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Creativity and Entrepreneurial Activities among SMEs in Abuja

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Abstract

The study examines creativity and entrepreneurial activities among Small and medium scale enterprise in Abuja. A Point in time data was collected from primary source covering a period of 1 year that is 2016. The population of this study is 2690 owners of SMEs in Abuja. A sample size was derived using Taro Yamane formula and the sample size was 348. Ordinary least Square method of regressions with a statistical package of e-view was adopted and findings reveal that there is significant relationship between creativity and entrepreneurial activities. Other findings were that there is a significant relationship between creativity and corporate level activity etc in Abuja. The study recommends that SMEs in Abuja should encourage creativity since it significantly leads to entrepreneurial activities. They should try to improve their creativity level by adding new concepts to their existing business and even design new principles to achieve their goal.

Keywords: *Creativity, Entrepreneurial activities, Business level activity, Corporate level activity and functional level activity*.

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Background to the Study

Creativity in an organization can enhance entrepreneurial activities such as business level activity, enterprise level activity, corporate level activity and functional level activity. Entrepreneurs can learn from their own and other people's successes and failures, to improve their skills on creativity by ensuring that it enhances entrepreneurial activities such as business level activity, corporate level activity and functional level activity. Entrepreneurial activities are recognized as something worth to be promoted, because the level of activities added value to organization if the organizations are into creativity. Entrepreneurial activities are driving force for initiating business ideas, mobilizing human, financial and physical resources and these can incorporated in activities such business level activity, corporate level activity and functional level activity.

One of major problem is that majority of the SMEs in Abuja do not apply the concept of creativity in their businesses and some do not create creativity value to their existing businesses and this limit their entrepreneurial activities in SMEs in Abuja. They hardly design new product, new packaging, new ways of conducting business, new design as well as new machines in order to realize entrepreneurial activities such as business level activity, corporate level activity and functional level activity. Also, some SMEs in Abuja do not understand the entrepreneurial activities such as business level activity, corporate level activity and functional level activity or how to apply them in conjecture with creativity.

Previous such as Hope and Godwin (2015) investigate creativity and entrepreneurial development in selected manufacturing firms in Anambra State, Nigeria. Osaenwe (2012) effects of creativity and innovation on the Entrepreneurial performance of family businesses but this study is different from the previous studies because it considered Abuja SMEs and also study the impact of creativity on entrepreneurial activities.

The objective of this study is to examine the impact of creativity on entrepreneurial activities of SMEs in Abuja and the specific objectives of this study are: to determine the impact of creativity on business level entrepreneurial activity of SMEs in Abuja, to evaluate the impact of creativity on corporate level entrepreneurial activity of SMEs in Abuja, to examine the impact of creativity on functional level entrepreneurial activity of SMEs in Abuja and to examine the impact of creativity on enterprise level entrepreneurial activity of SMEs in Abuja

The scope of this study covered the activity of creativity and entrepreneurial activities of SMEs in Abuja and the period of study is 1 year from Jan, 2016 to December, 2016. The reason for chosen this period is that Nigeria experience full economic recession according NBS (2016) and it is only the SMEs sector through creativity and entrepreneurial activities that can help Nigerian economy to step-out of recession. The scope of this study also covered six areas council in Abuja such as Gwagwalada, Abaji, Kuje, Abuja Municipal, Bwari and Kwali Area Council.

It is expected that the findings of this research will be of immense importance to the managers of SMEs, policy makers of SMEs, stakeholders of SMEs, business operators, researchers and government, because it will help in formulating policies based on the contributions of the impact of creativity on entrepreneurial activities. This research will help managers of various SMEs to generate ideas and solution to problems based on the best way to operate entrepreneurial activities in different areas in their organization in order to achieve desired goals and objectives.

The hypotheses are stated below in a nil form: they are:

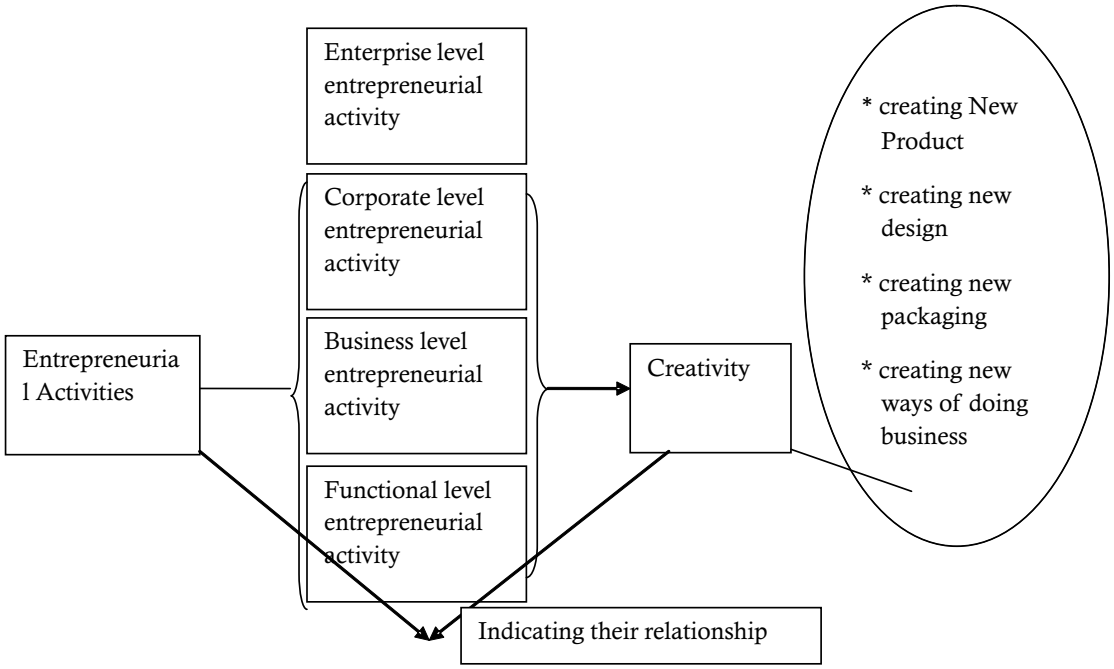
$\mathbf{H}_{01}$: Creativity does not have any significant impact on business level entrepreneurial activity of SMEs in Abuja.

$\mathbf{H}_{02}$: Creativity does not have any significant impact on corporate level entrepreneurial activity of SMEs in Abuja.

$\mathbf{H}_{03}$: Creativity does not have any significant impact on functional level entrepreneurial activity of SMEs in Abuja.

$\mathbf{H}_{04}$: Creativity does not have any significant impact on enterprise level entrepreneurial activity of SMEs in Abuja.

Conceptual Framework



Creative Entrepreneurial Model, 2017

Concept of Creativity

Basset-Jones (2005) asserts that creativity is a necessary precondition for successful innovation of a product or ideas. Pfieffer (1979) define creativity as the ability to realize creative product. Ignacio defined creativity as a piece of work which is first to a significant extent new, original, and unique and second shows a high degree of success in its field. According to Fillis and Rentschler (2010) creativity is the construction of ideas or products which are new and potentially useful. According to Nnabuife (2009) creativity is the ability to develop new ideas and discover new ways of looking at problems and opportunities. Fillis (2012) assert that creativity is the construction of ideas or products which are new and potentially useful. To him creativity allows the organization to take advantages of opportunities which develop as a result of changing environmental conditions. Bosiak (2013) defines creativity as the ability to think in ways and forms that are new, different and not seen in other individuals. According to Kanu (1995) creativity is the disposition to make and recognise valuable innovations.

Creativity is a process of creating new design of a product, new product design, new packaging or colouring of a product and new ways of doing business or process of using new machine to conduct a business.

Concept of Entrepreneurship

Alawiye (2004) defines entrepreneurship as the process of increasing the supply of entrepreneurs or adding to the stock of existing small, medium and big enterprises available to a country by creating and promoting many capable entrepreneurs, who can successfully run innovative enterprises, nurture them to growth and sustain them, with a view to achieving broad socio-economic developmental goals. Acs and Szerb (2007) note that entrepreneurship revolves around the realization of existence of opportunities in combination with decision to commercialize them by starting a new firm. Entrepreneurship is a process of discovering new business and adding value to the existing business in order to increase performance in the sector and become a entrepreneurial leader in the industry. However, there are various activities of entrepreneurial activities such as enterprises level activity, business level activity, corporate level activity and functional level activity.

Enterprise-level entrepreneurial is the total redefining of the purposes for which the organization exists, the raison d'etre for the existence of the organization. Enterprise-level entrepreneurial activity is called for when the purposes for which the organization exists become recognized as either being unattainable or obsolete (Guth & Ginsberg, 1990). The enterprise level of entrepreneurial activities refine the organizational goal, purpose, reason and vision for carry out the business or redefining why the organization exist and what it intend to achieve in the future.

Building on the definition provided by Guth and Ginsberg (1990), at the corporate level entrepreneurial activity can be defined as the radical restructuring of the portfolio of business units that make up the corporation, or the transformation of the organization through renewal of the key ideas on which it is built. This type of entrepreneurial activity can be called "Corporate Turnaround. The various types are Value-Creating which implies that it is which the business seeks to edge out its competitors by gaining more market share. These strategies seek to add real and perceived value to the business' products and services by exploiting economies of scope -- the resources and capabilities of the business that can be shared across the entire organization to reduce costs and increase efficiency. Value-Neutral Strategy which implies that business can employ a value-neutral strategy when the organization isn't so much concerned with allocating resources and manpower as it is with securing its current place within the market. Value-Reducing Strategy which implies that businesses sometime engage in value-reducing strategies which give an organization-wide level when the stakeholders or customers perceive that the business is getting too big for its britches or that only the top-level executives are benefiting from diversification. Value-reducing strategy refocuses the business' market, helps it define a target demographic and puts mechanisms in place to prevent unnecessary or harmful growth and deciding on a Strategy implies that corporate level strategy should adopt, it is less clear at other times, particularly when the market is unsteady or the business cannot afford to waste resources trying new products and services that may not be profitable.

At the business level, it is possible to further subdivide entrepreneurial activity based on whether the entrepreneurial activity takes place within an existing business-level unit or the

entrepreneurial activity is designed to bring about the founding of a new business unit. New business unit (Corporate Venturing) (Weiss, 1981) and business level entrepreneurial activity includes cost leadership, differentiation, focused cost leadership and focused differentiation.

Functional-Level entrepreneuring involve proper administration of task assigned to the employees such as the accounting manager who radically refocuses a stodgy bookkeeping department into an aggressive, service-oriented, customer-driven information group, serving inside customers and outside customers alike, has engaged in Functional-Level Entrepreneuring as much as the champion responsible for the commercialization of a new product (Sandberg, 1986). However, functional level activity includes marketing function, finance function, productive and operational function as well as human resource management function.

Concept of SMEs

According to Jamodu (2000) Small and Medium Scale Enterprises is defined on the basis of employment, in micro/cottage industries (1-10 workers), small scale industries (11-100 workers), medium scale industries (101-300 workers) and large scale industries with (301 and above). Alarape (2008) defines SMEs as an enterprise with a labour size of 11-100 employees or a total cost of not less than N50 million, including working capital but excluding cost of land. However, SMEs is a business operated with a limited capital and employing 1-20 workers and using a capital of 50,000 to 10million.

Empirical Findings

Hope and Godwin (2015) investigate creativity and entrepreneurial development in selected manufacturing firms in Anambra State, Nigeria. Correlational research design was employed in the study. Data were analyzed using the Pearson's product moment correlation coefficient which establishes the extent of relationship between two variables. The result showed that creativity has significant positive relationship with entrepreneurial development.

The above study considered creativity and entrepreneurial development in Nigeria and used only Pearson product moment correlation without considering regression. The study could have use both regression and correlation to answer the question of how and it is only regression that can give the answer but the study only indicate if there is a relationship between creativity and entrepreneurial activity.

Osaenwe (2012) study the effects of creativity and innovation on the Entrepreneurial performance of family businesses using both primary and secondary data to data gathered. The survey research method was used through the distribution of 200 questionnaires to 20 family businesses in the Lagos metropolis. The family businesses used for this study included the following Techoquip Limited, Deorenik Limited, Ajoke Stores Limited, Eagles Path Limited, Olaolu Trading Stores, Obosi & Co Limited, Eleganza, Bode Best & Co Limited, AA Shittu & Co Limited, Elizade Nigeria Limited, Ekenedilichukwu Transport, CN Okoli Motors, Diya Fatimileyin & Co Limited, Jide Taiwo & Co Limited, Howard Daffinone Consulting, Rotimi Williams Firm, Braith Whyte Group, and Emmalesson Group, Ibru Group of Companies, and OBAT petroleum group. ANOVA test statistics was used to test the three hypotheses of the research. In analysis of the data gathered, it was found that creativity and innovation through product quality, new technology, and new product development significantly affect the performance of family businesses.

The above study only used ANOVA without using correlation to test the level of relationship between the dependent variable and independent variable. The study did not use any modern software statistical package like e-view, SPSS, stata and minitab.

Componential Theory

Componential theory of creativity was developed by Amabile (2013). The theory states that four components are necessary for any creative response: domain relevant skills, creativity relevant process, intrinsic task motivation and the social environment in which the individual is working. Domain relevant skills refer to factual knowledge and expertise in a given domain. Creativity relevant process reveals that training in creative skills and strategies, experiences in creative activities and possessing certain personality characteristics are likely to positively influence creativity. Intrinsic task motivation explains that it is intrinsic motivation rather than extrinsic motivation that is critical for creativity to occur. Finally, the social environment explains that people regress from their surrounding prior to creativity. As situations become difficult or people go through traumatic event, they pull back from their surroundings. They rely on their creative side to find a solution to the difficult situation or as an outlet for their new repressed emotions.

Creative Entrepreneurial Theory

This theory is developed by Opusunju, Osanaiye and Abdulsalam in 2017 as a guide to this study since the previous theory could not really conceptualize the operational meaning of creativity and entrepreneurial activities used in this study. As tested by the researchers using correlation and regression, we noted that creativity in the form of new technology, new ways of doing business, new product development; new packaging and new design of a product can actually contribute to entrepreneurial activities such as corporate level activity, business level activity, functional level activity and enterprise level of activity. This signify that any business organization that involved in business in order to achieve profit will try to adopt the creativity concept in their business and this theory will guide businessmen and women to actualized entrepreneurial activities in their organizations. The theory believes that entrepreneurial activities need to personalized to all levels in the organization and each level of the employees in the organization should be thought on entrepreneurial activity such as those at the functional level should be made to perform entrepreneurial function, those at the enterprise level should be learn and applied entrepreneurial activity, those at the corporate level should be learn about entrepreneurial activity and also applied them. Those at the business level should also be given opportunity to learn about entrepreneurial activity and applied them to grow their business or apply them in daily business dealings since it can enhance creativity of an organization. However, this theory can be applied to all organizations that involved in entrepreneurship business.

Research Methodology

The study employed survey design employing the use of point in time data through the use of questionnaire (primary sources data collection). The population of this study covered the entire SMEs in Abuja. According to NBS and Small and Medium Development Agency of Nigeria (SMEDAN) (2013) there 2690 SMEs in Abuja and the population of this study is 2690 owners of SMEs in Abuja. A sample size was derive using Taro Yamane formula and the sample size was 348.

It is shown below:
$n=N/1+N(e)^2$
Where N is the population size
E is the margin error (assume 5%)
1= constant=
e =0.05
$n=2690/1+2690(0.05)^2$
$n=2690/1+2690(0.0025)$
$n=2690/1+6.725$
$n=2690/7.725$
n=348

However, the sample size of 348 is considered in this study and 383 copies of questionnaire were administered to the respondents to indicate a successful returned of 348. The questionnaire was designed in a 5 point Likert's type scale questionnaire and the questionnaire were use to collect primary data through a survey. The staff in various SMEs was consulted to help in administering the copies of questionnaire to their managers and also the researchers administered the questionnaire in Gwagwelada area council, Abuja Municipal and Kuje Area Council personally. The copies of questionnaire were tested to ensure that the questions being answered properly and table below indicates the reliability value of the variables.

Table 1: Reliability test

Variables	Cronbach's Alpha	Cronbach's Alpha
Creativity	5	0.77
Entrepreneurial activity	16	0.97

Source: Researcher's computation (2017)

However, the Alpha value are reliable.
The study used regression and correlation to establish if there is a relationship between the variables and how the variables affect each other and using mathematically formula to properly establish the cause and effects relationship between the dependent and independent variable. The study used e-view and excel to analysis data and the reason for using excel to find out correction matrix which indicate if there is a relationship between entrepreneurial activities and creativity and the linear model is slated below:

$Y = \alpha + \beta x$
Y= dependent variable (entrepreneurial activities), α = intercept, β= coefficient and x is the independent variable (creativity). However, the above model is elaborated in a simple form.

Thus, is expressed as:
$CIV= \alpha + ß_1BLA + ß_2CLA + ß_3FLA + ß_4ELA + \mu$ …equation 1

Where: CIV = creativity, ELA=enterprise level activity, BLA=business level activity, CLA=corporate level activity, FLA=functional level activity, ß=coefficient, α= Intercept, μ= error terms

Correlation Model

$$r = \frac{n\sum xy - \sum x \sum y}{\sqrt{\{(n\sum x^2) - (\sum x)^2 \ (n\sum y^2) - (\sum y)^2)\}}} \ldots\ldots\ldots\ldots\ldots\ldots \text{equation 2}$$

Where:
r = Correlation Coefficient
x = proxies for Independent Variable (ELA=enterprise level activity, BLA=business level activity, CLA=corporate level activity and FLA=functional level activity)
y = proxies for Dependent Variable (CIV= creativity)
n = number of observations

Data Analysis
Table 2: Response rate

Respondents(SMES Owners)	Questionnaires Administered	Questionnaires not Returned	Questionnaire Returned	Percentage (%)
Micro Finance	90	7	83	24
Block making	70	5	65	19
Farm	83	9	74	21
Fast food restaurant	65	6	59	17
Pure Water	75	8	67	19
Total	**383**	**35**	**348**	**100**

Source: Field Survey, (2017)

Table shows that 24% of the respondents are micro finance owners that owned SMEs in Abuja FCT who filled and returned the questionnaire. 19% of the respondents are block making owners that owned SMEs in Abuja FCT who filled and returned the questionnaire. 21% of the respondents are farm owners that owned SMEs in Abuja FCT who filled and returned the questionnaire. 17% of the respondents are SMEs owners that owned small scale business in Abuja FCT who filled and returned the questionnaire. 19% of the respondents are pure water owners that owned SMEs in Abuja FCT who filled and returned the questionnaire.

Test of Hypotheses
Table 3: Assessing business level activity of SMEs in Abuja

Variables	SA	%	A	%	U	%	DA	%	SDA	%	Total
CL	98	28.16	47	13.50	11	2.16	91	26.14	101	29.02	348
D	123	35.34	119	34.19	2	0.59	56	16.09	48	13.79	348
FCL	45	12.93	221	63.50	22	6.32	23	6.60	37	10.63	348
FD	89	25.57	93	26.72	13	3.73	87	25.00	66	18.96	348

Source: Fieldwork, 2017

The above variables represents business level activity measures where CL is that there is frequent cost leadership strategy adopted by SMEs in Abuja (low cost product), D is that there is frequent differentiation strategy adopted by SMEs in Abuja(i.e product are differentiated among SMEs), FCL is that SMEs always focused on cost leadership in Abuja and FD is that SMEs always focused on differentiation strategy.

Table 4: the mean of business level activity

Variables	5	4	3	2	1	FX	N	Mean	Remarks	Ranking	Sectoral Mean
CL	98	47	11	91	101	994	348	2.86	Poor	4th	
D	123	119	2	56	48	1257	348	3.61	Very good	1st	
FCL	45	221	22	23	37	1237	348	3.55	Very good	2nd	3.29
FD	89	93	13	87	66	1096	348	3.14	Poor	3rd	

Author's Computation

The table above also explained the acceptability of the variables indicating their ranking and the analysis confirmed that at a mean value of 3.29 implying that the variables are unique used by business level SMEs in Abuja since the sectoral mean is more than average.

Table 5: Assessing corporate level activity of SMEs in Abuja

Variables	**SA**	**%**	**A**	**%**	**U**	**%**	**DA**	**%**	**SDA**	**%**	**Total**
VL	122	35	131	37.64	1	0.28	12	3.44	82	23.56	348
VN	14	4.02	87	25.00	56	16.09	123	35.34	68	19.56	348
VR	18	1.17	32	25.28	88	25.28	119	34.19	91	26.14	348
VD	134	38.50	110	31.60	8	2.29	17	4.88	79	22.70	348

Source: Fieldwork, 2017

The above variables represents corporate level activity measures where VL is that there is frequent value creating in SMEs, Abuja, VN is that there is frequent value neutralizing among SMEs in Abuja, VR is no frequent value reducing among SMEs in Abuja and VD is that there is frequent value deciding among SMEs products in Abuja.

Table 6: the mean of corporate entrepreneurial level activity

Variables	5	4	3	2	1	FX	N	Mean	Remarks	Ranking	Sectoral Mean
CL	122	131	1	12	82	1243	348	3.57	Very good	2nd	
D	14	87	56	123	68	900	348	2.59	Poor	3rd	
FCL	18	32	88	119	91	811	348	2.33	Poor	4th	3.01
FD	134	110	8	17	79	1247	348	3.58	Very good	1st	

Author's Computation

The table above also explained the acceptability of the variables indicating their ranking and the analysis confirmed that at a mean value of 3.29 implying that the variables are unique used by corporate level entrepreneurial activity in SMEs, Abuja since the sectoral mean is more than average.

Table 7: Assessing functional level activity of SMEs in Abuja

Variables	**SA**	**%**	**A**	**%**	**U**	**%**	**DA**	**%**	**SDA**	**%**	**Total**
MKT	23	6.60	13	3.73	4	1.14	142	40.80	166	17.70	348
FIN	193	55.45	108	31.03	1	0.28	16	4.59	30	8.62	348
PO	172	49.42	162	46.55	1	0.28	8	2.29	5	1.43	348
HRM	165	47.41	154	44.25	3	0.86	7	2.01	14	5.5.45	348

Source: Fieldwork, 2017

The above variables represents functional level activity measures where MKT is that SMEs frequently perform marketing function in Abuja, FIN is that there is frequent finance function in Abuja, PO is that there is frequent productive and operation function perform by SMEs in Abuja and HRM is that there is frequent human resource function in in Abuja.

Table 8: the mean of corporate entrepreneurial level activity

Variables	5	4	3	2	1	FX	N	Mean	Remarks	Ranking	Sectoral Mean
MKT	23	13	4	142	166	635	348	1.82	poor	4th	
FIN	193	108	1	16	30	1462	348	4.20	Excellent	3rd	
PO	172	162	1	8	5	1532	348	4.40	Excellent	1st	3.66
HRM	165	154	3	7	14	1478	348	4.25	Excellent	2nd	

Author's Computation

The table above also explained the acceptability of the variables indicating their ranking and the analysis confirmed that at a mean value of 3.66 implying that the variables are unique used by functional level entrepreneurial activity in SMEs, Abuja since the sectoral mean is more than average.

Table 9: Assessing enterprise level activity of SMEs in Abuja

Variables	**SA**	**%**	**A**	**%**	**U**	**%**	**DA**	**%**	**SDA**	**%**	**Total**
PU	142	40.80	152	43.67	1	0.28	2	0.57	52	14.65	348
RE	172	49.42	149	42.81	3	0.86	9	2.58	15	4.31	348
GO	98	28.16	102	29.31	89	25.57	43	12.35	16	4.59	348
VIS	72	20.68	98	28.16	14	4.02	76	21.83	88	25.28	348

Source: Fieldwork, 2017

The above variables represents enterprise level activity measures where PU is that SMEs purpose have been fulfilled in Abuja, RE= the reasons for establishing SMEs in Abuja have been meet, GO is that goal of SMEs are unique in Abuja and VIS is that the vision of SMEs in Abuja is unique and help to develop the state.

Table 10: the mean of enterprise entrepreneurial level activity

Variables	5	4	3	2	1	FX	N	Mean	Remarks	Ranking	Sectoral Mean
PU	142	152	1	2	52	1529	348	4.39	Excellent	1st	
RE	172	149	3	9	15	1498	348	4.30	Excellent	2nd	
GO	98	102	89	43	16	967	348	2.78	Poor	4th	3.61
VIS	72	98	14	76	88	1034	348	2.97	Poor	3rd	

Author's Computation

The table above also explained the acceptability of the variables indicating their ranking and the analysis confirmed that at a mean value of 3.61 implying that the variables are unique used as enterprise level entrepreneurial activity in SMEs, Abuja since the sectoral mean is more than average.

Table 11: Assessing creativity of SMEs in Abuja

Variables	SA	%	A	%	U	%	DA	%	SDA	%	Total
ND	68	19.54	57	16.37	21	6.03	99	28.44	103	29.59	348
NP	34	9.77	47	13.50	26	7.47	127	36.49	114	32.75	348
NPG	124	35.63	101	29.02	3	0.86	87	25.00	33	9.48	348
NW	12	3.44	36	10.34	18	5.17	163	46.83	119	34.19	348
NT	49	14.08	72	20.68	10	2.87	99	28.44	118	33.90	348

Source: Fieldwork, 2017

The above variables represents enterprise level activity measures where ND is that SMEs engaged fully in new design of products in Abuja, NP is that there is new product development in Abuja by SMEs, NPG is that SMEs in Abuja frequently package their product well in the market, NW is that SMEs used new way or method of doing business and NT is that SMEs in Abuja use new technology in doing business.

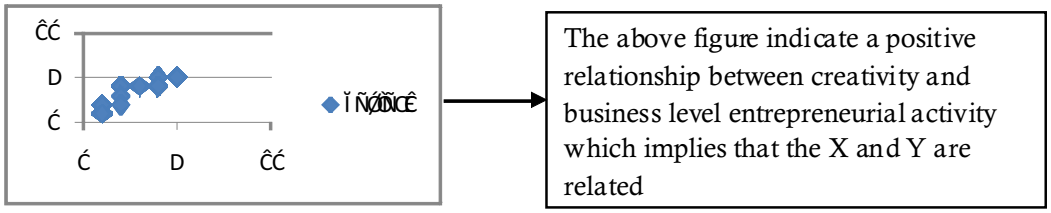
Table 12: the mean of Creativity

Variables	5	4	3	2	1	FX	N	Mean	Remarks	Ranking	Sectoral Mean
ND	68	57	21	21	103	776	348	2.23	Poor	2nd	
NP	34	47	26	26	114	602	348	1.72	Poor	4th	
NPG	124	101	3	3	33	1111	348	3.19	Good	1st	
NW	12	36	18	18	119	412	348	1.18	Poor	5th	2.07
NT	49	72	10	10	118	701	348	2.01	Poor	3rd	

Author's Computation

The table above also explained the acceptability of the variables indicating their ranking and the analysis confirmed that at a mean value of 2.07 implying that the variables are not unique and that SMEs are not adopting creativity in their businesses since the sectoral mean is less than average.

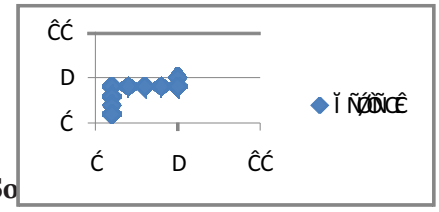
Scatter Diagram
Fig 1: CIV and BLA



The above figure indicate a positive relationship between creativity and business level entrepreneurial activity which implies that the X and Y are related

Source: Excel output, 2017

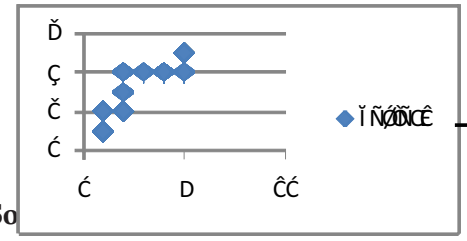
Fig 2: CIV and CLA



So

The figure indicate a positive relationship between creativity and corporate level entrepreneurial activity which implies that the X and Y are related

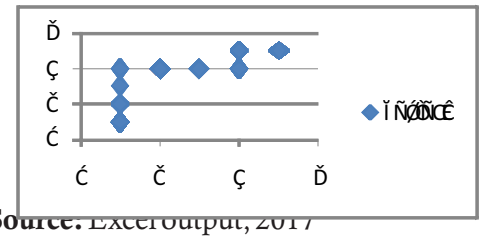
Fig3: CIV and FLA



So

The figure indicate a positive relationship between creativity and corporate level entrepreneurial activity which implies that the X and Y are related

Fig. 4: CIV and ELA



The figure indicate a positive relationship between creativity and enterprise level entrepreneurial activity which implies that the X and Y are related

Source: Excel Output, 2017

Correlation Matrix

	CIV	BLA	CLA	FLA	ELA
CIV	1				
BLA	0.863166	1			
CLA	0.669555	0.854037	1		
FLA	0.92028	0.881335	0.76458	1	
ELA	0.836341	0.956151	0.86067	0.858163	1

Source: Excel Output, 2017

The above correlation matrix indicates that there is a positive association between the variables, that is, the independent variables are correlated with the dependent variable.

Regression Result

Dependent Variable: CIV
Method: Least Squares
Date: 06/11/17 Time: 18:52
Sample: 1 348
Included observations: 348

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.031924	0.106719	0.299136	0.7650
BLA	0.383372	0.079333	4.832448	0.0000
CLA	0.442912	0.053949	8.209897	0.0000
FLA	0.782168	0.042752	18.29551	0.0000
ELA	0.162768	0.069685	2.335769	0.0201

R-squared	0.882697	Mean dependent var	2.856322
Adjusted R-squared	0.881329	S.D. dependent var	1.634301
S.E. of regression	0.562995	Akaike info criterion	1.703172
Sum squared resid	108.7185	Schwarz criterion	1.758520
Log likelihood	-291.3520	Hannan-Quinn criter.	1.725207
F-statistic	645.2615	Durbin-Watson stat	1.072901
Prob(F-statistic)	0.000000		

Source: e-view output, 7.00

The analysis indicates that the coefficient for business level entrepreneurial activity, corporate level entrepreneurial activity, functional level entrepreneurial activity and enterprise level entrepreneurial activity are significant in enhancing creativity of SMEs in Abuja. The p-value and t-statistic values of the independent variables are significant. However, the f-statistic value of 645.2615 is significant at p statistic value of 0.00 and a Durbin Watson value of 1.07 which provides evidence of existence of linear relationship between entrepreneurial activities (business level, corporate level, functional level and enterprise level) and enhancing creativity of SMEs in Abuja. The $R^2 = 0.88$ indicates that only 88% of entrepreneurial activities (business level, corporate level, functional level and enterprise level) embarked upon by SMEs in Abuja can be explain by creativity but 12% can explained by other factors not noted in the regression model which is refer to as error term. Therefore we accept the alternative hypothesis that there is a significant relationship between entrepreneurial activities (business level, corporate level, functional level and enterprise level) and creativity of SMEs in Abuja.

Discussion of Findings

From the analysis, there is positive significant impact of creativity on entrepreneurial activity of SMEs in Abuja. This shows that there is a significant impact of creativity on business level activity of SMEs in Abuja, there is a significant impact of creativity on corporate level activity on creativity of SMEs in Abuja, there is a significant impact of creativity on functional level activity of SMEs in Abuja and there is a significant impact of creativity on enterprise level activity of SMEs in Abuja. The finding is in line to the finding of Hope and Godwin (2015) who found a positive significant relationship between creativity and entrepreneurial development. The study is also in line creativity entrepreneurial Model, 2017 and the theory state that creativity is a ensure ground in enhancing entrepreneurial activity.

Conclusions and Recommendation

This study concludes that there is positive significant impact of creativity on entrepreneurial activity of SMEs in Abuja. This shows that there is a significant impact of creativity on business level activity of SMEs in Abuja, there is a significant impact of creativity on corporate level activity on creativity of SMEs in Abuja, there is a significant impact of creativity on functional level activity of SMEs in Abuja and there is a significant impact of creativity on enterprise level activity of SMEs in Abuja. It is therefore recommended that SMEs in Abuja should encourage creativity since it significantly leads to corporate level activity of the business, functional level activity and business level activity. They should try to improve their creativity level by adding new concepts to their existing business activities and even design new principles to achieve their goal. They should develop or adopt new technology in their businesses and learn to package in product in a way that will attractive and unique which can be exported to other state of the Federation.

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