolis, Adamawa State. The study is a cross- sectional design in which data were collected through a questionnaire administered to 335 respondents, of which only 324 were successfully returned and valid. The collected data was subjected to inferential analyses, and hypotheses were tested using multiple regression analysis at a significance level of 0.05. The findings revealed that an entrepreneurial mindset has a significant and positive influence on business growth ( $r = 0.391$ ,  $t = 8.134$ ,  $p = 0.000$ ). The study recommended that there is a need for entrepreneurs to develop their mindset in planning their day-to-day business activities, as this will help them to have a positive attitude to meet the changing demands of current customers in their business and increase their independence and

their ability to reason beyond the immediate situation and plan for the future as a result of good thinking

Emmanuel (2018) examined the effect of entrepreneurial mindset on the performance of small and medium scale enterprises in Benue State. The focus of the research was to measure the entrepreneurs' mindset exhibited through innovativeness, creativity, business alertness and risk taking and how these attributes contributed to the performance of SMEs. the research focused on a population of 650 small and medium scale enterprises based in Makurdi metropolis. A questionnaire was used to collect data from a sample of 250 SMEs in Makurdi metropolis which were selected through stratified random sampling method. Collected data were analyzed using descriptive and inferential statistics with the aid of Statistical Package for Social Sciences (SPSS). Correlation and multiple regression analysis were employed to analyse the data and test the hypotheses. The study revealed that innovativeness, creativity, business alertness and risk taking were significant in affecting performance of SMEs. the study concluded that entrepreneurial mindset or lack of it has a major effect on SMEs performance and if any economy is bended towards development and growth, it would have to embrace this concept. It recommended that all the policy makers and all stake holders should re-strategize and create forums that can promote entrepreneurial mindset among the existing and potential entrepreneurs.

Anthonia and Maimuna (2023) did a study on entrepreneurial mindset and growth of Micro Small and Medium Enterprises (Msme's) In Nigeria: A Case Study Of Abuja Municipal Area Council (Amac) Federal Capital Territory (Fct).Abuja. The study conducted used a survey method while adopting stratified sampling technique. The sample size of 218 is obtained from the 480 MSME owners' resident in AMAC-FCT using the Taro Yamani formula. The study rightly adopts correlation test to examine the linear relationship while regression analysis is used reporting coefficients with P-value at 0.05 significance. The findings divulged that entrepreneurial mind-set influences sales volume, employees' size and profitability as an improvement on entrepreneurial mind-set will bring an outstanding improvement on the MSME's characteristics. The study appreciably recommends more investment be made on building entrepreneurial mind-set, more collaborations between the stakeholders and MSME entrepreneurs so as to increase data on improving entrepreneurial mind-set finally set up of regulatory guidelines on entrepreneurial mind-set applicable to those in professional institutions

Oyewole, Asikhia, Makinde and Onyia (2020) assessed the effect of entrepreneurial mindset on SME success, more so, it examined the moderating effect of government policy on the relationship between entrepreneurial mindset and SME success. Methodology: This study employed a cross-sectional survey design and a sample of 477 -managers of SMEs in operating in Lagos State, Nigeria. The hierarchical regression analysis to test two-way interaction hypotheses was conducted. Findings: The results show that entrepreneurial mindset has a positive and significant effect on SME success, ( $R^2 = 0.242$ ,  $F(1,435) = 138.614$ ,  $p = 0.000$ ). Further analysis shows that entrepreneurial mindset did not enhance the success of selected SMEs in Lagos State, Nigeria ( $\Delta R^2 = 0.000$ ,  $\Delta F = 0.101$ ,  $P > 0.05$ ) with the introduction of government policy as a moderator. Implications: The findings suggest that SME owner/managers should commit more resource to develop their entrepreneurial mindset capacity (entrepreneurial knowledge, innovativeness, business alertness, risk taking, and autonomy); this become necessary to enhance the success recorded by the SMEs investigated. It is also imperative for SMEs owner/managers to develop competences to take advantage of the potentials in government policies

Edwinah and Thomas (2017) investigated the relationship between risk-taking and the survival of small and medium scale enterprises in Port Harcourt. The cross sectional survey method was adopted. A sample size of eighty was drawn from a population of one hundred employees using the Taro Yamane formula. The questionnaire was the main instrument for data collection and data obtained was analysed using the SPSS. Spearman's rank correlation coefficient was used to test the hypotheses. Our findings revealed a strong and positive relationship between risk-taking and the measures of organizational survival. We concluded that risk-taking ability might proportionately predict the organizational performance and success level of a firm. We recommended that due to the complacent level in risk taking as discovered in the study, government should provide current statistics to enable small and medium scaled industries take calculated risk. It will be necessary that firms be given soft loans by banks to enable them undertake more innovative and enterprising activities. Government ought to as matter of criticality help planned business visionaries to have admittance to the public purse to back them up. This could enable them identify business opportunities and take the risk of embarking on them.

Diyoke, and Agu (2025 empirically examines entrepreneurship education in Nigeria as a tool for youths' empowerment. Nigeria at present is experiencing a lot of challenges, ranging from unemployment, insecurity, high rate of poverty, corruption lack of political will. Worst still, the economy is currently shedding jobs more than it creates. The paper observes that one of the ways to empower the youths is entrepreneurship education. The objectives of the study are to determine the influences of skill acquisition on the availability of equipment, ascertain the effect of training and development on poverty alleviation palliatives and to find out the relationship between education and self-fulfillment in Vocational Technical Training Center (VTTC), Coal Camp Enugu. The study adopts research survey design. Target population/sample size of the study was 32 questionnaires distributed but 23 were returned while 8 were not returned. The instrument was validated using face to face content validity by giving the instrument to academicians to make necessary corrections so that the instrument could measure what it ought to measure. The findings indicate that skill acquisition significantly affects availability of equipment ( $r = 0.849$ ,  $t = 27.726$ ,  $f = 768.754$ ,  $P < 0.05$ ). Training and development significantly affect poverty alleviation ( $r = 0.885$ ;  $t = 32.865$ ;  $F = 1080.094$ ), positive relationship exists between education and self-fulfillment ( $r = .799$ ;  $P < .05$ ). The study concludes that entrepreneurship education is the panacea to the problem of poverty, hunger and youths empowerment. It recommends that youths should be prepared properly for entrepreneurial education through upgrade of facilities and pedagogy

Kabuoh, Ogbuanu, and Paul- Obi (2018) examined the effect of entrepreneurial innovation on SMEs sustainable growth in gas sub-sector in Lagos State Nigeria. Survey research design was adopted. The study population consists of owner/managers and heads of units of all SMEs in gas sub- sector that is registered with Nigerian Association of Liquefied Petroleum Gas Marketers (NALPGAM). Stratified and proportionate random technique was employed. The total population was 1,043 (NALPGAM, 2017). The sample size of 495 was derived through Chocram formula. Structured questionnaire was used for data elucidation which was analyzed with simple linear regression. Result indicated that entrepreneurial innovation has significant effect on SMEs sustainable growth ( $\beta = 0.147$ ,  $t = 2.996$ ,  $R = .021$ ,  $F = 8.796$ ,  $(1/417) p < .05$ ). The study recommends that management of SMEs in the gas sub- sector should create enabling environment for the employees to be innovative in their operations in order to take its competitive advantage through creation of innovative services leading to increased performance

and growth of the sector. The policy makers and all stake holders need to re- strategies and create forums that can boost innovativeness among the existing and potential entrepreneurs

### **Method and Material**

The study was carried out using survey design. Primary data was obtained through the use of questionnaire and observations while Secondary data were obtained through books, journals, and the internet. The population of the study was 108 drawn from Registered small and medium scale enterprise in Enugu state Nigeria . The study adopted connivance sample size determination which allowed the population to be used as sample size. The instrument used for data collection was questionnaire structured in 5- point Likert scale and validated with content face validity . The reliability test was done using test-retest method. The result gave a reliability coefficient of 0.887, indicating a high internal consistency of the items. One hundred and eight (108) copies of the questionnaire were distributed and eighty seven (87) copies were returned while twenty one copies (21) were not returned. The three hypotheses formulated were tested at 0.05 level of significance. Simple linear regression was used to test hypothesis one and three while hypotheses two was tested using Pearson product moment correction coefficient. A computer aided Microsoft special package for social science (SPSS Version 25.00) was used to aid analysis.

### **Data Analysis and Discussion**

The data obtained from the field were presented and analyzed with descriptive statistics to provide answers for the research questions while the corresponding hypotheses were tested with Pearson product moment correlation coefficient and Simple linear regression at 0.05 alpha level. The five Likert scale form was design as SA = strongly agree, A= Agree, U= Undecided, D = Disagree and SD = Strongly Disagree

**Table 4.1: Responses of the Respondents**

s/n	Business alertness and Sustainability	SA	A	U	D	SD	Total
1	Entrepreneurial intent promotes business sustainability	45 (51.72%)	29 (33.33%)	3 (3.45%)	5 (5.75%)	5 (5.75%)	<b>87</b>

2	judgment of opportunities enhance business sustainability	54 (62.07%)	20 (22.99%)	4 (4.60%)	5 (5.75%)	4 (4.60%)	<b>87</b>	
3	scanning and search for business information ensure business sustainability	58 (66.67%)	15 (17.24%)	6 (6.90%)	3 (3.45%)	5 (5.75%)	<b>87</b>	
	<b>Risk-taking and sustainability</b>							
4	Openness to experience enhance business sustainability	40 (45.98%)	31 (35.63%)	5 (5.75%)	4 (4.60%)	7 (8.05%)	<b>87</b>	
5	Need for achievement drive entrepreneurial success	39 (44.83%)	34 (39.08%)	7 (8.06%)	3 (3.45%)	4 (4.60%)	<b>87</b>	
6	An entrepreneur's willingness to pursue new ventures and make decisions under conditions of uncertainty	29 (33.33%)	41 (47.13%)	6 (6.90%)	6 (6.90%)	5 (5.75%)	<b>87</b>	
	<b>Entrepreneurial innovation and Sustainability</b>							
7	technological landscape Promotes business sustainability	51 (58.62%)	21 (24.14%)	6 (6.90%)	5 (5.75%)	4 (4.60%)	<b>87</b>	
8	business sustainability can be achieve through human capital	29 (33.33%)	36 (41.38%)	7 (8.05%)	8 (9.19%)	7 (8.05%)	<b>87</b>	
	cess to robust business network sustain business life cycles	52 (59.77%)	22 (25.29%)	4 (4.60%)	5 (5.75%)	4 (4.60%)	<b>87</b>	
	<b>Sustainability</b>							
10	ployee and community well-being is the pillar of sustainability	49 (56.32%)	20 (22.99%)	6 (6.90%)	4 (4.60%)	8 (9.20%)	<b>87</b>	
11	rate governance ensure business sustainability	27 (31.03%)	40 (45.98%)	7 (8.05%)	5 (5.75%)	8 (9.20%)	<b>87</b>	
12	Financial viability is a key to business sustainability	39 (44.83%)	23 (26.44%)	9 (10.34%)	8 (9.20%)	8 (9.20%)	<b>87</b>	

**Source: Fieldwork 2025**

Item 1 of table 1 Indicates that 45(51.72%) of the respondents strongly agreed with the statement

that entrepreneurial intent promotes business sustainability. 29(33.33%) agree with the statement, 3(3.45%) were undecided, 5(5.75%) disagree that entrepreneurial intent promotes business sustainability while 5 (5.75%) of the respondents strongly disagreed with the statement.

Item 2 of the table 1 states that judgment of opportunities enhance business sustainability. 54 (62.07%) strongly agreed with the statement, 20(22.99%) agreed, 4(4.60%) were undecided, 5(5.75%) disagreed that judgment of opportunities enhance business sustainability while 4(4.60%) strongly disagreed with the statement.

In item 3 of the table 1: 58 (66.67%) of the respondents strongly agreed that scanning and search for business information ensure business sustainability, 15 (17.24%) agreed, 6(6.90%) were undecided, 3(3.45%) disagreed while 5(5.75%) strongly disagreed that scanning and search for business information ensure business sustainability

In item 4 of the table 1: 40(45.98%) of the respondents strongly agreed that Openness to experience enhance business sustainability, 31 (35.63%) agreed, 5 (5.75%) were undecided, 4(4.60%) disagreed while 7 (8.05%) strongly disagreed that Openness to experience enhance business sustainability

Item 5 of table 1 Indicates that 39(44.83%) of the respondents strongly agreed that Need for achievement drive entrepreneurial success 34(39.08%) agreed, 7(8.06%) were undecided, 3(3.45%) disagree while 4(4.60%) strongly disagreed that Need for achievement drive entrepreneurial success

Item 6 of the table 1 states that an entrepreneur's willingness to pursue new ventures and make decisions under conditions of uncertainty. 29 (33.33%) strongly agreed with the statement, 41(47.13%) agreed, 6(6.90%) were undecided, 6(6.90%) disagreed while 5 (5.75%) strongly disagreed that an entrepreneur's willingness to pursue new ventures and make decisions under conditions of uncertainty

In item 7 of the table 1, 51(58.62%) of the respondents strongly agreed that technological landscape Promotes business sustainability, 21(24.14%) agreed, 6(6.90%) were undecided, 5(5.75%) disagreed while 4(4.60%) strongly disagreed that technological landscape Promotes business sustainability

In item 8 of the table 1, 29(33.33%) of the respondents strongly agreed that business sustainability can be achieve through human capital, 36 (41.38%) agreed, 7(8.05%) were undecided, 8(9.19%) disagreed while 7(8.05%) strongly disagreed that business sustainability can be achieve through human capital

Item 9 of table 1 Indicates that 52(59.77%) of the respondents strongly agreed access to robust business network sustain business life cycles. 22(26.44%) agreed, 4(4.60%) were undecided, 5(5.75%) disagree while 4(4.60%) strongly disagreed that access to robust business network sustain business life cycles

Item 10 of the table 1 states that employee and community well-being is the pillar of sustainability. 49 (56.32%) strongly agreed with the statement, 20(22.99%) agreed, 6(6.90%) were undecided, 4(4.60%) disagreed while 8 (9.20%) strongly disagreed that employee and community well-being is the pillar of sustainability

In item 11 of the table 1, 27(31.03%) of the respondents strongly agreed that corporate governance ensure business sustainability, 40(45.98%) agreed, 7(8.05%) were undecided, 5(5.75%) disagreed while 8(9.20%) strongly disagreed that corporate governance ensure business sustainability

In item 12 of the table 1, 39(44.83%) of the respondents strongly agreed that financial viability is a key to business sustainability, 23 (15.86%) agreed, 9(10.34%) were undecided, 8(9.20%) disagreed while 8(9.20%) strongly disagreed that financial viability is a key to business sustainability

## Test of Hypotheses

### Hypothesis One

**Ho: Business alertness has no effect on sustainability of small and medium scale enterprises in Enugu State Nigeria**

**Hi: Business alertness has effect on sustainability of small and medium scale enterprises in Enugu State Nigeria**

**Table 2 Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R	Std. Error of the	Durbin-Watson
			Square	Estimate	
1	.966 <sup>a</sup>	.932	.931	.30133	.991

a. Predictors: (Constant), Business alertness

b. Dependent Variable: Sustainability

**Table 3 ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	106.236	1	106.236	1169.972	.000 <sup>b</sup>
	Residual	7.718	85	.091		
	Total	113.954	86			

a. Dependent Variable: Sustainability

b. Predictors: (Constant), Business alertness

**Table 4 Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients		t	Sig.
		B	Std. Error	Beta			
1	(Constant)	.096	.056			1.725	.088
	Business alertness	.955	.028	.966		34.205	.000

a. Dependent Variable: Sustainability

**Interpretation:**

The regression sum of squares (106.236) is greater than the residual sum of squares (7.718), which indicates that more of the variation in the dependent variable is not explained by the model. The significance value of the F statistics (0.000) is less than 0.05, which means that the variation explained by the model is not due to chance.

R, the correlation coefficient which has a value of 0.966, indicates that there is positive relationship between business alertness and sustainability. R square, the coefficient of determination, shows that 93.2% of the Sustainability is explained by the model. With the linear regression model, the error of estimate is low, with a value of about .30133. The Durbin Watson statistics of 0.991, which is not more than 2, indicates there is no autocorrelation.

The business alertness coefficient of 0. 966 indicates a positive significance between Business alertness and Sustainability, which is statistically significant (with  $t = 34.205$ ). Therefore, the null hypothesis should be rejected and the alternative hypothesis accordingly accepted. Thus Business alertness has a significant and positive effect on sustainability of small and medium scale enterprises in Enugu State Nigeria

**Hypothesis Two**

**Ho: There is no relationship between entrepreneurial risk-taking and sustainability of small and medium scale enterprises in Enugu State Nigeria**

**Hi: There is a relationship between entrepreneurial risk-taking and sustainability of small and medium scale enterprises in Enugu State Nigeria**

**Table 5 Descriptive Statistics**

	Mean	Std. Deviation	N
Entrepreneurial risk-taking	1.8161	1.12610	87
Sustainability	1.8046	1.11896	87

**Table 6 Correlations**

	Entrepreneurial		Sustainability
	risk-taking	Pearson Correlation	
Entrepreneurial risk-taking	1	.868**	
		.000	

	N	87	87
Sustainability	Pearson Correlation	.868**	1
	Sig. (2-tailed)	.000	
	N	87	87

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Table 5 shows the descriptive statistics of the entrepreneurial risk-taking and sustainability with a mean response of 1.8161 and std. deviation of 1.12610 for entrepreneurial risk-taking and a mean response of 1.8046 and std. deviation of 1.11896 for sustainability and number of respondents (87). By careful observation of standard deviation values, there is not much difference in terms of the standard deviation scores. This implies that there is about the same variability of data points between the dependent and independent variables.

Table 6 is the Pearson correlation coefficient for entrepreneurial risk-taking and sustainability. The correlation coefficient shows 0.868. This value indicates that correlation is significant at 0.05 level (2tailed) and implies that there is a significant positive relationship between entrepreneurial risk-taking and sustainability ( $r = .868$ ). The computed correlations coefficient is greater than the table value of  $r = .195$  with 85 degrees of freedom (df. = n-2) at alpha level for a two-tailed test ( $r = .868$ ,  $p < .05$ ). However, since the computed  $r = .868$ , is greater than the table value of .195 we reject the null hypothesis and conclude that to a large extent there is a significant positive relationship between entrepreneurial risk-taking and sustainability of small and medium scale enterprises in Enugu State Nigeria ( $r = .868$ ,  $P < .05$ ).

### Hypothesis Three

**Ho: Entrepreneurial innovation has no influence on sustainability of small and medium scale enterprises in Enugu State Nigeria**

**Hi : Entrepreneurial innovation has influence on sustainability of small and medium scale enterprises in Enugu State Nigeria**

**Table 7 Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R	Std. Error of the	Durbin-Watson
			Square	Estimate	
1	.778 <sup>a</sup>	.772	.769	.53484	.540

a. Predictors: (Constant), Entrepreneurial innovation

b. Dependent Variable: Sustainability

**Table 8 ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	82.122	1	82.122	287.085	.000 <sup>b</sup>
	Residual	24.315	85	.286		
	Total	106.437	86			

a. Dependent Variable: Sustainability

b. Predictors: (Constant), Entrepreneurial innovation

**Table 9 Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients		t	Sig.
		B	Std. Error	Beta			
1	(Constant)	.189	.125			1.507	.135
	Entrepreneurial innovation	.935	.055	.778		16.944	.000

a. Dependent Variable: Sustainability

**Interpretation:**

The regression sum of squares (82.122) is greater than the residual sum of squares (24.315), which indicates that more of the variation in the dependent variable is not explained by the model. The significance value of the F statistics (0.000) is less than 0.05, which means that the variation explained by the model is not due to chance.

R, the correlation coefficient which has a value of 0.778, indicates that there is positive relationship between entrepreneurial innovation and sustainability. R square, the coefficient of determination, shows that 77.2% of the Sustainability is explained by the model. With the linear regression model, the error of estimate is low, with a value of about .53484. The Durbin Watson statistics of 0.540, which is not more than 2, indicates there is no autocorrelation.

The entrepreneurial innovation coefficient of 0. 778 indicates a positive significance between entrepreneurial innovation and sustainability, which is statistically significant (with t = 16.944). Therefore, the null hypothesis should be rejected and the alternative hypothesis accordingly accepted. Thus entrepreneurial innovation has a significant and positive effect on sustainability of small and medium scale enterprises in Enugu State Nigeria

## **Summary of Findings**

The findings at the end of this study include the following

- i. Business alertness had a significant and positive effect on sustainability of small and medium scale enterprises in Enugu State Nigeria(  $r= 0. 966$ ;  $t = 34. 205$ ;  $p< 0.05$ )
- ii. There was a positive relationship between entrepreneurial risk-taking and sustainability of small and medium scale enterprises in Enugu State Nigeria (  $r=.868$ ,  $P<.05$ ).
- iii. Entrepreneurial innovation had a significant and positive influence on sustainability of small and medium scale enterprises in Enugu State Nigeria (  $r = 0.778$ ;  $t = 16.944$ ;  $p< 0.05$ )

## **Conclusion**

The study concluded that an entrepreneurship mindset positively contributes to the sustainability and performance of Small and Medium-sized Enterprises (SMEs) in Enugu State, Nigeria, through creative thinking, innovativeness, and a proactive approach to opportunities, according to various studies. To enhance SME sustainability, the conclusion is that stakeholders must foster entrepreneurial education and culture, encourage practical hands-on experience, and support government initiatives for capacity-building and the adoption of digital tools like e-commerce

## **Recommendations**

- i. SMEs in Enugu State, businesses should focus on fostering innovation and calculated risk-taking to adapt to market changes, develop strong financial management skills through accessible training, improve technical and technological readiness via access to resources
- ii. Entrepreneurial risk-taking has a significant positive relationship with the sustainability of Small and Medium-sized Enterprises (SMEs) in Enugu State, Nigeria, but this relationship is complex. While higher risk-taking tends to enhance performance and competitiveness, it's crucial to balance it with effective risk management practices, including risk identification and mitigation, to ensure long-term sustainability rather than just short-term survival

- iii. SMEs should adopt a proactive mindset by cultivating risk tolerance, embracing new technologies, and consistently introducing novel products to maintain a competitive edge and ensure business survival

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