Effects of Entrepreneurial Skills on Performance of SMES in Building Construction Sector in Kaduna

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Abstract
There is dire need for the public and private sectors to become more committed to innovative structural reforms and investments to fasten attainment of the Millennium Development Goals and a globally competitive economy. The construction SME sector offers several opportunities for investors and significant employment opportunities, in addition to being a major source for technological innovation. Human potential has become a major agent of economic growth with increasing emphasis on entrepreneurial skills. This study is part of an on-going PhD research work on factors influencing the performance of SMEs in building construction sector. The objective of this paper is to determine the effects of entrepreneurial skills on construction SMEs performance. Key theories aiding understanding of enterprise performance and importance of construction SMEs in Nigeria are highlighted. The empirical data analysed was obtained from 23 construction firms in Kaduna state. The findings revealed three most important entrepreneurial skills that affect the performance of these firms to be commitment, innovativeness and vision and that there is a significant positive relationship between entrepreneurial skills and the performance of construction SMEs in Kaduna. The findings also show that entrepreneurial skills can be enhanced by formal education. The paper concludes that enhancement of entrepreneurial skills offers the greatest potential for growth and performance of construction SMEs is dependent on the availability entrepreneurs who can respond swiftly to changing fiscal, environmental and market demands. The study recommends a shift from the conventional contractor mentality to entrepreneur mentality to enhance construction SME performance. The private sector should embark on more programs targeted on developing SMEs entrepreneurial skills and government must redouble effort in promoting conducive policy framework to entrepreneurship development. Finally, construction SMEs must intensify ICT usages to keep abreast of latest innovations and to be able to effectively modify foreign technology into local indigenous technology.

Keywords: Building, Construction, Entrepreneurial-skills, SME and Performance.

Background to the Study
To combat the challenge of global economic crises and to help deliver on the millennium development goals, focus must be transferred from governments and public service motivation to the private sector. Increasingly, private sector development in most developing countries is
becoming more crucial as it produces multiplier effects on both the social and economic development of any nation. The potentials of small and medium scale enterprises (SMEs) in promoting growth of the Nigerian economy have been widely acknowledged thus the need for enhancing performance of SME enterprises in Nigeria is considered crucial in the nation's path to economic self-reliance. The Nigerian building and construction sector has not been an exception to the rippling effects of the global economic crises as it has continued to witness a performance decline. Both public and private construction clients in Nigeria have decried the under-performance of SME’s construction enterprises as most construction projects are usually confronted with the problem of delays, cost overruns and defective works and often fail to provide best value which impacts negatively on their competitiveness in international markets (Xiao and Proverbs, 2002 and Idrus and Sodangi, 2007). Olatunji (2010) reported that construction enterprises in Nigeria have been wrecked by many problems which include mismanagement, skills shortages, corruption, lack of technology, inflexible credit terms, delays in completion of projects, late payments to contractors and difficulties in accessing finance.

Furthermore, it has been observed that most SMEs in Nigeria go into premature extinction within their first five years of existence and that a smaller percentage goes into extinction between the sixth and tenth year. Only about 5-10% of the young companies thrives and grows to maturity (Basil, 2005). This dismal performance may be attributed to unfavourable fiscal policies of government, which are deemed as central to the private sector’s performance and can serve either as an incentive or disincentive for growth. Declining percentages have also been given as regards the contribution of the construction industry in terms of fixed capital formation to the Gross National Product (GNP) in Nigeria by various researchers. The United Nations (1996) stated the industry’s contribution in Nigeria was as high as 10% to 20%. Magbo (2002) reported it as 11%, and by year 2008, the Central Bank of Nigeria (2008) stated the industry’s contribution to the GDP to be as low as 5%. The Council of Registered Builders of Nigeria (CORBON) (2010) placed it as 2.2% of the GDP and the National Bureau of Statistics (NBS) (2011) stated the industry’s contribution as 3%. These statistics indicate that though the building and construction industry is basically a large contributor to the economic growth of Nigeria, its contribution has been more on a downward trend.

Though a few scholars like Ezeoha and Chibuike (2006); Esu and Inyang (2009) have attempted to place the blame for poor growth of SMEs on the Government, but it must be borne in mind that enterprises are not run by Governments but by individuals who must in addition to their business management skills, possess the requisite entrepreneurial skills. Current construction projects place great demand on the contractor’s ability to organize and control site operations and to optimally allocate resources, manage the flow of information to and from design team and among contractors (Ogunsemi and Jagboro, 2006). This implies that as the business environment becomes more difficult, owners of construction enterprises in Nigeria would require greater proactive and innovative improvements and the skills and passion to achieve the desired performance in a competitive market.
Aim and Objectives of the Study
The aim of this study was to determine the effects of entrepreneurial skills on the performance of building and construction enterprises (SME’s) in Kaduna-Nigeria. The specific objectives are to:

i. To determine the influence of entrepreneurial skills on some performance indicators of building and Construction SMEs within Kaduna.

ii. To determine the influence of formal education in the development/enhancement of entrepreneurial skills in Kaduna.

Review of Literature/Theoretical Framework
Theories concern the connections among phenomena and explain or emphasize the nature of causal relationships. Various scholars have developed a variety of theories and concepts on entrepreneurship and the key theories that influence construction SME performance are reviewed. Specific variables to be used in analysing and interpreting data or building knowledge are assumed. SME building and construction firms are created by entrepreneurs who possess certain skills that enables them to achieve success. Also, a firm’s growth pattern is considered to play a vital role in determining of performance. Entrepreneurial skills refer to all those characteristics of the entrepreneur considered as the crucial in determining the performance of building and construction SMEs (Hisrich & Peters 2002 and Nayab, 2011). The framework posits that the performance of SME building and construction enterprises (the dependent variable) is measured by some indicators which are influenced by a wide range of entrepreneurial skills (the independent variables). Major elements of the independent variables are creativity/innovative ability, vision/knowledge, motivation, locus of control and risk taking propensity. The moderating variable influencing both the independent variables and dependent variable is identified as formal education. While the indicators of construction SME performance were represented by a firm’s turn over, its current workload, client satisfaction, profit margin, labour productivity, project completion cost and duration, number of defects or rework, category of client patronage, level of its staff development and morale, commitment to community and social responsibility (Idrus & Sodangi 2007). The theoretical framework links the entrepreneurial skills constructs with those of the firm’s performance. This concept is summarised as depicted in Figure 1.

Key Theories of Enterprise Development and Growth
1. Entrepreneurship Theories
Several theories that explain the entrepreneurial drive and the whole process of entrepreneurship have been postulated by various scholars overtime with different perspectives of who is an entrepreneur. These could be broadly categorized into three as the neo classical theory, the innovative theory and the alert theory of entrepreneurship. The neo classical theory of entrepreneurship assumes that everyone conducting a particular business gets a particular profit margin in line with his or her levels of labor since there is no exploitation on the business platform. The innovative theory advanced by Schumpeter is the most popular because it has been supported by many business people. It upholds innovation as the greatest entrepreneurial skill. This involves doing things in a new way within the enterprise, creating a new product, or a better of producing an existing product. It also extends to finding a new method of obtaining
raw materials and identifying a new market for the product. Though Schumpeter agrees that knowledge would aid an entrepreneur to become successful, he believes that innovation was the key catalyst in the entrepreneur's specialization. The theory stresses the ability of the entrepreneur to have foresight, be creative and innovative. However, other scholars have criticized this theory as characterizing only large enterprises which can afford R & D and developing countries are seen to lack this character since most ventures are small and medium enterprises (Heaton, 2002). The Schumpeter's innovation theory is also criticized for placing undue importance on innovation while ignoring the entrepreneur's risk taking ability and organizational skills (Nayab, 2011). Risk taking ability was first considered as central to entrepreneurship by Frank Knight (1885-1972) who considers uncertainty as a factor of production because the entrepreneur is acting in anticipation of future events for which he would earn profit as the reward for taking risks. Lastly, the alert Theory of entrepreneurship stresses that the market itself plays the most important role in whether an entrepreneur would be successful or not, thus understanding the market is the key to being a successful entrepreneur. These theories relate to this study in the sense that it gives an understanding of factors that influence the performance of construction SME entrepreneurs. Basically the neo classical view helps us to appreciate that that performance is tied to how resources are optimized and efficiently utilized, the innovative view helps us to appreciate that performance is dependent on and how ideas and opportunities can be exploited, not only to create the enterprise but to succeed within a highly competitive market. While the alert theory helps us appreciate that construction SMEs performance is tied to inherent risks and how their outcomes are managed.

2. Firm Growth Theory
This theory was reviewed to help fully appreciate key factors that could prompt enterprise growth and understand the phases of development through which a business may pass in an enterprise life-cycle. This theory is concerned with interacting opportunities and capabilities that shape the trajectories of growth within a firm, and it is explained in terms of both the exogenous factors theory and the endogenous growth factors theory. Exogenous growth theory is based on the belief that growth occurring within an economy is influenced by what is happening outside that economy and the concept can be applied to an individual enterprise, with the understanding that factors outside the direct control of a firm will have some influence on its economic growth. While the endogenous factors of Enterprise Growth Theory focuses on the idea that it is internal factors that primarily influence what type of growth is experienced within an economy. This theory is relevant to this study in the aspects that entrepreneurial skills are considered as important endogenous factors that could have significant influence on construction SME's performance. Thus the study hypothesis is aimed at establishing if there is a relationship between entrepreneurial skills and the performance of construction enterprises (SME's) in Nigeria.
Research Questions
The study is guided by the following research questions:
1. What are the effects of entrepreneurial skills on the performance of building construction enterprises (SME’s) in Kaduna?
2. Is there any relationship between entrepreneurial skills and performance indicators of building and construction SMEs?
3. How does education influence the performance of building and construction SMEs in Kaduna?

Hypothesis Tested
The null hypothesis tested stated that 'there is no significant relationship between entrepreneurial skills and the performance of construction enterprises (SME’s) in Kaduna'.

Importance of SME Building and Construction Enterprises in Nigeria
There is a growing realization as to the core values that SMEs can deliver to Nigeria such as in Job Creation, Poverty Alleviation and Foreign Exchange Conservation, in addition to curbing rural-urban migration and the monopoly of large firms. The Nigerian government cannot afford any longer to ignore the SME sector being a high contributor to its economy. The Federal Office of Statistics in Ariyo (2008) stated that 97% of all businesses in Nigeria employ less than 100 employees, implying that 97% of all businesses in Nigeria fall within the SME sector. The SME sector thus provides an average of 50% of Nigeria's employment and 50% of its industrial output. SMEs also account for the bulk of output within the building and construction sector. SMEs contribute significantly to improved living standards which results in substantial local
capital formation. The capital market both in emerging and developed economies is vital to socio-economic growth and helps in channeling long term resources which increases productivity and growth of firms. Thus SMEs are increasingly being recognized as the principal means for achieving equitable and sustainable industrial diversification. In the same vein, SME in the building and construction sector are regarded as a potent motivator of national economy (Ogbebor, 2002). According to Omole (2000), the Nigerian construction industry contributes about 5 percent to the annual gross domestic product and about one-third of the total fixed capital investment. SMEs are said to have shorter gestation period which makes them yield return on investment faster than larger firms thus generally seen as holding the greatest potential for the industry growth especially in terms of physical housing projects, drainage construction and even road development. To encourage the growth of this sector; a 200billion naira credit guarantee scheme to be fully funded by the CBN has been established. Nearly, all SMEs are owned by Nigerians which gives the country its pride of place when indigenous enterprises are used to build her infrastructure and creates jobs to the unemployed, in addition to developing a pool of skilled and semi-skilled workers. Building and construction SMEs also provide opportunities for technology transfer and technological innovations. The Man Power Group's strategic partnership with World Economic Forum (WEF) (2014) have observed that changing demographics, technological evolution and a world prone to political, economic and social shocks have created a global environment in which talent shortages are the rule rather than the exception. Thus for nearly a decade now, skilled trade workers on technical and engineering jobs have been the most difficult vacancies to fill worldwide due to talent shortages. In Nigeria, the lack of requisite skills by graduates of tertiary institutions in the country is aggravating graduate unemployment, thus the value of SMEs in the construction sector in Nigeria economy cannot be over-stated as the serve as finest channels for providing entrepreneurship development.

**Methodology**

The research instrument employed for the study was a structured questionnaire with items measured on a 5-point Likert scale format. The Project Managers were chosen as the primary respondents in the study due to the temporary nature of construction projects. Thus it is assumed that project managers may have a greater understanding of the performance requirements of building and construction enterprises and would provide the researchers with more meaningful results. In order to be able to infer research findings back to the study population indicative of SME building and construction enterprises in Nigeria and to ensure no bias is introduced, random sampling technique was employed from a sampling frame of registered firms within category C and D with the respective Ministries of Works and Housing was employed since they represent the SME category. A total of 30 questionnaires were administered face to face within Kaduna metropolis and its environs, although only 23 completely filled out and found useful for the analysis.

**Results**

To confirm the effects of entrepreneurial skills on the performance of SME building and construction enterprises, some entrepreneurial skills were compiled from literature, and respondents were asked to rank the degree of effect of these skills on the performance of SME enterprises. For analysing data by ordinal scale, an importance index (R. I. I.) was used. This
index was computed by the following equation (Lim and Alum 1995 and Enshassi, Sherif, Ziad and Mayer, 2007). Importance index = \(5n_5 + 4n_4 + 3n_3 + 2n_2 + n_1/5(n_1 + n_2 + n_3 + n_4 + n_5)\) \(*\ 100\. Where: n_1 = \text{number of respondents who indicated insignificant effect,}\ n_2 = \text{number of respondents who indicated little degree of effect,}\ n_3 = \text{number of respondents who indicated average degree of effect,}\ n_4 = \text{number of respondents who indicated high degree of effect and}\ n_5 = \text{number of respondents who indicated very high degree of effect.}\ The relative importance index (I) for all factors was calculated and are shown in Table 1. From table 1, it can be seen that the relative importance index of almost all the entrepreneurial skills evaluated is above 0.70. This implies that all these characteristics of entrepreneurs’ impact on the overall performance of SME building and construction firms. The five most important entrepreneurial skills that affect the performance of the firms are commitment, innovativeness, vision, flexibility, adaptability/resilience, goal orientation and pro-activeness which had a relative importance index (I) for all factors was calculated and are shown in Table 1. From table 1, it can be seen that the relative importance index of almost all the entrepreneurial skills evaluated is above 0.70. This implies that all these characteristics of entrepreneurs’ impact on the overall performance of SME building and construction firms. The five most important entrepreneurial skills that affect the performance of the firms are commitment, innovativeness, vision, flexibility, adaptability/resilience, goal orientation and pro-activeness which had a relative importance index of 0.97, 0.95, 0.92, 0.91 and 0.90 respectively. Respondents were asked to rank how they perceive the influence of entrepreneurial skills on some specific performance indicators of SME building and construction enterprises. The result obtained is presented in Table 2. Most performance indicators evaluated had a relative index above 0.75 which corroborates the earlier finding that entrepreneurial skill are significant in enhancement of performance.

Table 1: Effects of some Entrepreneurial Skills on Performance of SME Building and Construction Enterprises

<table>
<thead>
<tr>
<th>S/N</th>
<th>Entrepreneurial skills</th>
<th>Ranking</th>
<th>R. I. I.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vision/Ability to recognize opportunity for new products</td>
<td>15 7 1 0 0</td>
<td>0.92</td>
</tr>
<tr>
<td>2</td>
<td>Dream/Passion</td>
<td>7 11 4 1 0</td>
<td>0.81</td>
</tr>
<tr>
<td>3</td>
<td>Creativity/Innovativeness</td>
<td>17 6 0 0 0</td>
<td>0.95</td>
</tr>
<tr>
<td>4</td>
<td>Initiative/Pro-activeness</td>
<td>14 9 0 0 0</td>
<td>0.92</td>
</tr>
<tr>
<td>5</td>
<td>Ability to make self-SWOT analysis (strengthS, weaknesses, opportunities and threats)</td>
<td>10 9 2 0 0</td>
<td>0.80</td>
</tr>
<tr>
<td>6</td>
<td>Willingness to take risk/risk tolerance</td>
<td>9 11 2 1 0</td>
<td>0.84</td>
</tr>
<tr>
<td>7</td>
<td>Competitiveness/Persuasiveness</td>
<td>9 13 0 1 0</td>
<td>0.86</td>
</tr>
<tr>
<td>8</td>
<td>Affinity for self-reliance/autonomy</td>
<td>11 11 1 0 0</td>
<td>0.89</td>
</tr>
<tr>
<td>9</td>
<td>Self-motivation/goal orientation</td>
<td>12 10 1 0 0</td>
<td>0.90</td>
</tr>
<tr>
<td>10</td>
<td>Ability to network, make contacts and work as a team.</td>
<td>8 11 2 0 0</td>
<td>0.87</td>
</tr>
<tr>
<td>11</td>
<td>Ability to motivate and lead others</td>
<td>8 11 2 0 0</td>
<td>0.87</td>
</tr>
<tr>
<td>12</td>
<td>Locus of control i.e. being in charge of your own destiny</td>
<td>8 12 2 1 0</td>
<td>0.70</td>
</tr>
<tr>
<td>13</td>
<td>Drive/Persistence</td>
<td>11 10 1 1 0</td>
<td>0.87</td>
</tr>
<tr>
<td>14</td>
<td>Flexibility and adaptability/resilience</td>
<td>13 10 0 0 0</td>
<td>0.91</td>
</tr>
<tr>
<td>15</td>
<td>Time management</td>
<td>9 13 1 0 0</td>
<td>0.87</td>
</tr>
<tr>
<td>16</td>
<td>Commitment</td>
<td>12 13 0 0 0</td>
<td>0.97</td>
</tr>
<tr>
<td>17</td>
<td>Ability to multi-task/work under pressure</td>
<td>6 13 2 1 1</td>
<td>0.79</td>
</tr>
<tr>
<td>18</td>
<td>Confidence</td>
<td>8 14 1 0 0</td>
<td>0.86</td>
</tr>
<tr>
<td>19</td>
<td>Social responsibility</td>
<td>3 9 7 2 2</td>
<td>0.68</td>
</tr>
<tr>
<td>20</td>
<td>Ethics and Morals/Integrity</td>
<td>7 9 7 0 0</td>
<td>0.80</td>
</tr>
</tbody>
</table>
The greatest impact as ranked by the respondents is appreciated most on the influence of entrepreneurial skills on enhancing profit and shareholder value, patronage by high profile client type, attainment of client satisfaction, adequate waste re-cycling on the site and stimulation of a high staff morale. These were ranked with the relative importance index of 0.95, 0.89, 0.88, 0.84 and 0.83 respectively. Other performance indicators like the level of current work load, plant/equipment maintenance costs, overhead costs, community and social responsibility, staff development and completion of projects within stipulated duration had relative index below 0.70. This implies that most SME building contractors do not significantly appreciate the role of an entrepreneur on influencing performance in these regards or their perception of a firm’s performance does not strongly include these factors. It may also be that they may be perceiving success on these factors to be majorly influenced by environmental factors than by the entrepreneur’s skills.

Table 2: Influence of Entrepreneurial Skills on some Performance Indicators.

<table>
<thead>
<tr>
<th>Variables</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
<th>R. I. I.</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Project turnover</td>
<td>7</td>
<td>11</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>0.81</td>
</tr>
<tr>
<td>High current workload</td>
<td>4</td>
<td>9</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>0.68</td>
</tr>
<tr>
<td>High client satisfaction</td>
<td>11</td>
<td>11</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0.89</td>
</tr>
<tr>
<td>High profitability and Shareholder value</td>
<td>13</td>
<td>11</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.95</td>
</tr>
<tr>
<td>High profile client type patronage</td>
<td>10</td>
<td>12</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0.88</td>
</tr>
<tr>
<td>High level of staff development</td>
<td>4</td>
<td>11</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>0.72</td>
</tr>
<tr>
<td>High community and social responsibility</td>
<td>4</td>
<td>10</td>
<td>5</td>
<td>3</td>
<td>1</td>
<td>0.71</td>
</tr>
<tr>
<td>High labour productivity</td>
<td>4</td>
<td>11</td>
<td>7</td>
<td>1</td>
<td>0</td>
<td>0.76</td>
</tr>
<tr>
<td>Low number of safety related incidents</td>
<td>5</td>
<td>12</td>
<td>5</td>
<td>1</td>
<td>0</td>
<td>0.78</td>
</tr>
<tr>
<td>High energy conservation ability</td>
<td>6</td>
<td>8</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>0.74</td>
</tr>
<tr>
<td>High level of Green initiatives/ Environmental sustainability</td>
<td>5</td>
<td>12</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0.77</td>
</tr>
<tr>
<td>Ability for adequate waste product re-cycling</td>
<td>6</td>
<td>15</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0.84</td>
</tr>
<tr>
<td>Low plant/equipment maintenance costs</td>
<td>4</td>
<td>8</td>
<td>6</td>
<td>4</td>
<td>1</td>
<td>0.69</td>
</tr>
<tr>
<td>Low overhead costs</td>
<td>4</td>
<td>9</td>
<td>6</td>
<td>3</td>
<td>1</td>
<td>0.70</td>
</tr>
<tr>
<td>Project completion within stipulated cost</td>
<td>5</td>
<td>12</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0.82</td>
</tr>
<tr>
<td>Project completion within stipulated duration</td>
<td>4</td>
<td>10</td>
<td>6</td>
<td>2</td>
<td>1</td>
<td>0.72</td>
</tr>
<tr>
<td>Low number of defects/ rework on final quality outcome of projects</td>
<td>5</td>
<td>12</td>
<td>5</td>
<td>1</td>
<td>0</td>
<td>0.78</td>
</tr>
<tr>
<td>High staff morale</td>
<td>7</td>
<td>14</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0.83</td>
</tr>
<tr>
<td>Pleasant workforce relationship</td>
<td>5</td>
<td>13</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>0.79</td>
</tr>
<tr>
<td>Pleasant management, supervisor and foreman relationship</td>
<td>5</td>
<td>12</td>
<td>5</td>
<td>1</td>
<td>0</td>
<td>0.78</td>
</tr>
</tbody>
</table>

To determine whether there was any significant relationship between entrepreneurial skills and the performance of SME building and construction enterprises, the Spearman rank correlation test formula \( \rho = 1 - \frac{6 \sum d^2}{n(n^2-1)} \) was applied to the rankings on the effects of some entrepreneurial skills on performance and the rankings on influence of entrepreneurial skills on some performance indicators. The coefficient of correlation \( \rho \) was found to be \( p = 0.98 \) which shows a significant positive relationship between entrepreneurial skills and the performance of SME building and construction enterprises in north central Nigeria.

Respondents were also asked to rank their degree of agreement on the possibility of developing or enhancing some entrepreneurial skills by formal education. The findings are presented in Table 3. The grand mean of the opinion on all the factors evaluated was found to be 3.6 which indicate an overall agreement that entrepreneurial skill could be learned or enhanced via formal education.
Table 3: Development/Enhancement of Entrepreneurial Skills through Formal Education

<table>
<thead>
<tr>
<th>S/N</th>
<th>Entrepreneurial skills</th>
<th>SD</th>
<th>D</th>
<th>U</th>
<th>A</th>
<th>SA</th>
<th>M.I.S</th>
<th>Consensus opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dream/Passion</td>
<td>2</td>
<td>2</td>
<td>7</td>
<td>10</td>
<td>2</td>
<td>3.4</td>
<td>Disagree</td>
</tr>
<tr>
<td>2</td>
<td>Vision/Ability to recognize opportunity for new products</td>
<td>3</td>
<td>2</td>
<td>7</td>
<td>10</td>
<td>3</td>
<td>3.6</td>
<td>Agree</td>
</tr>
<tr>
<td>3</td>
<td>Creativity/Innovativeness</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>11</td>
<td>2</td>
<td>3.4</td>
<td>Disagree</td>
</tr>
<tr>
<td>4</td>
<td>Initiative/Pro-activeness</td>
<td>2</td>
<td>4</td>
<td>7</td>
<td>8</td>
<td>2</td>
<td>3.4</td>
<td>Disagree</td>
</tr>
<tr>
<td>5</td>
<td>Ability to make self-SWOT analysis (strengths, weaknesses, opportunities and threats).</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>13</td>
<td>5</td>
<td>3.9</td>
<td>Agree</td>
</tr>
<tr>
<td>6</td>
<td>Willingness to take risk/risk tolerance</td>
<td>1</td>
<td>3</td>
<td>5</td>
<td>9</td>
<td>5</td>
<td>3.6</td>
<td>Agree</td>
</tr>
<tr>
<td>7</td>
<td>Competitiveness/Persuasiveness</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>12</td>
<td>5</td>
<td>3.7</td>
<td>Agree</td>
</tr>
<tr>
<td>8</td>
<td>Affinity for self-reliance/autonomy</td>
<td>0</td>
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<td>3</td>
<td>14</td>
<td>5</td>
<td>4.0</td>
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<tr>
<td>9</td>
<td>Self-motivation/goal orientation</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>16</td>
<td>5</td>
<td>4.1</td>
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</tr>
<tr>
<td>10</td>
<td>Ability to network, make contacts and work as a team.</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>17</td>
<td>5</td>
<td>4.2</td>
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<tr>
<td>11</td>
<td>Ability to motivate and lead others</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>16</td>
<td>5</td>
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</tr>
<tr>
<td>12</td>
<td>Locus of control i.e. being in charge of your own destiny</td>
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<td>2</td>
<td>5</td>
<td>12</td>
<td>3</td>
<td>3.5</td>
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</tr>
<tr>
<td>13</td>
<td>Drive/Persistence</td>
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<td>1</td>
<td>3</td>
<td>13</td>
<td>5</td>
<td>3.9</td>
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</tr>
<tr>
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<td>5</td>
<td>10</td>
<td>4</td>
<td>3.6</td>
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<td>2</td>
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<td>5</td>
<td>3.7</td>
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<tr>
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<td>6</td>
<td>3.9</td>
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<td>3</td>
<td>13</td>
<td>6</td>
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</table>

Grand Mean: 3.6

Discussion of Findings

From Table 1. Commitment had the highest relative importance index. This finding suggests that the most effective skill for SME construction entrepreneurs in Kaduna to achieve successful performance is their commitment. Since commitment could possibly be influenced by various behavioural or environmental factors, this implies that the attitudinal or emotive dimensions rather than the intellectual dimension of the entrepreneurs within the environment of this study is most critical to performance. Creativity/Innovativeness ranks second in importance. This finding supports the conventional school of thought that creativity and innovativeness is what makes the difference on how one person successfully take advantage of an opportunity, while another, equally knowledgeable person is un-able to successfully utilize the same opportunity within the same external environment. Vision, flexibility, adaptability/resilience and self-motivation/goal orientation were ranked 3rd, 4th and 5th respectively in their importance to performance. This indicates that the creation and successful management of building construction SMEs depend more on the emotional intelligence of entrepreneurs than on the availability or the organization of physical resources. The result presented in Table 2 on influence of entrepreneurial skills on some performance indicators reveals that construction SME entrepreneurs interpret their performance efficiency majorly in terms of high profitability.
and shareholder value. The cost saving ability of the entrepreneur is thus critical to performance other activities not considered directly economic functions. Finally, findings from Table 3 show a grand mean of 3.6 which is a low level of acceptance that entrepreneurial skills could be developed or enhanced by formal education. This finding suggests that while some entrepreneurs may view formal education and the use of established principles as choking to creativity and innovation, others however view that formal education goes a long way to develop proactive learning, enhance planning, problem solving, prioritizing and the ability to apply learned skills into actual practices.

**Conclusion**

The result of this study shows that entrepreneurial skills are vital to the performance of SME building and construction enterprises and that that entrepreneurial skills could be learned or enhanced via formal education. These findings buttress the fact that entrepreneurial skills development offers the greatest potential for growth of Nigerian SME building and construction enterprises. The study also identified five most important entrepreneurial skills that affect the performance of the firm as commitment, innovativeness, vision, flexibility, adaptability/resilience, goal orientation and pro-activeness. Thus, the performance of SME building and construction enterprises is dependent on the availability entrepreneurs who can see an opportunity and be creative enough to exploit it and also entrepreneurs that are flexible and resilient and can respond swiftly to changing fiscal, environmental and market demands.

**Recommendations**

The study recommends that in order to enhance performance of SME building and construction enterprises,

1. There must be a shift from the traditional contractor mentality that views profit and shareholders' value as the primary yardstick of success to an entrepreneur mentality which does not only see existing opportunities, but is also future oriented.

2. Since it is possible to learn or enhance entrepreneurial skills through formal training, the private sector must also rise to the task of embarking on more programs targeted on developing entrepreneurial skills especially of the small and medium enterprises.

3. The Nigerian government needs to redouble its effort in promoting an economic policy framework that is conducive to entrepreneurship development through offering tax holiday for start-ups, lower tax rates for older enterprise and less cost for acquisition of industrial plots.

4. Finally, building and construction SMEs themselves must intensify usages of ICT to keep abreast of latest innovations in both construction management and technology, and to be able to effectively modify foreign technology into local indigenous technology.

**References**


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