

Effect of Autonomy and Competitive Aggressiveness on the Growth of Small and Medium Enterprises (SMEs) in North Central, Nigeria

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Abstract

The study investigated the effect of entrepreneurship orientation (autonomy and competitive aggressiveness) on Small and Medium Scale Enterprises (SMEs) growth using selected registered SMEs in North-Central States, Nigeria. This study adopted a survey research design. The population used for this study was 13,378 registered SMEs in the six states in North-Central and FCT-Abuja. The sample size of 388 was determined for the study using the Taro Yamane formula to select the respondents for the study. The study utilized a questionnaire as the instrument for data collection. PLS-SEM was used to analyze the data gathered for this study. The study found that both autonomy and competitive aggressiveness are positive but insignificantly affect SMEs' growth (GRW) in North Central, Nigeria. Thus, the study recommended that SME owners and managers exercise autonomy to make decisions to help them achieve their corporate visions and compete aggressively to gain sustainable advantage and grow their firms.

Keywords: *Entrepreneurship Orientation, Autonomy, Competitive Aggressiveness and SMEs' Growth*

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Background to the Study

This study is on the effect of two dimensions of Entrepreneurial Orientation (EO): Autonomy and Competitive Aggressiveness. EO dimensions are risk-taking propensities, innovativeness, proactiveness, autonomy, and competitive aggressiveness. According to Lumpkin and Dess (1996), the five dimensions of EO have helped characterize and distinguish key entrepreneurial processes: a firm's entrepreneurial orientation (EO). Entrepreneurship can be defined as a new entry. The new entry explains what entrepreneurship is consists of, and EO describes how the new entry is undertaken (Lumpkin and Dess, 1996). The processes, practices, and decision-making activities that lead to new entry are what EO is. Miller (1983) conceptualized EO through three dimensions: risk-taking, innovativeness, and proactiveness, while Lumpkin and Dess (1996) increased the dimensions to five by further developing the dimensions of autonomy and competitive aggressiveness, which was suggested by Miller (1983) as an entrepreneurial firm beating competitors to the punch. It refers to the type of intensity and head-to-head posturing that new entrants often need to compete with existing rivals. Autonomy refers to the independent action of an individual or a team in bringing forth an idea or a vision and carrying it through to completion (Lumpkin and Dess, 1996). It is also a reflection of the strong desire of a person to have freedom in developing an idea and its implementation (Lumpkin and Dess, 2009).

Many countries, particularly developing ones, have recognized the value of small and medium-sized enterprises (SMEs) (Matthews, 2007; Okpara, 2009). They represent over 95% of all companies worldwide and account for about 50% of value-added and 60%-70% of total employment in most countries (International Trade Centre, 2015). SMEs have been accepted worldwide as instruments of economic growth and development. Governments, particularly in developing countries, have made tremendous efforts and established policies to enhance SMEs' capacity and sustainability. However, according to Ifekwem and Adedamola (2016), despite government institutional and policy support, there is a grave concern and skepticism about whether SMEs can bring about economic growth and development, particularly in developing countries. In Nigeria, there have been a series of government interventions to boost the activities of SMEs through the establishment of agencies and programs to provide consultancy, information, and guidelines to Nigerians who establish and own businesses (Nkiruka and Ogundeinde, 2016). Nkiruka and Ogundeinde (2016) stated that some of these Agencies include: Small and Medium Enterprise Equity Investment Scheme (SMEEIS) established in 2001, Small and Medium Scale Enterprises Development Agency of Nigeria (SMEDAN), established in 2003, the National Directorate of Employment (NDE), Skills Acquisition Centre, and Industrial Development Centres. SMEs are faced with challenges that affect their ability to function and contribute optimally to the economy.

Studies have shown that a significant percentage of SMEs die before reaching five years of establishment, according to Nkiruka and Ogundeinde (2016). Thus, it is imperative that studies be carried out on how these SMEs survive and on their strategies for their sustainability (Nkiruka and Ogundeinde, 2016). EO has been widely touted as a fundamental ingredient for enhancing firm growth (Neneh and Zyl, 2017). However, many SMEs do not grow to achieved sustained competitive advantage despite government support and die in

most cases within three to five years of their existence. An SME's growth can be measured by growth in employees, the firm's assets, and increased sales volume. According to Mathews and Human (2000), the growth of SMEs may be explicitly measured in terms of financial or employees' numbers, while Gatonya (2012) stated that increase of sales, return on equity, and accumulation of assets all represent growth. Businesses with high EO can aim at premium market segments to charge higher prices by skimming the market ahead of competitors.

In a developing economy such as Nigeria, entry into a business is not a problem for SMEs; however, the ability to grow and expand has been the point of concern overtime as their growth has been characterized by stagnancy and poor performance as well as product differentiation, changing their business models, internal financial resources, and technical capabilities (Vanhaverbeke et al., 2012). SMEs are effective in identifying opportunities but less successful in developing competitive advantages (Ireland et al., 2003). It is surprising to note that, despite the free nature of the business environment, SMEs are still experiencing a lack of growth and even those that survive hardly grow to become big firms. Furthermore, it is surprising to note that despite the federal government of Nigeria setting up special agencies like SMEDAN. Specialized institutions for entrepreneurship development in the country like former Nigerian Industrial Development Bank (NIDB), now renamed Bank of Industry (BOI), the Nigerian Bank for Commerce and Industry (NBCI), the National Economic Reconstruction Fund (NERFUND), the Nigerian Export-Import Bank(NEXIM),the National Directorate of Employment(NDE), and the Bank of Agriculture (BOA) most SMEs have failed to survive, have sustainable growth or grow into large firms, Nkiruka and Ogundeinde (2016).

This study investigates the effect of EO (autonomy and competitive aggressiveness dimensions) on the growth of SMEs in North Central Nigeria. The study will provide answers to the following questions:

- i. How significant is the effect of autonomy on the growth of SMEs in the North Central States of Nigeria?
- ii. To what extent does competitive aggressiveness affect the growth of SMEs in the North Central States of Nigeria?

The hypotheses that were used in the study are:

H₀1: Autonomy has no significant effect on the growth of SMEs in the North Central States of Nigeria.

H₀2: Competitive aggressiveness has no significant effect on the growth of SMEs in North Central Nigeria.

Literature Review

Concept of Entrepreneurial Orientation

To properly define the concept of EO, there is a need to understand the concept of entrepreneurship and entrepreneurs. The word entrepreneurship originates from the French word 'entreprenre', which indicates an action which the individual attempt, try, adventure or undertake an act of some sort. It was Richard Cantillon (in the 18th century) who separated entrepreneurial activities from those of capitalistic activities (Emelah and Onuoha, 2018).

The concept of EO was developed by Miller (1983), Covin and Slevin (1991), and their studies were based on the three dimensions of EO (i.e., innovativeness, proactiveness, and risk-taking). They posited that these dimensions work together as a coherent whole to provide a business with the needed strategic orientation for success. Such should be viewed as a one-dimensional measure in entrepreneurship research. Lumpkin and Dess (1996), further expanded the model to a five-factor model by adding two factors (autonomy and competitive aggressiveness). According to Neneh and Zyl (2017), these researchers observed that a firm could have diverse combinations of the five EO dimensions, given that EO dimensions vary independently from each other. Miller (1983) developed the original framework on entrepreneurial orientation, which focused on risk-taking, innovation, and proactiveness. According to Lumpkin and Dess (1996), entrepreneurial orientation refers to processes, practices, and decision-making activities that lead to a new entry. EO refers to the strategy-making processes that provide organizations with a basis for entrepreneurial decisions and actions (Wiklund and Shepherd, 2003).

Concept of Autonomy

Autonomy refers to the independent action of an individual or a team in bringing forth an idea or a vision and carrying it through to completion (Lumpkin and Dess, 1996). It is also a reflection of the strong desire of a person to have freedom in developing an idea and its implementation (Lumpkin and Dess, 2009). Autonomy is quite different from other EO dimensions. It focuses inwards within the organization, while all other EO dimensions are focused on the firm's external factors. Autonomy is about independent spirit, which is a key to unlocking entrepreneurial potential (Lumpkin and Dess, 1996). It specifically refers to the independent action of an individual or a team in bringing forward an idea or a vision and carrying it through to completion without being held back by overly stringed organizational constraints (Burns, 2013). According to Lumpkin (2009), the autonomy dimension improves firms' decision-making, delegation, and empowerment. In the absence of autonomy, firms would not innovate, take a risk, identify opportunities, and compete aggressively in the market.

Autonomy is not the independence or freedom of the entrepreneur/owner to do whatever he likes or to act like a monarch in the running of the firm. He has the sole freedom in making business decisions without any bureaucracy or protocols required in government business or big firms. Autonomy in an organizational context is a move or idea made free of any hierarchical limitations. The latter is held as the ability and the will that allow self-direction in the pursuit of opportunities. Similarly, (Blacker 2011) also characterized autonomy; according to him, it allows teams to solve problems with self-determined means. Strategic autonomy is the extent to which teams control the ends or goals they need to achieve. Autonomy is an important motivator for those starting and running their own business (Edelman et al., 2010; Stephan et al., 2015). Entrepreneurial autonomy means having decisional freedom concerning what, how, and when venture-related work will be done, including setting the firm's strategic direction (Breugh, 1999; Lumpkin et al., 2009).

Concept of Competitive Aggressiveness

Competitive aggressiveness (CA) is a firm's strategy to respond to its viral challenges and outperform them by strategically thinking (Rauch et al., 2009). Competitive aggressiveness

refers to the firm's intensely and directly engaging with competitors in pursuing their target market on various aspects such as price cuts, use of unconventional tactics, and innovations (Basdeo, 2006). The breadth, speed, and frequency are usually associated with the competitive aggressiveness dimension. This dimension supports the existing dimensions of innovation, risk-taking, and proactiveness. However, the effectiveness of these three dimensions will largely depend on the firm's ability to compete in the market. The importance of the competitive aggressiveness dimension lies in its influence on the firm's ability to perform better than rivals through a strong offensive posture and aggressively and frequently entering markets identified or dominated by rivals and substantially impacting the market. Blackford (2014) noted that promoting innovative products and services is a sign of competitive aggressiveness; hence, this dimension is also closely related to innovation. It is argued that firms would find it hard to practice competitive aggressiveness in the absence of innovation. The CA construct focuses more on intimidation of competitors and conflict with existing customers.

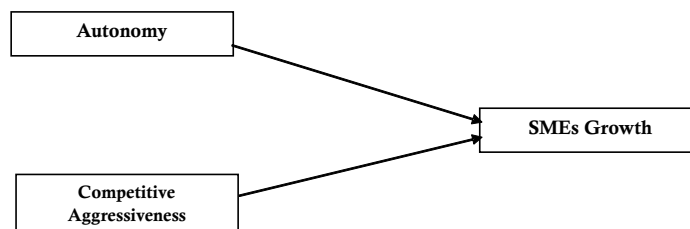
This study is concerned with the way SMEs create and sustain competitive advantage. The strategies they adopt to beat their competitors in the marketplace with innovative products and services while achieving sustainable competitive advantages (SCA). Sustainable competitive advantages are company assets, attributes, or abilities that are difficult to duplicate or exceed; and provide a superior or favorable long-term position over a firm's competitors. These advantages allow businesses to be more successful than their competitors over a long period resulting in the firms experiencing sustained growth

Concept of SMEs Growth

Globally, policymakers are interested in high growth-oriented SMEs because it is through growth that the desired jobs are created. However, growth has been defined differently in the existing literature. According to Insah et al. (2013), both qualitative and quantitative criteria can be used to measure growth. A study by Rusu and Roman (2017), used employment growth and value-added to measure growth. Many studies agree that growth is generally an increase in the size of a business attained through increased sales, market share, return on investment, profitability, value-added, employment growth, and geographical expansion (Gupta et al., 2013).

Different researchers used different approaches to explain the factors affecting the growth of SMEs. Some of them have considered environmental and external factors to significantly impact the performance and growth of small firms (Asma et al., 2015). According to Lumpkin and Dess (1996), the growth of SMEs is affected by their business climate. An unfavorable business climate harms small firm growth. Asma et al.(2015), noted that an unfavorable tax system, complicated rules, and regulations could heavily hamper small firms' growth. Krasniqi (2007), opined that corruption is a major source of the rise in unfair competition. He further emphasized that the cost of complying with regulations and increased tax rates increases small firms' expenses while limiting their growth.

Figure 1: Conceptual Framework



Empirical Review

Abidemi et al. (2020), examined the relationship between competitive aggressiveness, autonomy, and SME performance. The study data comprises SMEs operating in Kaduna State, North West of Nigeria. The study questionnaires were distributed to key informants of SMEs such as owners and managers through the self-administered method. PLS-SEM was used in testing the hypothesis. The PLS algorithm results show that competitive aggressiveness and autonomy are significantly related to SMEs' performance. Therefore, for entrepreneurs to have improved performance, they should leverage being competitively aggressive and autonomous in the market place. However, the sample size and the population used in the study were not stated, making the result unreliable.

Obey and Reginald (2018) conducted a study on entrepreneurial orientation and growth nexus in South African SMEs. The purpose of their study was to evaluate the nexus between EO and the growth of SMEs in South Africa. The survey technique was used to gather data through the convenience sampling technique. The study used a structural equation model to analyze data using Smart PLS 3 software. The study found a significant positive relationship between EO and growth in employees, market share, and sales were established. In contrast, profitability growth was not found to be significantly and positively related to EO. Unfortunately, the study did not state the survey instrument and the sample size used in the study, so the findings cannot be relied upon.

According to the study conducted by Neneh and van Zyl (2017) on entrepreneurial orientation (EO) and its impact on firm growth amongst SMEs in South Africa, the study collected primary data through the distribution of a questionnaire from a sample of 285 SMEs and Stratified sampling and snowball sampling techniques were used. A Covariance-Based (CB) structural equation model (SEM) was used to estimate the relationship among the variables. However, the evaluation of the fitness of the model; Goodness of Fit Index (GFI); comparative fit index (CFI), root mean square error of approximation (RMSEA), adjusted goodness of fit (AGFI); Root Mean Square Residual (RMSR) were applied, and the results of fitness indices for the model fall within the acceptable limits. The result indicated that EO had a significant positive association with SMEs growth (employment and sales growth); most SMEs show a moderate level of EO. Also, following the EO dimensions, the findings established the emergence of proactive innovation (a combination of proactiveness and innovativeness), which showed a significant positive association with sales growth. Risk-taking was the only factor that showed a significant influence on employment and asset

growth. The authors failed to explain the region of South Africa where the study was conducted. This is because a usable sample of 200 is too small to explain the effect of entrepreneurial orientation (EO) and its impact on firm growth amongst SMEs in the whole of South Africa. Again, the study did not explain how missing values were taken care of. The presence of missing values in the estimation of CB-SEM can result in a biased outcome and conclusion.

Isaac et al. (2018) investigated the effect of entrepreneurial orientation on the growth of small and medium manufacturing enterprises in Nairobi County, Kenya. The research adopted a cross-section design and descriptive research approach. Stratified random sampling was used to collect primary data from 265 SMEs in the manufacturing sector from a population of 853 SMEs registered with the Kenya Association of Manufacturers (KAM) in Nairobi County, Kenya. The result of this research indicated that except for risk-taking and proactiveness, innovativeness, autonomy, and competitiveness aggressiveness were all statistically significant in explaining the growth of Small and medium manufacturing enterprises in Nairobi County, Kenya. Thus, this study supports the evidence that innovativeness, autonomy, and competitiveness aggressiveness are key entrepreneurial dimensions that are imperative for enhancing SME growth. However, this study was conducted in Kenya, and the findings may not apply to North Central Nigeria.

Sirivanh et al. (2014) conducted a study on Entrepreneurial orientation and competitive advantage on SMEs' growth: A structural modeling study. They analyze SMEs' growth and develop the Structural Equation Modeling (SEM) of SMEs' growth. The sample sized consisted of 331 entrepreneurs in Lao PDR. The research instrument was the questionnaire five levels of the Likert Rating Scale; the variables were Entrepreneurial Orientation, Competitive Advantages, and SMEs' growth. This research was as follows: The factors Entrepreneurial Orientation had a positive effect on Competitive Advantages. The elements of Competitive Advantages and Entrepreneurial Orientation positively affected SMEs' growth with statistical significance.

Theoretical Framework

This study was anchored on the resource-based theory, a general theory of strategic management and entrepreneurship. According to Madhani (2010), Rigim et al. (2012), resource-based view (RBV) theory was propounded by Wernerfelt in 1984 and was further developed upon by Barney 1991 and Corner 1991. Entrepreneurs develop strategies based on the firm's resources and based on the environmental conditions and the proactiveness and innovative nature of the entrepreneurs. The resource-based view (RBV) argues that a distinct bundle of resources is fundamental as the firm generates sustained competitive advantage (Barney, 1991); According to Wang et al. (2012), the theory describes how entrepreneurs start businesses from available resources and capabilities. Sustainable competitive advantage can be attained by enterprises' resources such as financial, physical, human, technological, reputational, processes, information, and knowledge (Kim et al., 2011).

The RBV holds that to harmonize human effort acquisition ability, effectively engage and efficiently preserve intangible and tangible resources may serve as the basis of the firm's policy and, therefore, its foundation for realizing the performance (Akhamiokhor, 2017). Its objective is to identify how to sustain a competitive advantage (Barney, 1991). The main assumptions of RBV state that any firm may secure a sustainable advantage by devising strategic capabilities and pertinent resources which are precise (Helfat, 1994), durable (Mahoney and Pandian, 1992), intangible, valuable, rare, and unable to be either substituted or imitated (Barney, 1991), and are untradeable and static (Eisenhardt, 1997). This view is suitable for the study because MSEs that adopt EO's autonomy and competitive aggressiveness should have an advantage over their competitors.

Methodology

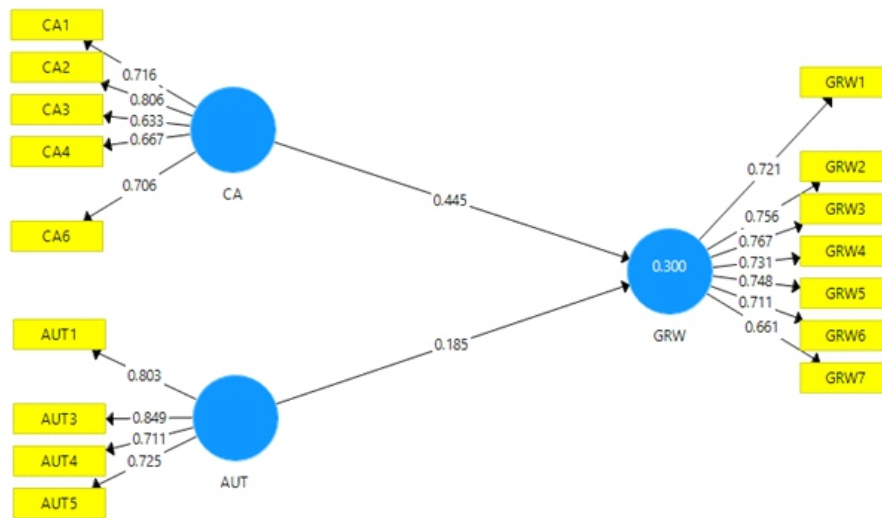
In this study, the survey research design was adopted, and the data was collected through the distribution questionnaire. The nature of the questionnaire used for this study was a five-point Likert-scale, ranging from “strongly agree” to “strongly disagree” (5 = 'Strongly Agree', 4 = 'Agree', 3 = 'Undecided', 2 = 'Disagree' and 1 = 'Strongly Disagree') to reflect the agreement of the respondents on entrepreneurial orientation (EO) and the growth of SMEs. The dimensions of (EO), autonomy (AUT), and competitive aggressiveness were used as measures for (EO).

The population for this study is made up of registered SMEs in the six states in North-Central and the FCT at 13,378 (Small and Medium Enterprises Development Agency of Nigeria (SMEDAN 2017)). The sample size was estimated with the Yamane 1976 formula, which resulted in a sample size of 388. A total of 388 questionnaires was administered, only a total of 360 were returned, giving a response rate of 92.78%. The data for this study were subjected to data cleaning tests and certified for the final analysis.

Method of Data Analysis

Data analysis was conducted using partial least square (PLS) software 3.3.3, an approach to structural equation modeling, and presented as required. The SEM is an extension of the general linear model (GLM) that enables a researcher to test a set of regression equations simultaneously.

Figure 2: PLS-SEM structural model



The measurement model is the extent of assessing of the constructs involved in the study, which is to determine whether the indicators such as, Composite reliability (CR), convergent validity, average variance extracted (AVE), and discriminant validity, as described by Hair et al. (2011), Hair, et al. (2012) and Henseler, et al., (2009) met their required threshold.

Table 1: Convergent Validity

	Indicators	Factor Loading	CR	AVE
SMEs Growth	GRW1	0.721	0.888	0.531
	GRW2	0.756		
	GRW3	0.767		
	GRW4	0.731		
	GRW5	0.748		
	GRW6	0.711		
	GRW7	0.661		
Autonomy	AUT1	0.803	0.856	0.599
	AUT3	0.849		
	AUT4	0.711		
	AUT5	0.725		
Competitive Aggressiveness	CA1	0.716	0.833	0.501
	CA2	0.806		
	CA3	0.633		
	CA4	0.667		
	CA6	0.706		

The result in Table 1 shows the convergent validity for the constructs under study. Thus, the results demonstrated a high level of convergent validity of the latent construct used in the model. For example, an AVE value of at least 0.5 indicates sufficient convergent validity, meaning that a latent variable can explain at least half of the variance of its indicators on average.

Table 2: Heterotrait-Monotrait Ratio (HTMT) Discriminant Validity

	AUT	CA	GRW
AUT			
CA	0.535		
GRW	0.442	0.638	

Table 2 shows the discriminant validity result. The HTMT ratio is the geometric mean of the heterotrait-Monotrait correlations (i.e., the correlations of indicators across constructs measuring different phenomena) divided by the average of the monotrait-Monotrait correlations (i.e., the correlations of indicators within the same construct). According to Henseler et al. (2015: 121), a well-fitting model should indicate that the heterotrait correlations should be smaller than monotrait correlations, meaning that the HTMT ratio should be below 1.0, Henseler et al. (2015: 121) suggested that if the HTMT value is below 0.90, discriminant validity has been established. Gold et al. (2001) and Teo et al. (2008) also use the .90 cutoff, though Clark and Watson (1995), and Kline (2011), use the more stringent cutoff of .85. Table 2 indicated that discriminant validity was established among constructs since all values fall within the acceptable region.

Evaluation of the Structural Model

Structural model fitness is examined after measurement model assessment has been met and fitness is acceptable. The structural or inner model consists of the factors and the arrows that connect one factor to another. The loadings of the direct paths connecting factors are standardized regression coefficients. To ensure that the final estimated result from the PLS is true, it is important to determine the fitness of the model. The fitness of the model can be assessed in the following ways; testing for collinearity of the structural model, assessing the significance and relevance of the structural model relationships, the level of the R^2 values, the f^2 effect size, and the standardized root mean square residual (SRMR) (Tenenhaus et al., 2005). Höck and Ringle (2006: 15) described results above the cutoffs 0.67, 0.33, and 0.19 to be “substantial”, “moderate,” and “weak,” respectively. The R-square here would be considered to be of moderate strength or effect.

To assess multicollinearity in the structural model, tolerance or VIF criteria may be applied, discussed, and illustrated. The VIF benchmark should be less than 4. The f-square effect size measure is another name for the R-square change effect. The f-square coefficient can be constructed equal to $(R^2_{\text{original}} - R^2_{\text{omitted}})/(1 - R^2_{\text{original}})$. The denominator in this equation is “Unexplained”. The f-square equation expresses how large a proportion of unexplained variance is accounted for by R^2 change (Hair et al., 2014). Following Cohen (1988), .02 represents a “small” f^2 effect size, .15 represents a “medium” effect, and .35 represents a “high” effect size.

SRMR measures the approximate fit of the model. It measures the difference between the observed correlation matrix and the model-implied correlation matrix. The SRMR explains the average magnitude of such differences. If the SRMR is lower, the better the fitness of the model. If the SRMR is less than 0.080, a model has a good fit (Hu and Bentler, 1998); otherwise, it is not a good fit.

Table 3: Structural Fitness Indices

	Indicators	VIF	R ²	f ²	SRMR
Autonomy	AUT1	1.727		0.041	0.074
	AUT3	1.914			
	AUT4	1.511			
	AUT5	1.538			
Competitive Aggressiveness	CA1	1.356		0.235	
	CA2	1.659			
	CA3	1.319			
	CA4	1.276			
	CA6	1.390			
SMEs Growth	GRW1	1.859	0.300		
	GRW2	2.061			
	GRW3	1.936			
	GRW4	1.720			
	GRW5	1.718			

Table 5 also presents the VIF diagnostic and estimated PLS weights for the indicators of all the items from the questionnaire. A common rule of thumb is that problematic multicollinearity may exist when the variance inflation factor (VIF) coefficient is higher than 4.0 (some use the more lenient cutoff of 5.0). None of the original indicators had VIF greater than four, and no indicator variable was discarded due to their negative weights.

The overall effect size measure for the structural model, as in regression, indicated that the model explains 30.0% of the variance in the SMEs Growth variable. No R-square is shown for exogenous latent factors. The R-square here would be considered to be of moderate strength or effect. Following Cohen (1988), .02 represents a “small” f^2 effect size, .15 represents a “medium” effect, and .35 represents a “high” effect size. It can be said that the effect size of the model is high for competitive aggressiveness and low for autonomy. Based on the result of the SRMR, the model is a good fit model since SRMR is less than .08, which 0.074.

Table 4: PLS-SEM Result

	Coeff. β	Std err	t-test	P-value	Decision
AUT-> GRW	0.145	0.089	1.634	0.1030	insignificant
CA -> GRW	0.569	0.544	1.059	0.2015	insignificant

Hypotheses Testing

Results of path analysis in line with hypothesized relationships were evaluated in Table 4. Findings reveal that:

(H1) the direct relationship that connects autonomy and growth of SMEs generated a 0.145 t-value of 1.634, shows a positive relationship is established as hypothesized, it is statistically insignificant. This signifies that autonomy increases SMEs' growth.

(H2) the hypothesis connecting competitive aggressiveness and SMEs growth revealed a $\beta=0.569$, t-value of 1.059, which is strongly insignificant, suggesting that competitive aggressiveness of SMEs owners in their business-related positively with SMEs growth.

Discussion of Findings

In this study, hypothesis one evaluated the relationship between autonomy and SMEs growth in North-Central Nigeria. The result revealed that autonomy does not significantly contribute to SMEs' growth in North-Central Nigeria. The outcome disagrees with Isaac et al. (2018), who found that autonomy significantly correlates with customer performance. In line with the results obtained from the hypothesized relationships, it was discovered that the direct relationship between competitive aggressiveness and SME growth is insignificant. However, the result in this study is not consistent with Obey and Reginald (2018) and Isaac et al. (2018). They also found that competitive aggressiveness has a significant positive effect on SME growth.

Conclusion and Recommendation

The study investigated entrepreneurship orientation (AUT and CAG) on SMEs' growth (GRW) in North Central, Nigeria. Based on the findings from this study, it is concluded that Autonomy (AUT) and Competitive Aggressiveness (CAG) has a positive but insignificant effect on the growth (GRW) of SMEs. Therefore, the study recommends that SME owners and managers exercise autonomy in their decision-making processes and adopt a competitive aggressiveness approach to gain a sustainable advantage and grow their firms.

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