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ENTREPRENEURIAL SELF-EFFICACY AND SMALL AND MEDIUM ENTERPRISES PERFORMANCE IN NIGERIA

OMOYELE, Olufemi Samuel (P.hD.)

Department of Entrepreneurial Studies, Faculty of Management Sciences, Osun State University, Osun State

BABARINDE, Solomon Adejare (P.hD.)

Department of Business Administration, Lead City University, Ibadan, Oyo State, Nigeria.

OBADARE, Grace Oluwatoyin (P.hD.)

Department of Entrepreneurial Studies, Faculty of Management Sciences, Osun State University, Osun State

Abstract

Entrepreneurial self-efficacy refers to the capabilities possessed by an individual which tends to modify their belief in the probability operates a new business. It is the extent to which an entrepreneur believes in his ability to successfully start a new business venture. Segal, et al (2005) opined that when a person has a high entrepreneurial self-efficacy, then the possibility of becoming an entrepreneur in the future becomes higher. This investigated entrepreneurial self-efficacy and SME performance in Nigeria. The study adopted the descriptive survey in which 250 SMEs were selected using Krejcie and Morgan's (1970) formula from across different industries ranging from administrative and technical services, agriculture, construction, and information, to transportation. The questionnaire was adopted for data collection and the data collected was analyzed using descriptive statistics. Meanwhile, the hypotheses formulated were tested using Chi-Square analysis. The result of this study indicates that creativity, planning, and financial literacy which are self-efficacy variables investigated in this study, all have significant impacts on the performance of SMEs in Nigeria. With this result, the study concluded that entrepreneurial self-efficacy has a significant impact on SMEs performance in Nigeria; and thus recommends that entrepreneurs should develop their planning, creativity, and financial literacy skills for better performance.

Keywords: Entrepreneurial, Self-Efficacy, Planning, Creativity, Financial Literacy SMES, Performance

Introduction

The present-day economy is one that is greatly influenced by technology and development driven by entrepreneurial knowledge, skills, and mindset. For a business to be successful and sustainable, calls for the application of innovative strategies subject to the mindset of an entrepreneur (Tyoapine, Teddy, James & Ringim, 2016). This implies that the success of a business is not limited to skills alone but requires an appropriate entrepreneurial mindset which helps to formulate a solid inroad to the

success and performance of SMEs (Junde, 2015). Reducing poverty in a country is subject to the ability of small and medium enterprises to create jobs, increase domestic and export earnings, as well as contribute to the welfare of economies (Muiruri, Bwisa, Muturi & Kihoro, 2017). In this regard, Small and Medium Enterprises can be described as possessing bringing new life to growing and stagnant economies, which makes them significant anywhere across the globe. Tyoapine et al (2016) stated that the success of a business is subject to an

entrepreneur's mindset and requires more than the acquisition of relevant skills, including the possession of an appropriate entrepreneurial mindset.

Entrepreneurship is regarded as a solution to sustainability challenges faced globally, and in this regard is described to be the result of specific human characteristics that aids in the identification, exploitation, and creation of market opportunities to ensure growth. This implies that using certain characteristics, entrepreneurs are able to understand and make use of known strategies, while identifying new opportunities that are efficient. The objective of this research is to investigate the relationship between entrepreneurial self-efficacy and SME performance in Nigeria (Eniola, 2020).

Enhancing the skills that will increase the quality of the industrial sector is a major theme of Nigeria's Vision 2030. To this end, attention is paid to the utilization of financial, legal, and institutional facilities to enhance the business environment for small and medium enterprise development (UNDP, 2015). The rationale behind this is to develop the country's economy into a market-based self-sufficient economy. Entrepreneurship-based SMEs have been reported to contribute significantly to the development of an economy, hence the increased focus on SMEs for sustainable economic development at economic and industrial levels.

Nigeria is one of Africa's most populated countries as well as Africa's largest oil exporter and is heavily reliant on oil resources, which is very challenging (Workman, 2019). The unemployment rate in the country is very high despite the high youthful population (NBS, 2018; Workman, 2019). This implies that there is a wide gap between the skill required in the market and what is taught in schools. Due to this imbalance, most Nigerian youths are focused on securing public sector jobs rather than venturing into entrepreneurship. To encourage entrepreneurship spirit in youths, it is important to develop their self-efficacy. Self-efficacy in this context describes the belief of an individual in the competence to organize his/her actions, cognitive strengths, and motivation in ways that enable them to have control over events (Wood & Bandura, 1989). When an individual possesses low self-efficacy, the tendency to avoid risk-

taking activities or developing competencies is high; however, when an individual has high self-efficacy, the confidence level is boosted, as well as the perseverance and effort of such individual (Eniola, 2020). Eniola (2020) opined that entrepreneurial Self-efficacy (ESE) is the major factor in the establishment of a new SME, given that ESE is regarded as the capability of the entrepreneur to execute a task that enables them to develop the will to act accordingly.

There is evidence of a positive relationship between ESE and entrepreneurial performance-related outcomes. Forbes (2005) identified that the abilities of entrepreneurs to make comprehensive strategic decisions were significantly influenced by their ESE. Similarly, McGee et al. (2009) found evidence about the effect of ESE on performance, however, the impact of ESE on the performance of SMEs was unclear, which called for further investigations (Markman et al., 2016). Conducting this study among Nigerian SMEs is of importance as there seems to be a lack of or inadequate market-based skills requirement which has led to a lack of entrepreneurial tendency self-efficacy and/or orientation.

Statement of the research problem

Studies have proved that the development of the entrepreneurship-based SME sector holds promising prospects for the Nigerian economy (World Bank, 2019). The declining oil prices have led to an understanding that the active contribution of the private sector through entrepreneurship-based small and medium enterprises in Nigeria's economy may not sustain the lack of two important requirements; the entrepreneurial behavior and market infrastructure and/or institutional environment of the nation; needed to develop an effective entrepreneurial class (Eniola, 2018). This implies that Nigeria as a country is lacking the required characteristics needed to tackle challenges resulting in issues such as poor development of the private sector, and an unskilled labour force. This issue is compounded by the generous public support policies of the government in their attempt to earn goodwill leading to the development of a non-entrepreneurial attitude among the Nigeria Youth. The result of this is the increased tendency of the youth wanting to join public sector organizations rather than the

private sector. Further, the country's heavy dependence on petroleum products and natural resources has caused improper market development policies which hinder the evolution of a proper market and institutional infrastructure necessary for the development of SMEs. Workman (2019) noted that the creation of SMEs stems from improper policies of existing institutions. It also appears that the failure of many small and medium-sized enterprises is caused by some of the factors already identified leading to the closure of small enterprises annually. Owoseni and Akanbi (2011) observed that most SMEs in Nigeria do not survive the first two years of establishment. It is in view of the aforementioned assumptions that this study seeks to investigate the role of entrepreneurial self-efficacy in the performance of SMEs.

Research Objective

The study generally seeks to examine the role of entrepreneurial self-efficacy in SME performance in Nigeria. Specifically, the study seeks to;

- i. Assess the effect of creativity on SME's performance
- ii. Examine the extent to which planning impacts SME's performance
- iii. Analyze the role of financial Literacy in SMEs performance

Research Questions

- i. What is the effect of creativity on SMEs' performance?
- ii. To what extent does planning impact SMEs' performance?
- iii. What is the role of financial Literacy in SMEs' performance?

Research Hypothesis

H0: Entrepreneurial self-efficacy does not play any significant role in SME performance in Nigeria.

H1: Entrepreneurial self-efficacy does play a significant role in SME performance in Nigeria.

Literature Review

Entrepreneurial Self-efficacy

Entrepreneurial self-efficacy refers to the capabilities possessed by an individual which tends to modify their belief in the probability operate a new business (Bandura, 1986). Segal, Borgia and Schoenfeld, (2005) defined Entrepreneurial self-efficacy as the ability and skill possessed by an individual to advance a business enterprise from one developing stage to another. The term entrepreneurial self-efficacy is derived from the concept of self-efficacy which is a cognitive factor necessary for the successful completion of a specific task. Self-efficacy is the capability and belief of an individual to mobilize every available resource that allows events to be controlled and tasks carried out (Mauer, Neegaard & Kirketerp, 2009). Entrepreneurial self-efficacy, as a concept, was postulated by Gist and Mitchell (1992), when they pointed out the necessity of identifying the factors that trigger various entrepreneurial behaviors which should be improved on. Studies have shown that entrepreneurial behaviours significantly affect the possibility of being an entrepreneur (DeNoble & Ehrlich, 1999; Zhao, Seibert & Hills, 2005). Krueger and Brazeal (1994) observed that entrepreneurial self-efficacy tends to influence the perception of individuals, aided by resources and credible publicity, which empower potential entrepreneurs with the ability to avail them of any given opportunity. Shepard and Krueger (2002) observed that there is an effect of entrepreneurial self-efficacy on people's choice of action and the amount of energy expended. The authors were of the view that the feasibility of potential entrepreneurs is higher when self-efficacy towards entrepreneurial behavior is higher. Tsai et al. (2016) examined entrepreneurship-related variables and identified factors, such as personal attributes, traits, background, experience, and disposition capable of motivating individuals to become entrepreneurs. Ardichvili et al. (2003) were of the view that being able to identify and exploit a business opportunity is a primary step in the entrepreneurial process and enables innovation.

Self-efficacy describes the belief that human beings have in their ability to effectively organize and execute specific actions (Bandura, 1997). Entrepreneurial

self-efficacy, therefore, refers to an entrepreneur's personalized belief of or optimism to successfully establish and operate a business (Oyeku, Oduyoye, Kabouh, Elemo, Karimu, and Akindoju 2014). Campo (2011) defined entrepreneurial self-efficacy as the extent to which an entrepreneur believes in his ability to successfully start a new business venture. Segal, et al (2005) opined that when a person has a high entrepreneurial self-efficacy, then the possibility of becoming an entrepreneur in the future becomes higher. The findings of Keith and Robert (2008) revealed that a key predictor of firms' performance is subject to the founders' entrepreneurial self-efficacy. This implies that self-efficacy to a large extent influences the growth and personal success of a business. It is consistent with the foregoing that Torres and Watson (2013) pointed out that a business's high performance is determined by an owner's level of belief or capacity to perform and execute tasks.

Oyugi (2016) identified optimism as an entrepreneur's major characteristic which results in producing highly confident individuals who believe in their ability to operate a business and endure any difficulties that may arise and, in the process, build a successful business. Lejarraga and Pindard-Lejarraga (2013) also supported this view stating that entrepreneurial experience informs entrepreneurial optimism of high chances of entrepreneurial success (Lejarraga and Pindard-Lejarraga, 2013).

Theoretical review

The entrepreneurial event theory developed by Shapero and Sokol (1982) identified several factors which determine intentions including perceived desirability which describes the attraction to becoming an entrepreneur and starting up a business; perceived feasibility which describes the extent and capability of an individual on starting a new business; and the ability to identify and make use of opportunities. The implication of this theory is that start-up intentions take two forms perceived desirability and perceived feasibility. The model is also suggestive of the fact that entrepreneurial intentions tend to be influenced by exposure to entrepreneurship, propensity to act, and perceptions of

desirability and feasibility (Nabi and Linan, 2013; Abubakar, 2020). As emphasized by the theory, the intention to be an entrepreneur is subject to perceived desirability and perceived feasibility. Just like perceived feasibility which describes the degree to which an individual feels capable of pursuing a new business a new venture, entrepreneurial self-efficacy describes the confidence of an individual in their ability to begin a business and become entrepreneurs.

Empirical Review

Mpho and Olawale (2021) examined the relationship between Entrepreneurial Self-Efficacy (ESE) and social and environmental performance of SMEs, in which the results of the regression analysis revealed that ESE had a significant positive relationship with social and environmental performance. Oyeku, Oluseyi, Karimu, Akindoju, Agbetokun, and Elemo (2020) investigated the effect of entrepreneurial self efficacy on entrepreneurial success of 381 small and medium enterprises (SMEs) in Lagos State. The study made use of primary data and questionnaire as research instrument. The study found a high influence of entrepreneurs' optimism on entrepreneurial success implying that SME owners need to be more entrepreneurial optimistic to ensure survival in the competitive market environment.

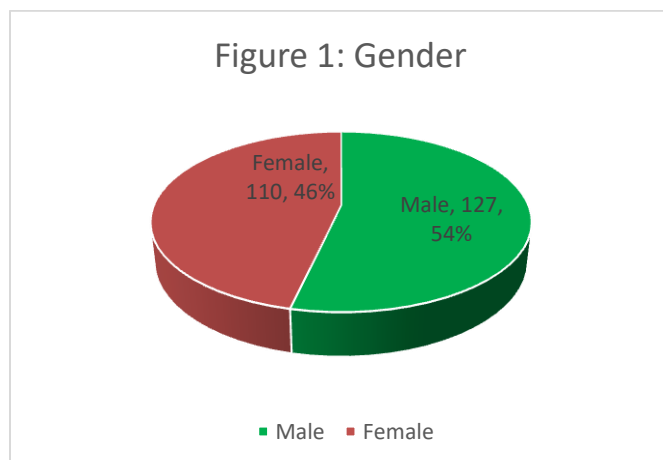
Kimathi, Mukulu and Odhiambo (2021) analyzed the effect of self-efficacy on Kenyan SMEs performance. Using survey research design on a population of 268,100 licensed small and medium enterprises in Nairobi County in Kenya, 400 firms were selected as the study's sample size. To achieve this sample size, multi-stage probability sampling method was used involving stratified sampling method and simple random sampling. Data was collected using questionnaires, which was analyzed using Statistical Package for Social Science (SPSS) and Microsoft Excel, from which it was found that there was positive and significant effect of entrepreneur's self-efficacy on the performance of Kenyan SMEs. Based on the findings, the study concluded that an entrepreneur's self-efficacy forms the foundation of other entrepreneurial mindset attributes such as innovativeness, risk taking, and creativity, which makes it a good predictor of high business performance. The findings of

the study indicated that entrepreneurs with high self-efficacy possess the ability to steer their business to profitability regardless of the competitive environment they find themselves in.

Eniola (2020) analyzed the role of entrepreneurial self-efficacy in the growth and orientation of SMEs in Nigeria. Data was obtained from owners of SMEs in Nigeria and analyzed using Partial least squares structural equation modelling (SEM-PLS). The study revealed that entrepreneurship plays a significant role in creating a productive enterprise-based SME, and as such, regardless of social, economic and geopolitical conditions, makes it an important engine for sustainable economic development. Abubakar, Umar, Mohammed and Babawuro (2020) conducted a study on the relationship between entrepreneurial self-efficacy and entrepreneurial intention of business education students of college of education with access to finance as moderation. Structured questionnaire was used in obtaining data from 320 randomly selected final year business education students and analyzed using regression analysis. The study found access to finance significantly moderate the relationship between entrepreneurial self-efficacy and entrepreneurial intention. The implication of this finding is that access to government grants and loans, adequate and timely information will enable business education students develop their business start-up intent upon

distributed, only 237 were returned and the analysis in this section comprises the 237 data collected.

Demographic data



graduation to complement governmental efforts towards entrepreneurship education in tertiary institutions, as a means of addressing unemployment.

Methodology

This study adopted the descriptive survey method in which respondents for the study were selected from a pool of small and medium enterprise owners given by Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) (MSME Survey, 2013). The study was carried out in Lagos state given the high number of small businesses located available in the area given its status as the commercial hub of the country, condition for participation in the study was set. Thus, participants must be the owner of the business. The business must have existed for at least three years with employees between 10–49 per company. Respondents for the study were selected from various industries ranging from administrative and technical services, agriculture, construction, and information, to transportation. The sample size was determined using Krejcie and Morgan (1970) and a total of 250 SMEs were selected. Analysis was done using Statistical Package for Social Sciences (SPSS).

Data presentation and analysis

Out of the 250 questionnaires

The result indicated that entrepreneurship is not limited to a particular gender as both males and females constitute the study in the ratio of 46% female, and 54% male as shown in figure 1 above. Figure 2 below talks about the age groups which according to the result presented in the bar chart below, are as young as 18 years, and some individuals are already business owners. As shown in the table, the highest number of entrepreneurs was within the age group 31-40years. This is followed by those in the age group 18-30years, then 41-50years, and lastly those within the age group 50.and above

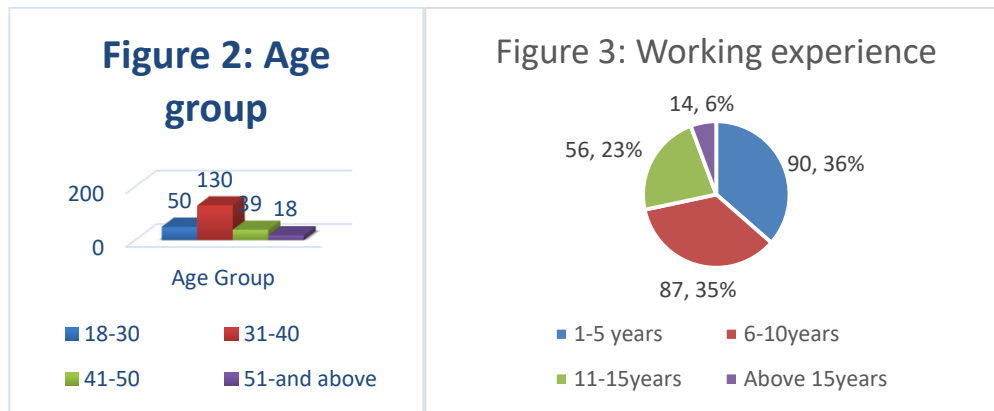
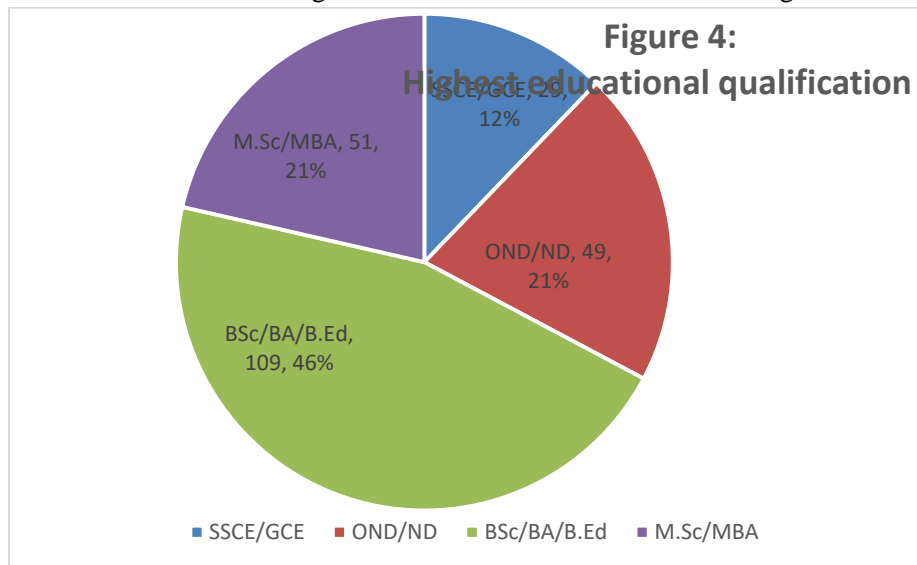


Figure three shows that these entrepreneurs have been in the business for a different number of years ranging between 1-5 years (36%); 6-10years 35%; 11-15years (23%) and 16years and above constitutes 6% of the participants in the study. While figure 4 indicated diverse level of educational attainment SSCE through masters.

This shows that, entrepreneurs’ self-efficacies is not affected by education alone. Some become entrepreneurs and still perform well after serving as an apprentice to acquire the necessary training and skills, while others are privileged to enjoy higher education with as high as masters and doctorate degrees.



Section B

RQ1: What is the effect of creativity on SMEs’ performance?

Table 1 below shows the result elicited from the respondents with respect to the effect of creativity on SMEs’ performance. All items in the table score above 60% strongly agree or agree which were all accepted as true. This implies that creativity enhances the overall

performance of SMEs by enhancing the customer experience or can give an exciting look to the product or service; improving organizational productivity, scope, and participation, as well as faster business growth; improving the competitiveness of an SME, as well as enhances an entrepreneur’s ability to find new ways of solving problems and facing opportunities. This result is in agreement with Boso et al (2017), who proved that creativity drive business regardless of the sector – SMEs, and Multinational, among others. There has been no

general agreement on the impact of creativity on SMEs; however, some earlier studies support that creativity is inevitable in multinational companies. The result shows that in a multinational corporation, creativity is essential to its performance (Sarooghi et al 2015). Libaersa and Burkemper (2015) rather found the connection between creativity and organizational performance as relative and highly contextual which could also be inhibited by a lack of support or inadequate resources. Previous studies revealed that there are circumstances that might temper this essential link between creativity and organizational performance (Troilo, et al, 2014). Nonetheless, the creativity literature suggests that innovation is frequently demonstrated in times of extreme resource scarcity (Zeschky et al, 2014), underscoring the proverb that

"necessity is the mother of invention" (Gibbert, Hoegl, & Valikangas, 2013, p. 197). One key aspect of these gaps in the research on organizational creativity is that evidence on how and when this connection operates in less-developed countries is absent (Weinzimmer et al, 2011), which the current study, in the context of Nigeria, has clearly shown that creativity does impact the performance of SMEs in Nigeria. . Organisational creativity and market performance, and that the indirect causal link from organizational creativity to market performance, via NPD capability, is conditional on levels of environmental dynamism and degrees of responsiveness to market needs in the organization. The table below shows the result collected from the data analyzed for this study.

Table 1:
The effect of creativity on SMEs performance

Items	Strongly agree/Agree	Disagree/strongly disagree	Percentage in agreement	Decision
Creativity enhances the customer experience or can give an exciting look to the product or service	198	39	83.5	Accept
Creativity improves organizational productivity, scope, and participation, as well as a faster business growth	195	42	82.3	Accept
Creativity improves the competitiveness of an SME.	191	46	80.6	Accept
Creativity enhances an entrepreneur's ability to find new ways of solving problems and facing opportunities	227	10	95.8	Accept

Source: Field Survey, 2022

RQ2: To what extent does planning impact SMEs' performance?

Close to creativity is adequate planning. In other words, what made creativity achieve the desired result is when it is blended with adequate planning. For this reason, the second research question investigated the extent to which planning impacts SMEs' performance. The result presented in Table 2 below shows that all the items in the table were accepted because more than 80% of the respondents agreed or strongly agreed with the statements. With this result, this study concludes that

planning helps the firm to achieve rational distribution of resources, adequate operation and cost controls provide guidelines and programs for the achievement of specific goals and visions as well as encourages forward thinking and the integration of the behavior of individuals. The majority of research on the SME sector has concentrated on the topic of external difficulties, particularly finance (Luper, 2012), poor management (Obiwuru, et al., 2011), inadequate infrastructure (Ogundele et al., 2013), and heightened competition, high tax (Aigbodua and Oisamoje, 2013), economics, etc.; however, little or

nothing has been done on the impact of planning and its impact on SMEs performance, as Ihua, (2009) revealed, creating a gap for the current study. The result of the study revealed that planning helps impact SMEs'

performance. Some earlier studies such as Makinde, Akinlabi, and Ajike (2015) identified strategic planning as key to productivity and higher performance in business organizations including SMEs.

Table 2:
The extent to which planning impact SMEs' performance

Items	Strongly agree/ Agree	Disagree/ strongly disagree	Percentage in agreement	Decision
Planning helps the firm to achieve rational distribution of resources	194	43	81.9	Accept
Planning ensures better operations as well as controlling the costs	198	39	83.5	Accept
Planning provides guidelines and programs for the achievement of specific goals and visions	197	40	83.1	Accept
Planning encourages forward thinking and the integration of the behavior of individuals	190	47	80.2	Accept

Source: Field survey, 2022

RQ 3: What is the role of financial Literacy in SME's performance?

The final research question looked into the entrepreneurial self-efficacy quality of financial literacy and how that impacts the performance of SMEs. The result from the data retrieved shows that financial literacy enables managers/owners of SMEs to understand and assess their own financial needs and make rational financial decisions, minimize financial risks that may occur, allows entrepreneurs to make projections of income and expenditure, and enables entrepreneurs to identify opportunities and risks associated with business and financial decisions. With this result, this study supports that financial literacy is essential for the growth and survival of SMEs. No amount of capital is enough for business, especially when not properly managed. Financial literacy refers to both financial education and

comprehension. This concept is around the capacity to properly manage one's own financial affairs, which includes knowledge of how to make sensible decisions about investments, real estate, insurance, budgeting, funding one's education, retirement, and tax preparation (Fatoki, 2014). Understanding financial ideas and principles such as financial planning, compound interest, debt management, lucrative saving techniques, and the time worth of money is another part of financial literacy. The result of this study is in agreement with Abiodun (2016) who shared that entrepreneurs' financial knowledge and attitudes affect the performance of SMEs. Likewise, Sucuahi (2013) is of the view that owners' financial decision affects the performance of SMEs. According to Lusardi and Mitchell (2007), a sound financial foundation of business owners is a crucial barometer of the performance and growth of firms in a competitive market. The table below reveals the result.

Table 3:
The role of financial Literacy in SMEs performance

Items	Strongly agree/ Agree	Disagree/ strongly disagree	Percentage in agreement	Decision
Financial Literacy enables owners/managers of SMEs to understand and assess their own financial needs and make rational financial decisions	192	45	81.0	Accept

Financial Literacy minimizes financial risks that may occur	196	41	82.7	Accept
Financial Literacy enables allows entrepreneurs to make projections of income and expenditure	189	48	79.7	Accept
Financial Literacy enables entrepreneurs to identify opportunities and risks associated with business and financial decisions	194	43	81.9	Accept

Source: Field survey, 2022

Research Hypothesis

H0: Entrepreneurial self-efficacy does not play any significant role in SME performance in Nigeria.

H1: Entrepreneurial self-efficacy does play a significant role in SME performance in Nigeria.

Finally, the hypothesis formulated in this study was tested using Chi-Square. The result of the study indicated that the probability value is 0.000 which is less than the level of significance (0.05). as a result, we reject the null hypothesis. This implies that entrepreneurial self-efficacy does play a significant role in SME performance in Nigeria.

Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	429.864 ^a	9	.000
Likelihood Ratio	324.968	9	.000
Linear-by-Linear Association	162.429	1	.000
N of Valid Cases	238		

a. 8 cells (50.0%) have expected count less than 5. The minimum expected count is 1.66.

Discussion of findings

It is essential to remember that entrepreneurs' traits greatly influence their enterprises. Self-efficacy is one of these qualities that every entrepreneur should cultivate. In the context of this study, self-efficacy refers to a person's confidence in their ability to plan their behaviors, cognitive abilities, and motivation in a way that gives them control over occurrences (Wood & Bandura, 1989). The planning and financial literacy factors for entrepreneurial self-efficacy and how they impact the performance of SMEs constitute the bulk of this study. A person with low self-efficacy is likely to avoid taking risks or learning new skills; in contrast, a person with strong self-efficacy is more likely to persevere and put in the work necessary to achieve their goals. According to Eniola (2020), the capacity of the entrepreneur to carry out a task that enables them to cultivate the desire to act

appropriately is regarded as the primary aspect in the development of a new SME.

The findings of this study indicate a link between ESE and outcomes to entrepreneurial performance. Forbes (2005) found that an entrepreneur's ESE has a substantial impact on their capacity to make thorough strategic decisions. The result of this study supports McGee et al. (2009) who discovered evidence about the effects of Entrepreneurial Self- Efficacy on performance, however, the impact of ESE on the performance of SMEs was unclear, necessitating more research (Markman et al., 2016). It is crucial to carry out this study within Nigerian SMEs because it appears that there is a lack of or an inadequate need for market-based skills, which has resulted in a lack of entrepreneurial propensity, self-efficacy, and/or orientation. It is conceivable that overall self-efficacy influences the degree to which future task

performance is anticipated by peer pressure or personal experiences.

Conclusion and Recommendations

According to Tyoapine et al. (2016), a business's success is dependent on the mindset of the entrepreneur and calls for more than just the learning of necessary skills. It also calls for the presence of the right entrepreneurial attitude. People may organise their lives and demonstrate control over them by using the life management technique of planning (Prenda & Lachman, 2001). People that use a forward-looking approach are more likely to be ready for upcoming responsibilities and to have more influence over their job (Gollwitzer, 1996). Goal-oriented people may concentrate on novel opportunities to achieve their goals. One step towards achieving the goal there is through adequate planning. Financial literacy also includes knowing about concepts and principles like the

time value of money, debt management, planning on how to finance the business, compound interest, and debt management. The findings of this study are consistent with those of Abiodun (2016), who said that the financial knowledge and attitudes of entrepreneurs have an impact on the performance of SMEs. Sucuahi (2013) shares the opinion that the financial choices made by business owners have an impact on how well SMEs succeed. Azizli et al. (2015), per Lusardi and Mitchell (2007)) revealed that self-efficacy affects how much people participate in future planning since social comparison or personal experiences can predict future task performance to some extent. People may organize their lives and demonstrate control over them by using the life management technique of planning. For this reason, the study recommends adequate planning as well as financial literacy as essential skills that entrepreneurs must acquire to enhance their performance in SMEs.

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