

Effect of Entrepreneurial Personality Traits on the Performance of Small-Scale Enterprises in Oyo State, Nigeria

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ABSTRACT

Small-scale enterprises (SSEs) remain critical drivers of employment generation, innovation, and economic growth, however, their performance in Nigeria has continued to fluctuate due to managerial, environmental, and behavioural constraints. Increasing attention has therefore been directed toward entrepreneurial personality traits as determinants of enterprise success, yet empirical evidence on how such traits affect performance outcomes remains limited. This study was consequently undertaken to assess the effect of entrepreneurial personality traits on the performance of SSEs in Oyo State, Nigeria. Specifically, the study examined the effect of risk tolerance, entrepreneurial alertness, internal locus of control, and need for achievement on SSE performance. The study adopted a descriptive survey research design, and primary data were collected using a structured questionnaire administered to SSE owners. The population comprised 6,039 registered SSE owners operating across sectors as reported by the National Bureau of Statistics (2017), from which a sample size of 361 respondents was drawn using Krejcie and Morgan's sampling formula. Data were analysed using descriptive statistics, including frequency and percentage, alongside multiple regression analysis. The findings revealed a strong positive correlation ($R = .878$) with an R-square value of .770, indicating that 77% of the variation in business growth performance was explained by entrepreneurial personality traits. Risk tolerance (0.792), entrepreneurial alertness (0.686), internal locus of control (0.761), and need for achievement (0.751) each demonstrated significant positive relationships with SSE performance. The study concluded that entrepreneurial personality traits significantly affected SSE performance and recommended integrating personality development into enterprise support programmes and policy initiatives.

Keywords: Entrepreneurial alertness, entrepreneurial trait, internal locus of control, need for achievement, risk tolerance

INTRODUCTION

Entrepreneurial personality traits are now recognized as key factors in the performance of small-scale enterprises (SSEs), playing a crucial role in their success across various economic contexts. While early studies focused on external influences like market conditions, financing, and regulations, more recent research, like Ojo et al. (2023), has shifted attention to the individual traits of entrepreneurs. McClelland's Need for Achievement theory highlighted qualities such as risk-taking, innovation, and proactivity as vital for entrepreneurship. Later studies, including those by Alabi and Sanya (2024), expanded on these traits, adding self-efficacy, alertness, and locus of control. More recent work underscores the importance of adaptability, resilience, and creativity in navigating the entrepreneurial journey (Nwafor & Okafor, 2022). These traits significantly impact decision-making and risk management, as Kwaku and Nkrumah (2022) noted that they are crucial for the survival and growth of SSEs.

Gaining a deeper understanding of these traits offers valuable insights into entrepreneurial behaviour, which is essential for boosting business performance and sustainability in today's competitive landscape.

The Big Five Personality Traits Model has contributed significantly to understanding individual behavior in various contexts, particularly in small-scale entrepreneurship. Research highlighted the importance of traits like

openness to experience and conscientiousness in enhancing SSEs performance. For instance, Abodunde (2024) found a strong positive correlation between entrepreneurial traits, such as risk-taking, innovation, proactiveness, and autonomy, and SME success. Similarly, Elegunde, Okunbanjo, and Afolabi (2024) demonstrated that traits like extraversion, conscientiousness, and openness to experience play a crucial role in driving business model innovation and creating value within small enterprises. These studies underline how personality traits influence not only individual actions but also the overall success and innovation within small businesses. Therefore, understanding the interaction between personality traits and entrepreneurial success is essential for promoting effective business practices and growth in SSEs.

In Nigeria's dynamic business environment, key traits like self-efficacy, innovation, resilience, and risk-taking are crucial for entrepreneurs to overcome challenges and drive long-term success. Entrepreneurs often face hurdles such as an unstable economy, tough regulations, and limited funding. Yet, these qualities help them persevere, adapt, and find solutions that fuel growth. Research by Oluwatobi and Olayinka (2022) highlighted that self-efficacy boosts entrepreneurs' confidence, while innovation sparks competitiveness. Resilience enables business owners to recover from setbacks and maintain continuity (Adeleke et al., 2022). Meanwhile, Ojo and Okafor (2023) emphasised that taking risks is essential in a market where bold moves are necessary to seize opportunities. According to Ogunleye and Akinbo (2023), the combination of these traits not only helps entrepreneurs navigate immediate challenges but also lays the groundwork for lasting success in Nigeria's competitive market.

The link between entrepreneurial personality traits and the performance of SSEs has gained significant attention in entrepreneurship research. While global studies have established a connection between traits like risk-taking, proactivity, and self-efficacy with SSE performance (Schmidt & Heinrich, 2020), there is a notable dearth of research on specific sub-national levels, particularly in Oyo State, Nigeria. Most existing studies have focused on developed economies, overlooking the socio-economic and cultural factors that influence emerging markets like Nigeria. Although research on entrepreneurial personality and SSE performance is growing in Africa, it remains limited in the Nigerian environment, especially in states like Oyo. Furthermore, many studies generalise their findings at the national or regional level, failing to address the unique characteristics of specific states. This study bridged this gap by examining how traits such as risk tolerance, entrepreneurial alertness, internal locus of control, and need for achievement affect SSE performance in Oyo State, offering valuable insights into the state dynamics influencing business performance in this area. The objective of this study is to assess the effect of entrepreneurial personality traits on the performance of SSEs in Oyo State, Nigeria. The specific objectives are to:

- examine the effect of risk tolerance on the performance of SSEs in Oyo State, Nigeria;
- assess the extent to which entrepreneurial alertness affect the performance of SSEs in Oyo State, Nigeria;
- evaluate the effect of a business owner's internal locus of control on the performance of SSEs in Oyo State, Nigeria; and iv. analyse how a business owner's need for achievement affects the performance of SSEs in Oyo State, Nigeria

Conceptual Review

Entrepreneurial Personality

Entrepreneurial personality refers to a set of psychological traits and behaviours that are commonly found in individuals who start and manage businesses. These traits, such as risk-taking, self-efficacy, innovation, and resilience, are believed to significantly influence entrepreneurial success (Zhao et al., 2021). Research by Lee and Wong (2020) revealed the importance of these traits in enhancing the performance of small-scale enterprises.

Entrepreneurial personality traits are seen to have a direct impact on a firm's innovation capacity and ability to adapt to changing market conditions. However, the effect of personality traits on business outcomes remains contested. For example, while traits like risk-taking may contribute to success in high-growth markets, they may also expose businesses to potential failure, as evidenced by Oduro et al. (2022). Therefore, a more detailed

understanding is needed to examine the dynamic relationship between entrepreneurial traits and performance across different sectors of SSEs.

Risk Tolerance

Risk tolerance, a key factor in entrepreneurial decision-making, refers to an individual's willingness to take on risks in the pursuit of potential rewards. Risk tolerance can be instrumental in driving innovation and growth, particularly in uncertain market environments. Zhou et al., (2020) showed that entrepreneurs with higher risk tolerance are more likely to engage in activities that lead to business expansion, such as entering new markets or adopting innovative business models. This willingness to take calculated risks is influenced by entrepreneurial personality traits like self-efficacy and resilience, which, in turn, affect business performance (Gholami et al., 2021). However, while higher risk tolerance can lead to significant business growth, it also exposes entrepreneurs to the possibility of failure, especially in volatile markets. Critically, (Kovács et al., 2022) suggested that there is a fine balance between risk-taking and prudent decision-making, with some studies like Gholami et al., (2021), indicating that excessive risk tolerance may negatively affect business sustainability.

Entrepreneurial Alertness

Entrepreneurial alertness is a vital cognitive process that enables entrepreneurs to identify and seize opportunities in the market. Defined as the ability to recognise market opportunities, notice changes, and make informed decisions based on these insights, entrepreneurial alertness significantly influences the success of SSEs. According to Dany et al. (2021), this trait is essential for early-stage recognition of untapped opportunities and the ability to act on them swiftly, promoting growth and competitiveness. Furthermore, Jong et al. (2020) noted the interplay between entrepreneurial personality traits, such as proactivity and risk-taking, and small business performance. For instance, Wu and Yang (2022) found that entrepreneurs who exhibit high levels of alertness are more likely to leverage innovation and create differentiated offerings, contributing to the overall performance of SSEs. However, Cheng et al. (2023) argued that while entrepreneurial alertness is crucial, it is not sufficient on its own; other factors like resources and market conditions also play a significant role.

Internal Locus of Control

Internal Locus of Control (ILC) is a psychological concept that refers to an individual's belief in their ability to control events and outcomes in their life, based on their own actions. It contrasts with the external locus of control, where individuals believe outcomes are determined by external factors, such as luck or fate (Rotter, 2021). ILC is particularly relevant in entrepreneurship, as it shapes how entrepreneurs perceive challenges and opportunities. Sikander et al. (2022) demonstrated that entrepreneurs with a high internal locus of control tend to exhibit greater persistence, innovation, and decision-making skills, leading to higher performance in SSEs. For instance, research by Adeleke et al. (2023) showed that entrepreneurs with internal control are more likely to overcome obstacles and pursue opportunities. However, critiques of existing literature suggested that while ILC positively influences entrepreneurial behaviour, its impact can vary across different cultural environments, as seen in contrasting findings from Asia (Chen et al., 2021) and Europe (Koech et al., 2020).

Need for Achievement

Need for Achievement (N-Ach) is a psychological trait that plays a significant role in influencing entrepreneurial behaviour and performance. Defined by McClelland (1961), N-Ach refers to the desire to accomplish challenging goals, surpass standards, and gain personal satisfaction through success. More recently, studies have supported that individuals with a high need for achievement tend to be more driven, goal-oriented, and persistent, thus positively impacting business performance. For instance, research by Hasan et al. (2021) showed that entrepreneurs with strong N-Ach displayed higher levels of innovation, leading to improved performance in

SSEs. This is corroborated by Tsegaye and Teka (2022), who found that entrepreneurs' N-Ach significantly affected their ability to navigate business challenges and adapt strategies for sustainable growth. However, while N-Ach is often linked to better entrepreneurial outcomes, some studies, such as Liu et al. (2020), suggested that its impact may vary depending on cultural and environmental factors.

Small Scale Enterprises

In Nigeria, micro, small, and medium-sized enterprises (MSMEs) are classified according to national standards outlined in the National Policy on MSMEs, which focuses on assets and employment but excludes land and buildings.

Table 1: Classification of Micro, Small and Medium Enterprises

S/N	Size Category	Employment	Assets (Naira, million excluding land and building)
1	Micro Enterprises	Less than 10	Less than 5
2	Small Enterprises	10 to 49	5 to less than 50
3	Medium Enterprises	50 to 199	50 to less than 500

Source: National Policy on MSMEs Report, 2015.

In Nigeria, medium-sized enterprises usually employ between 50 and 199 people, with assets ranging from N50 million to N499.9 million, not counting land or buildings (Yahaya et al., 2016). According to the National MSMEs Survey (2015), there are about 4,670 medium-sized businesses, mostly in sectors like manufacturing, transportation, ICT, agro-allied, and oil & gas. Small enterprises, with 10 to 49 employees and assets between N5 million and N49.9 million, total around 68,168, mostly sole proprietorships. Micro enterprises, with fewer than 10 workers and assets under N5 million, make up around 36.99 million, employing over 57.84 million people (Yahaya et al., 2016).

Small-Scale Enterprise Performance

The performance of SSEs reflects how effectively they achieve both their internal objectives and external goals (Chang & Hughes, 2020). At its core, performance can also be seen as a measure of growth (Chen & Li, 2023). Jones, Smith, and Brown (2023) identify three key areas of organizational performance: financial (such as profits and ROI), product market (including sales and market share), and shareholder returns (like economic value added and total return). These metrics can be financial or non-financial. Financial indicators commonly include return on assets, equity, and net profit margin. For this study, business growth (or expansion) is the chosen metric, as it clearly reflects an SSE's progress and market growth.

THEORETICAL REVIEW

Trait Theory

Trait Theory, initially developed by John A. Timmons in 1978, posits that inherent personality characteristics distinguish successful entrepreneurs from others. The theory assumes that traits such as risk-taking, innovativeness, and an internal locus of control are relatively stable and predictive of entrepreneurial success (Akinwale & Olayemi, 2023). However, some scholars argued that external environmental factors also play a crucial role in shaping entrepreneurial behaviour, challenging the deterministic nature of trait-based explanations (Adegbite & Lawal, 2022). Despite these criticisms, Akinwale and Olayemi (2023) maintained that trait theory remains essential for entrepreneurial development, particularly in designing targeted training programmes to enhance key entrepreneurial competencies. This theory is directly relevant to the study, as observed by Adegbite and Lawal (2022), that it links entrepreneurial attributes such as risk tolerance, entrepreneurial alertness, and the need for achievement to SSE performance, reinforcing the argument that personality traits significantly influence business performance.

Empirical Review

Examining previous studies on entrepreneurial personality traits and their effect on SSE performance is crucial for this research. Understanding how traits like risk tolerance, entrepreneurial alertness, internal locus of control, and need for achievement influence factors such as business growth provides essential insights for improving

the performance of SSEs. A study by Ahmed et al. (2023) explored the influence of entrepreneurial personality traits on the performance of Small and Medium Enterprises (SMEs) in Lagos, Nigeria. Using a quantitative correlational research design, the study collected data via structured questionnaires administered to a population of 5,000 SMEs, with a sample size of 400 entrepreneurs chosen using stratified random sampling. The data analysis was conducted using Structural Equation Modeling (SEM). Findings indicated that traits such as risktaking, proactiveness, and innovativeness significantly and positively influenced the performance of SMEs, emphasising the role of entrepreneurial personality in driving business success.

Hamzah and Othman (2023) examined how a business owner's internal locus of control impacts small enterprise performance, focusing on Malaysian entrepreneurs. Using a quantitative correlational design, the study utilised structured questionnaires to collect data from 315 small-scale business owners. The sample was chosen using stratified random sampling, ensuring representation across various business types. Data analysis was conducted using Structural Equation Modeling (SEM). The findings revealed a significant positive effect of internal locus of control on business performance, with entrepreneurial competency mediating this relationship.

Martins et al. (2022) examined the impact of risk tolerance on the performance of small-scale enterprises in Brazil, employing a quantitative research design. Data were collected through structured questionnaires administered to a study population of 1,200 small business owners, with a sample size of 300 respondents determined using a stratified random sampling technique. The data were analysed using multiple regression analysis to assess the relationship between risk tolerance and business performance. The study findings indicated a significant positive relationship between risk tolerance and the performance of small enterprises.

Muthomi et al. (2022) examined the influence of entrepreneurial alertness on the performance of small-scale enterprises in Nairobi, Kenya. The study adopted a descriptive correlational research design, with data collected through structured questionnaires from a population of 3,500 small business owners. A sample size of 356 respondents was determined using Krejcie and Morgan's formula, and participants were selected via simple random sampling. Data analysis was performed using Structural Equation Modeling (SEM), revealing that entrepreneurial alertness significantly positively influenced enterprise performance. Specifically, alertness to opportunities and threats was found to enhance decision-making, thereby boosting business growth and profitability.

Yunusa, Aminu, Badara and Naala (2022) investigated the effect of the need for achievement on the relationship between entrepreneurial orientation and the performance of small and medium enterprises (SMEs) in Gombe State, Nigeria. The study utilised a quantitative research design, employing structured questionnaires as the data collection instrument. The study population consisted of owners and managers of SMEs, with a sample size of 300 respondents selected using stratified random sampling. Data analysis was conducted using Structural Equation Modeling (SEM). The findings revealed that a high need for achievement among owners positively influences the performance of SMEs by strengthening the entrepreneurial orientation-performance relationship.

METHODOLOGY

This study adopted a descriptive survey research design to assess the effect of entrepreneurial personality traits on the performance of SSEs in Oyo State, Nigeria. The selection of Oyo State was based on its historical and commercial significance within Nigeria's entrepreneurial ecosystem. The population for the study consisted of 6,039 owners, operating across sectors as reported by the National Bureau of Statistics (NBS, 2017). A representative sample of 361 respondents was drawn using Krejcie and Morgan's (2002) sampling formula, ensuring that business owners from different sectors, including manufacturing, trade, agriculture, and services, were adequately represented. A structured Likert-scale questionnaire was developed as the primary instrument for data collection, which measured the entrepreneurial personality traits and SSE performance, with business growth serving as the dependent variable. The validity of the instrument was confirmed through expert review, ensuring its content and construct validity. Additionally, a test-retest method was employed to ascertain the internal consistency and reliability of the instrument over time.

A pilot study was conducted with 60 SSE owners to refine the questionnaire. In the pilot study, responses were first collected and then re-administered after a two-week interval to minimise recall bias and ensure the stability of responses. This interval was chosen to allow adequate memory retention while confirming the reliability of

the constructs. Feedback from the pilot study led to the refinement of the questionnaire, addressing ambiguities and enhancing its alignment with the study's objectives. Reliability analysis was conducted using Cronbach's Alpha, yielding satisfactory coefficients for risk tolerance (0.805), entrepreneurial alertness (0.794), internal locus of control (0.762), need for achievement (0.768), and business growth (0.743). Ethical considerations, such as informed consent, confidentiality, and voluntary participation, were strictly adhered to during the study. The collected data were analysed using the Statistical Package for Social Sciences (SPSS) version 25, with both descriptive and inferential statistics applied. Multiple regression analysis was used to determine the relationship between entrepreneurial personality traits and the performance of SSEs in Oyo State, Nigeria.

Model Specification

Mathematically, the model is expressed as follows:

Model: $P = F(X_{1i}; X_{2i}; X_{3i}; X_{4i})$

Where:

P = Performance,

X_{1i} = Risk tolerance,

X_{2i} = Entrepreneurial alertness,

X_{3i} = Internal locus of control,

X_{4i} = Need for achievement.

β_0 = Intercept, $\beta_1 - \beta_4$ = Regression Coefficient, μ = Stochastic error term.

RESULTS AND DISCUSSION

Demographic Characteristics Analysis of the Respondents

All 361 questionnaires distributed to SSE owners in Oyo State, Nigeria were duly completed and returned, yielding a 100% response rate. This impressive outcome was achieved through the assistance of trained research facilitators. The demographic analysis of respondents in this study revealed a male-dominated sample, with 202 males (56.0%) and 159 females (44.0%), highlighting a relatively balanced gender representation in SSEs in Oyo State. This suggests that although male entrepreneurs still predominate, there is a growing involvement of women in the entrepreneurial sector, which could indicate a shift toward greater gender inclusivity and opportunities for women in business ownership. Age distribution showed that the majority of respondents were aged between 26-45 years, with 125 (34.6%) in the 26-35 years range and 127 (35.2%) in the 36-45 years range, indicating that middle-aged individuals, likely with substantial experience and entrepreneurial acumen, are more involved in business ownership.

This trend could imply that business performance and growth in Oyo State are influenced by experienced, risk-taking entrepreneurs. Regarding educational qualifications, 194 (53.8%) respondents had attained a higher level of education, B.Sc./B.A./HND or equivalent, followed by 90 (24.9%) with ND/NCE qualifications. The higher educational attainment among respondents may suggest that formal education and specialised training play a significant role in the development and success of SSEs. Most respondents owned sole proprietorships (82.5%) and had operated their businesses for 16-20 years (53.7%), with the majority engaged in retail/trade (48.2%) and employing 10-15 workers (69.8%). These characteristics imply that SSEs in Oyo State are largely driven by stable, independently managed entities with a focus on retail, reflecting a strong entrepreneurial ecosystem in the region.

Testing of Hypothesis

Table 3a: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.878 ^a	0.770	0.769	0.29835	2.116
Predictors: (Constant), Risk tolerance, Entrepreneurial alertness, Internal locus of control, Need for achievement Dependent Variables: Performance Source: Field survey, 2026					

The hypothesis testing examined the effect of entrepreneurial personality traits on the performance of SSEs in Oyo State, Nigeria. The model in Table 3a revealed a strong positive correlation ($R = .878$), with an R-Square of .770, indicating that 77% of the variations in business growth performance were explained by the predictors, including risk tolerance, entrepreneurial alertness, internal locus of control, and need for achievement. The adjusted R-Square of .769 affirmed the model's reliability, while the standard error of 0.29835 suggested minimal deviations in prediction. A Durbin-Watson value of 2.116 confirmed no significant autocorrelation, highlighting the model's robustness.

Table 3b: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	171.441	4	42.860	481.522	.000 ^b
	Residual	45.751	356	.089		
	Total	217.192	360			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Risk tolerance, Entrepreneurial alertness, Internal locus of control, Need for achievement Source: Field survey, 2026						

The ANOVA results, as shown in Table 3b, tested the effect of entrepreneurial personality traits on the performance of SSEs in Oyo State, Nigeria. The regression model was highly significant ($F = 481.522$, $p = .000$), indicating a strong effect of the predictors, which included risk tolerance, entrepreneurial alertness, internal locus of control, and need for achievement, on performance. With a regression sum of squares of 171.441 and a minimal residual sum of squares (45.751), the model explained the majority of the variance in performance, confirming a strong relationship between entrepreneurial traits and enterprise performance.

Table 3c: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.774	.484		3.240	.001
	Risk tolerance	.792	.629	.640	7.842	.000
	Entrepreneurial alertness	.686	.532	.615	5.756	.000
	Internal locus of control	.761	.434	.594	7.736	.000
	Need for achievement	.751	.415	.575	7.095	.000
a. Dependent Variable: Performance Source: Field survey, 2026						

The coefficient analysis in Table 3c reveals that all entrepreneurial personality traits had a significant effect on the performance of SSEs in Oyo State, Nigeria. Risk tolerance ($B = 0.792$, $p = .000$), entrepreneurial alertness ($B = 0.686$, $p = .000$), internal locus of control ($B = 0.761$, $p = .000$), and need for achievement ($B = 0.751$, $p = .000$) all demonstrated strong positive relationships with enterprise performance. These findings support the hypothesis that entrepreneurial personality traits significantly affect the performance of SSEs, with each trait contributing meaningfully to enhancing business growth in the region.

DISCUSSION OF FINDINGS

The findings of this study revealed that entrepreneurial personality traits had a positive and statistically significant effect on the performance of SSEs in Oyo State, Nigeria, as indicated by the regression results ($R^2 = 0.770$; $F = 481.522$, $p < 0.05$). This implied that variations in SSE performance were substantially explained by risk tolerance, entrepreneurial alertness, internal locus of control, and need for achievement. The result supported the overall objective that entrepreneurial personality traits significantly affected business performance, suggesting that entrepreneurs who possessed stronger psychological attributes were more capable of driving growth and sustainability in their enterprises. This finding was consistent with Ahmed et al. (2023), who established that traits such as risk-taking, proactiveness, and innovativeness significantly and positively affected SSE performance, thereby reinforcing the importance of personality characteristics in entrepreneurial success. The finding also aligned with the propositions of trait theory, which assumed that inherent personal attributes distinguish successful entrepreneurs from less successful ones by shaping their behaviours, decisions, and strategic actions.

Specifically, the study found that risk tolerance had a significant positive effect on enterprise performance ($B = 0.792$, $p < 0.05$) while holding other variables constant. This suggested that entrepreneurs who were willing to take calculated risks were more likely to explore new opportunities, invest in innovation, and expand their businesses, which consequently enhanced performance. This finding corroborated Martins et al. (2022), who reported a significant positive relationship between risk tolerance and SSE performance. Similarly, entrepreneurial alertness demonstrated a significant positive influence on performance ($B = 0.686$, $p < 0.05$), indicating that the ability to identify opportunities and anticipate market threats improved decision-making and profitability. This supported Muthomi et al. (2022), who showed that entrepreneurial alertness enhanced enterprise growth through improved opportunity recognition. Furthermore, internal locus of control significantly affected performance ($B = 0.761$, $p < 0.05$), implying that entrepreneurs who believed in their personal control over outcomes exhibited greater persistence and competence, consistent with Hamzah and Othman (2023) who revealed a significant positive effect of internal locus of control on business performance. Lastly, need for achievement also showed a significant positive effect ($B = 0.751$, $p < 0.05$), suggesting that highly motivated entrepreneurs pursued excellence and performance improvements, supporting Yunusa et al. (2022) who revealed that a high need for achievement among owners positively affects the performance of SSEs by strengthening the entrepreneurial orientation-performance relationship. Collectively, these findings reinforced trait theory by demonstrating that entrepreneurial success was strongly shaped by inherent personality characteristics.

CONCLUSION AND RECOMMENDATIONS

Entrepreneurial personality traits were found to significantly affect the performance of SSEs in Oyo State, Nigeria, thereby achieving the overall objective of the study. The findings demonstrated that risk tolerance enhanced entrepreneurs' willingness to pursue growth opportunities, entrepreneurial alertness improved opportunity recognition and decision-making, internal locus of control strengthened commitment and persistence toward business goals, and need for achievement motivated entrepreneurs to attain higher performance outcomes. Collectively, these traits contributed meaningfully to business growth and sustainability among the enterprises studied. Based on these conclusions, it was recommended that entrepreneurship development programmes should emphasise personality-based capacity building to strengthen entrepreneurial effectiveness. Specifically, training initiatives should promote calculated risk-taking abilities, opportunity recognition skills, self-driven responsibility orientation, and achievement motivation among entrepreneurs. In addition, government and support agencies should design mentoring and advisory frameworks that reinforce these personality attributes to enhance enterprise performance and long-term sustainability.

Policy Implication and Limitations

The findings of this study provided important policy implications for enterprise development authorities, entrepreneurship support agencies, and government institutions in Nigeria, particularly in Oyo State. The results suggested that policies aimed at improving SSE performance should incorporate personality development programmes that strengthen entrepreneurial traits such as risk tolerance, entrepreneurial alertness, internal locus of control, and need for achievement. Training interventions, mentorship schemes, and business incubation initiatives were therefore considered essential for enhancing entrepreneurs' psychological competencies alongside financial support. However, the study was limited by its cross-sectional design and reliance on self-reported data from selected enterprises in one state, which could restrict generalisation. Future studies were recommended to adopt longitudinal approaches across multiple states in Nigeria.

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