IMPACT OF PERSONALITY TRAITS OF BUSINESS OWNERS ON THE GROWTH OF SMES IN LAGOS, NIGERIA.

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ABSTRACT

The study revealed that one of the more significant roles of the growth of SMEs in a country is evident in the contribution it has towards the development of that economy. There is an immense link between the performance and growth of SMEs. If the business performance is low then the growth of SMEs will be affected. So many factors contribute to the SMEs' growth and performance. The factors are categorized into two, they are: Internal factors and External Factors. The external factors have always been recognized as the main factor that affects the growth of SMEs. The internal factors which have been considered so far are competency, financial management and a host of others. The recent researches show that all internal factors are dependent on the attributes that a business owner possess which is referred to as the personality traits. The major concern of this project is to assess the impact of personality traits of business owners on the growth of SMEs and business performance. Four theories were utilized to elucidate on the various issues. The descriptive survey technique was utilized to gather vital information from respondents, making use of a questionnaire (via google form/ online survey). A multiple regression analysis was adopted to investigate the two hypotheses. The results showed that all the personality factors accounted for 46.5% of the variance in the growth of business (R^2=.465, $F(5, 54) = 9.37$, $p < .05$) significantly. The results for the second one indicated that all the personality factors accounted for 49.1% of the variance in the business performance (R^2=.491, $F(5, 54) = 10.41$, $p < .05$) significantly. This revealed that personality traits of business owners have a significant impact on the growth of SMEs and Business Performance.

Key words: SMEs (small and medium scale enterprises), personality traits, business owners', and business performance.

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CHAPTER ONE

1.1 Introduction

Small and medium sized enterprises (SMEs) are mostly characterised as the most innovative organizations in economies that are emerging (Pissarides, 2019). There is adequate evidence from the literature globally that illustrates the pervasiveness of SMEs (Wang, 2016). The initial idea was conceived at the resolution of the nineteenth century, stating that larger companies are the substantial pillar of the economy that caused a problem for the traditional methods dating back to the nineteen-fifties (Yao, 2018). Recently, the foremost role that SMEs play in an economy cannot be overlooked. For instance, Ayyagari, Demiurge, and Maksimovic (2011) revealed the function of SMEs towards the creation of employment opportunities and suggested that SMEs with a maximum of two hundred and fifty members of staff were the catalyst for growth in several economies. Beck, Demiurge, and Levine (2005) postulated that SMEs made up over sixty percent of total employment in the manufacturing industries of the majority of the emerging economies.

A vast amount of research has evaluated the challenges affecting the development of SMEs in unique areas. However, very few bodies of work have been aimed at developing countries and the impact of personality traits of business owners on the growth of SMEs. A lot of research has been done on the external factors like, environmental, financial, political and host of others that affect the growth of SMEs and also, most of the time entrepreneurs' characteristics have also been considered. This chapter entails the framework of the area of research where the research overview, research objectives, research problem, research question and scope of the study will be defined.

1.2 Background of the Study

It is well known worldwide that the Small and Medium scale Enterprise's sector of the economy is one of the major sources of economic growth and development. SMEs are independent firms which employ fewer numbers of employees which are 0 to 10 for Small Scale Enterprises and 30 to 200 employees for Medium Scale Enterprises (Uche Mekwunye, 2018). This sector of the economy is responsible for most of the advancements in innovative goods and processes, provides the majority of job opportunities, and is also a major determinant of the total performance of the economy. The world bank report of January, (2021) revealed that SMEs perform a vital role in most emerging economies. The estimated numbers are predominantly higher with the addition of informal SMEs. Based on the estimated figures, six hundred million jobs will be required by the year 2030 to serve as a cushion for the increase in globalisation, which makes SME development high on the priority list for policy makers in the various countries (WBR, 2021).

Nigeria's SME sector is the major source and backbone towards the development of the economy by contributing to employment opportunities, economic stability, and export generation. In Nigeria, SMEs contribute 48 percent of the National Income, this contributes to 96 percent of businesses and 84 percent of employment (Nigeria SMEs Survey, 2021). Furthermore, based on the findings of the SMEDAN National Survey of 2017, there is an estimate of 41.5 million SMEs registered in Nigeria. Also, based on findings from the Ministry of Industry, Trade, and Investment as at March, 2021, Nigeria is estimated to have registered 37.07 million SMEs, and they comprise more than 84 percent of the overall jobs in the country.

In Nigeria, Lagos State happens to have the largest number of Small and Medium scale Enterprises. The reason for this is that Lagos has a population size of about 15 million people and according to a recent statement from the Lagos ministry for Commerce, Industry, and

Cooperatives (June, 2021), Lagos has an estimated number of about 11,663 SMEs functioning in the state. There are so many businesses and organizations in Lagos which have contributed to the growth of Small and Medium Scale Enterprises, these range from financial and technology companies, consulting services companies, technology companies, Digital Creative Agencies and so on. The large population in Lagos has led to people developing their businesses which range from small, medium and to large enterprises but this research focuses on the Small and Medium Enterprises (Owoeye and Smith, 2019).

In addition, so many factors have contributed to the growth of SMEs in Lagos State. The population size is the most significant factor which has contributed to the growth of SMEs. From 2020 to 2021, the growth of SMEs has declined due to the Covid-19 pandemic and also the End Sars protest event which happened between September, 2020 to October, 2020, followed by environmental factors which has immensely affected the entrepreneur's behaviour under which we can find the characteristics of the individual entrepreneur which is also known as personality traits of the business owner in Lagos, Nigeria (OECD, 2020). There is a strong link between personality traits and entrepreneur characteristics in that so many researchers like Voda and Nelu, (2019) in the study of "impact of personality traits on growth of Small and Medium business revealed that entrepreneur characteristic like innovativeness, ability to communicate well with customers are all classified under Extraversion which is a type of personality traits. Note that innovativeness and good communication with customers are examples of entrepreneur characteristics (Liñán, and Fayolle, 2015).

This research will focus on the impact of personality traits of business owners on the growth of SMEs in Lagos state Nigeria. This research focuses on Lagos state because according to Akindele and Balogun, (2018) on intensive survey of SMEs in Nigeria, Lagos is considered to have the

highest number of SMEs in Nigeria with an estimated number of 11,663 (Olubiyi, 2021). An Individual possesses unique strengths, belief systems, skills, and talents which are dependent on their personality type. Golpayegan (2017) postulated that personality is the mixture of a constant mental and physical characteristics that can be utilized to identify a person. Akinboye and Soaib (2016) referred to the personality as the way an individual behaves which are honed majorly during the decisive years of such a person.

According to Ranawaka and Samarakoon, (2020) on an investigation on 'the Impact Of Personality Traits on the Business Performance and growth of the Small And Medium Enterprise in Gampaha District Of Sri Lanka', the personality traits of business owners affect the output of the business they are involved with, which may contribute to the growth of the business. According to the study done by Bowale and Ilesanmi, (2014) on the "Determinants of Factors Influencing Capacity of Small and Medium Enterprises (SMEs) in Employment Creation in Lagos State, Nigeria". Several personality traits have been identified to be the major factors that determine growth of SMEs in Lagos State and it is essential to establish a knowledge of the important personality traits and business processes that aid in promoting and gaining knowledge about SMEs survival and growth. The contemporary world is strongly affected by trends of globalization and competition in the marketplace. For these reasons, personality traits of business owners are very important for every company. The intensity of the personality traits of business owners like Extroversion, Openness to Experience, Agreeableness, Conscientiousness, and Neuroticism have the ability to impact on the survival and ultimately the business performance (Omerzel & Jurdana, 2016).

A current assessment of Nigeria indicates clearly that there is a high demand for business owners' personality traits with the need for achievement, self-confidence, innovativeness, tolerance for

ambiguity, internal locus of control, opportunity oriented, independence which can also be link to this personality traits in that an extrovert to innovativeness, self-confidence and independence (Gerald, 2019), tolerance for ambiguity is link to neuroticism (Forbes et al; 2014) because these individuals' personality traits predict someone's competence as business owner that affects SMEs growth and business performance (Teryima, Aondohemba, Faajir and Fiase, 2020).

Lagos State consists of sixteen local government areas in which each have different types of SMEs. The statement made by Erickson, (2002) is very crucial to the growth of SMEs, that is, enterprises performance is predicted by the features of the entrepreneur directing the growth of the business. In Lagos state the environment is a determinant factor of the type of traits each business owner possesses. These factors which constitutes behavioural tendencies of each business owner are crucial internal capacities that impact the growth of SMEs because their personality traits help them to be more creative, innovative and also be a creative thinker to know which business will strive better (Schreckenberg, 2014 & Islam, 2012). Erikson, (2002) observed that personality traits and entrepreneur characteristics are determinants of firm performance. In a report of Entrepreneurship and innovation done in Lagos, most CEOs of small and medium firms which are in a particular area are most likely involved in the same business; what makes one to be more successful than the other is due to the differences in personality traits of the business owners which make them more successful than the others (Nwoye, Inegbedion and Uzoukwu, 2018).

It was revealed in an empirical investigation undertaken on the study of the effect of business owners' personality on business performance in Nigeria by Omoteye, Adebanjo and Nwoye, (2019) that all over the world most especially in Nigeria, several personality traits and factors have been identified to be key determinants of business owner's survival (Omoteye, Adebanjo

and Nwoye, 2019). Although, with negligible empirical findings, the SME survival rate is generally low globally. It is very important to establish an understanding of the major personality traits or entrepreneur features and business processes that can help in understanding and consequently the promotion of SMEs in Nigeria. Personality traits have been studied over time to see how important they are to the growth of SMEs and there are very basic traits that have been studied and which are going to be the traits of study in this research to know their impact on growth of Small and Medium scale Enterprises.

This research will assess which of the personality traits among the big five traits is or are more suitable for the growth of SMEs and business performance in Lagos state because so many researches have only focused globally and not so many researches have been done on why personality traits of business owners' impact on the growth of SMEs in Lagos State which was considered to have the highest number of SMEs in Nigeria (OECD, 2020).

There is a possibility of several unique personality traits that comprises a successful small and medium scale entrepreneur (Gregory, 2019). When you compare the business owner behind successful small and medium scale enterprises a handful of traits rise to the top (Gregory, 2019). Some of the significant traits that lead to the success of such firms include; openness to experience, extraversion, conscientiousness, agreeableness and neuroticism (William, 2019).

Business owners in Nigeria that are extroverts, are full of inspirational energy but can overestimate abilities and reject resistance to ideas (Adelekan, Adedeji and Ayodele, 2019).

Entrepreneurs that are extroverts communicate well to their customers in order to achieve and maintain profitability based on the fact that too many people are involved in the same small business or medium business (Rasak, 2020). There are so many business owners that are

disciplined, ambitious and persistent, but perhaps overly cautious and unable to deal with ambiguity; these are attributes of conscientiousness (Adelekan et al, 2020). There are also business owners that are emotionally unstable (Rasak, 2020). As business owners, you need to be emotionally stable in order to have steady growth in your business. Specific descriptions have been known to reflect certain personality traits. For example, agreeable people seldom speak because they are considerate about the feelings of others. On the contrary, conscientious individuals make use of qualifiers to help them remain cautious (Adullulasi, 2019).

People that score high in extraversion were more suited to networking and had a more congenial behavior. This illustrates that extraversion traits are directly proportional to a high business performance (Wanberg, 2000). Business owners who scored high in agreeableness are more sympathetic towards others and eager to help them (Costa and McCrae, 2006). Business owners who scored high in conscientiousness are deemed to be more strong willed and determined to their task (Costa and McCrae, 2006). Therefore, it can be postulated that conscientiousness has a significant relation to increased job performance. Additionally, in empirical studies, conscientiousness results have been consistently revealed to correlate with increased business performance in different fields (Barrick and Mount, Donovan, 2000). Emotional stability reflects tendencies to manage adverse conditions. Business owners that have this trait will be able to face challenges that might arise in their businesses. Studies have shown that openness to experience is not an ideal determinant of business performance (Donovan, 2000 & Salgado, 2003). This study will investigate if this is true for business owners in Lagos state.

1.2 Statement of the Problem

The impact of personality traits on the growth of a business or an enterprise is very important to the growth and sustenance of Small and Medium scale Enterprises. The study done by Abosede,

Adebiyi and Oko-Oza, (2017) on 'Performance of Small and Medium Enterprises in Lagos State' revealed that most business owners in Nigeria don't understand the personality traits they have because the norm is to grow your enterprise you have to have huge amount of money (Abosede, Adebiyi and Oko-Oza, 2017).

Business owners must understand the personality traits that they have in order to know if it will affect the growth of their enterprises or not. Some business owners, especially in Lagos State, think success of a business depends only on financial stability and also environmental factors (Nigeria SMEs Survey, 2021). Astebro (2014), reviewed a book authored by Frank Knight, where he observed that the personality traits of entrepreneurs have a great impact on the growth of business. Most executives or business owners in Nigeria, especially in Lagos do not p0ut this into consideration. Over the years, researchers continue to research unique individual features that lead people to become business owners and also help in the growth of their enterprises (Adebiyi et al, 2017). The growth of the economy in Lagos state solely depends on the growth of small and medium scale enterprises. The business owners have different characteristics that make them unique and capable of running a successful business.

A recent study by (Uche Mekwunye, 2018) shows that most business owners in Lagos State are highly disciplined and also are able to take risks. Due to the population size of the State, it is considered as the commercial and financial center of Nigeria. Development of SMEs in Lagos tends to be stressful due to the environmental conditions and also competition among business owners (Uche Mekwunye, 2018). As a result of this, if a business owner is not emotionally stable, this might affect the growth of their business and also affect the relationship between the employees in the organization. Therefore, this research will examine the impact of personality

traits of business owners on the growth of SMEs in Lagos, Nigeria and also the relationship between personality traits and growth of small and medium scale enterprises.

1.3 Research Objectives

The following research objectives are defined for this research:

i.   To assess the impact of personality traits of business owners on the growth of SMEs in Lagos State.

ii.   To evaluate the effect of personality traits of business owners on business performance in Lagos State.

1.4 Research Questions

The major question utilized for this research work is to analyse the impact of personality traits of business owners on the growth of SMEs in Lagos, with secondary questions such as:

i.   To what extent do personality traits of business owners affect the business performance?

ii.   Is there a correlation between the personality traits of business owners and growth of SMEs?

1.5 Research Hypotheses

The following hypotheses are to be tested during this study:

Hypothesis One

H0: Personality traits of business owners have no significant impact on the growth of SMEs.

H1: Personality traits of business owners have a significant impact on the growth of SMEs.

Hypothesis Two

H0: Personality traits of business owners have no significant effect on business performance.

H1: Personality traits of business owners have a significant effect on business performance.

1.6 Significance of the Study

The results of the study being undertaken is of a vast benefit to the following categories of people:

Business Owners: The result of this research will help business owners to know more about their personality traits and the impact it may have on the growth of their business. It will provide them with basic understanding about their attributes in order to know which kind of business they can venture into and how well they will be able to perform in the business. It will also help business owners in employing staff with good personality that will improve on the performance of their business.

Customers: It will help the customer to understand that their personality traits might not correspond with that of the business owners. The findings will improve the communication between business owners and their customers.

Business Development Strategists: This research will help business development strategists to know how to shape the behaviour of a business owner to be more suitable for the growth and development of their businesses.

Researchers: It contributes to the body of existing literature and serves as a reliable source material for numerous studies in the fields such as Marketing, E-commerce, including other researchers.

1.7 Scope of the study

This study focuses on the impact of personality traits of business owners on the growth of SMEs in Lagos. SMEs in Lagos state were selected as the target population because Lagos is considered to have the largest number of SMEs in Nigeria due to large population size. There are a lot of business owners in Lagos with different personality traits. Entrepreneurial businesses in Lagos are mostly SMEs and they are set across most sectors of the economy and the personality traits and entrepreneur characteristics have a great impact on the growth of their businesses and enterprise. In the area of growth and performance of SMEs, Lagos is considered to have a rapid growth of SMEs due to the fact that most business owners in the state have strong personality traits to perform well at their businesses. The research instrument (questionnaire) was distributed using the google form format online to various business owners in Lagos state.

1.8 Definition of Terms

- **SMEs**: SMEs are generally regarded as firms with turnover of less than a Hundred Million Naira per annum and/ or members of staff less than three hundred (Oyeyinka, 2020).
- **Business Owners:** A business owner is an individual who owns and/ or engages in a business. Small to medium scale enterprises with the aim of making profit from its successful operation (Nwoye, 2019).

- **Personality Traits:** Personality traits reflect people's unique patterns of thoughts, feelings, and behaviours which have a great impact on growth of SMEs (Diener, 2017).

- **Extraversion:** Extraversion indicates how congenial and sociable a person is. These individuals thrive on excitement, and are more enthusiastic, action-oriented people (Aston, 2007).

- **Conscientiousness:** Conscientiousness is the feature of being careful, or diligent (Whiteman, 2018). Conscientiousness is a need to undergo a task properly, and to take responsibilities to others with utmost care.

- **Open to Experience:** Openness is a basic feature that indicates being receptive to new ideas (Malcom, 2019).

- **Neuroticism:** Neuroticism as the tendency to respond to frustration, loss and threats with negative emotions (Caroline, 2017).

- **Entrepreneur:** An entrepreneur is a person who establishes a newly discovered business, who is responsible for bearing most of the risks and reaping the majority of the rewards (McNaughton, 2019).

1.9 Structure of the Dissertation

This research is subdivided into five separate chapters. An outline and description of what each chapter depicts are explained below.

CHAPTER ONE: Introduction
CHAPTER TWO: Literature Review
CHAPTER THREE: Methodology
CHAPTER FOUR: Data Analysis
CHAPTER FIVE: Discussion

Figure 1: Dissertation Format

Source: Designed by the Researcher

Chapter 1: Introduction

This chapter entails the framework of the area of research where the research overview, research objectives, research problem, research question and scope of the study will be defined.

Chapter 2: Literature Review

This chapter covers the critical review of existing literature from concepts and theories linked to the research topic. Furthermore, this section will provide readers with an in-depth understanding of how the research theory was developed from already existing studies and similar researches

Chapter 3: Research Methodology

This chapter provides detailed information on the techniques used to design and implement the research. It provides a justifiable explanation for the specific design that was used for answering the research questions and hypotheses. Furthermore, the section provides information on the

ethical considerations that were considered for the research, research philosophy, research method, research strategy, and the research instrument that was used during the research.

Chapter 4: Data Analysis

This chapter contains the analysis of data obtained from the research by using tables and figures to represent the findings of the research. In addition, this chapter shows how the frequency distribution table, percentages and charts were used to analyse different sections in the questionnaire.

Chapter 5: Discussion, Conclusion and Recommendations

This chapter provides in detail the interpretation of the analysis and findings of the research which is linked with the research objectives and research questions. The chapter also provides conclusions and recommendations for further research based on the analyses and findings in

CHAPTER TWO

LITERATURE REVIEW

2.0   Overview

The significance of SMEs to the economies of the world is adequately reported. SMEs comprise the largest business sector in each global economy. Therefore, governments worldwide are intensifying their efforts in promoting and supporting the growth of SMEs as their national development strategy (Bayraktar and Algan, 2019). Small businesses and SMEs are made up of the majority of firms in most countries and their endowment to the vast majority of jobs (Algan et al; 2019). The SMEs possess a highly significant role in globalisation and the improvement they offer economic development is well known. These socio-economic roles have led to the consideration of the SME sector as a strategic interest for the development of the economy (Avasilcai, 2009).

The main reason for creation of SMEs was because of the slow nature in productivity and growth which is one of the biggest obstacles to a comprehensive economic growth in both the developed and developing countries, with serious implications for citizens' standard of living such as low percentage of income growth, the prevalence increased inequality, and the problems that arise regarding loan repayment (Abdulaziz, Marco, Tarek, and Jörg, 2020). In a research undertaken by McKinsey Global Institute (MGI, 2018) while studying seven Organisation for Economic Co-operation and Development (OECD) countries discovered a significant drop in average productivity growth between the years 2010 and 2014. Therefore, SMEs are vital drivers of economic development by being instrumental to most economies across the world, particularly in developing and emerging nations (Ndiaye, Razak and Nagayev, 2018).

The performance of the business is very important for the growth of SMEs (Abdel, Rowena & Robyn 2010). There are so many factors that affect the growth of SMEs in the world. The factors are grouped into two which are external and internal factors. Beck and Demirguc-Kurt (2006) state that the growth of both internal and external environments is necessary for SME growth. The internal factors include factors in the business environment that are within the locus of control of the business owners (Fatoki & Garwe, 2010; Kolstad & Wiig, 2015) which are referred to as personality traits of business owners which shape their ability in good or poor management, competency, financial management and a host of others (Mazanai & Fatoki, 2012). Factors beyond the control of the business owners are regarded as external (Fatoki & Garwe, 2010). In a research comparing Nigeria and UK, Ihua, (2009) made a discovery that economic growth of Nigerian SMEs was adversely affected by externally related factors, such as the poor economy and lack of infrastructure.

The external factors have always been considered as the major factors that affect the growth of SMEs around the world (Fedrick and Shaw, 2020). Many researches have shown, according to a review done by Mascot and Smith, (2020) on the underlying factors affecting the growth of SMEs around the world and it was revealed that a business owner's ability to survive in a business environment all lies in the personality traits of the business owners (Mascott and Smith 2020). Omerzel & Jurdana, (2016) revealed that the intensity of innovation activity can influence the competitiveness and consequently the business performance. It was revealed that business performance affects the growth of SMEs (Omerzel & Jurdana, 2016). An investigation done by Boyer and Blazy (2014) on the role of innovativeness showed that innovativeness is associated with personality traits of a business owner.

In contrast to the findings of reference (Wengel and Rodriguez, 2020) that low business growth in SMEs is precisely because the behavior of entrepreneurs who tend to avoid external sources of finance to minimize control of the company, avoid the risk of failure and uncertain income and reduce high workload by not releasing business growth opportunities (Hill, 2019). This condition shows that the classic notion for the stunted growth of SMEs is because of the lack of ability of the business owners to manage their firms is not absolutely correct. Therefore, it is necessary to examine the determinants of business growth in SMEs to understand the growth of SMEs.

Therefore, in this study, personality traits and SMEs as a concept, the link between growth of SMEs and business performance, the relationship between personality traits and growth of SMEs are used to explore the impact of personality traits of business owners on the growth of SMEs in Lagos state Nigeria and also on business performance.

2.1   Conceptual Clarification

2.1.1   The Concept of SMEs

The definitions of SMEs are normally coined depending on the particular country, this is also determined based on the role SMEs play in the economy, it is also influenced by the policy and programs designed by particular institutions empowered to develop SMEs (Etuk, et al., 2014). Mostly, the definition is coined based on statistical benchmarks created by World organisations. The meaning of SMEs can be achieved on either numeric or non numerical variables. Quantitative meanings mostly relate to size of the firm, also in financial terms such as sales, assets, and profit. (Etuk, et al., 2014).

A more general definition of SMEs can be defined as an enterprise employing up to Two Hundred and Forty Nine people. It is subdivided into micro which comprises one to nine employees, small

which comprises ten to forty nine employees and medium comprising fifty to two hundred and forty nine employees employees. Developing economies frequently utilize fifty or hundred employees as a yardstick in defining an SME. Fedrick and Rooster, (2019) made use of financial assets to define SMEs as the turnover received of medium-sized enterprises fifty to two hundred and forty nine employees should not exceed fifty Million Euros, small firms should possess a maximum of ten Million Euros, while that of micro firms must have the maximum of two Million Euros (Fedrick and Rooster, 2019).

There is no central definition of SMEs in Nigeria, but it changes over time (Abiodun, 2019). Various institutions in Nigeria have at specific times defined SMEs in several ways, but commonplace to the definitions are; number of fixed assets, the value of gross output, and the number of employees are factors used to define SMEs (Farouk & Saleh, 2011).

Table 1: Classification Adopted by SMEDAN for National Policy on MSMEs

S/N	SIZE CATEGORY	EMPLOYMENT	ASSETS (N million) (excluding land and buildings)
1	Micro enterprises	Less than 10	Less than 5
2	Small enterprises	10-49	5 – less than 50
3	Medium enterprises	50-199	50- less than 500

Source: SMEDAN, 2007

Adidu & Olannye (2006), suggest that SMEs are businesses that possess capital investments of a maximum of Five Million Naira and a maximum of Twenty Five Million Naira as turnover per annum.

The Central Bank of Nigeria in (2014), defined ``Small and medium enterprise is as an establishment whose sales value is not more than one million naira." Consequently in Nigeria, there was a joint survey carried out in 2010 concerning the National Micro, Small, and Medium

Enterprises, this was undertaken by the National Bureau of Statistics (NBS) and the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) and they defined SMEs by utilizing a classification derived on a double criteria namely; employment and assets not inclusive of land and buildings. The result is that micro enterprises are those enterprises whose total assets not inclusive of land and buildings are less than five million naira with employees not more than ten employees (Durowoju, 2016). Small enterprises are those enterprises whose total assets are above five million naira but not exceeding fifty million naira with a total employee number of above ten but not exceeding 49 employees (Durowoju, 2016). Medium enterprises are those enterprises with total assets not inclusive of land and building are above fifty million naira, but not exceeding five hundred million naira with a total number of employees of between fifty and one hundred and ninety nine (Durowoju, 2016).

The ubiquitous state of SMEs in every sector of the Nigerian economy and their role in national development is well established and recorded according to Ogbo & Nwachwukwu, 2012. These entails promoting diversification, utilization of locally sourced materials and know-how, increased National Income,generation of wealth, poverty alleviation activities, and the reduction of migration (Ogechukwu, 2011; Akingunola, 2011; Dimoji & Onwuneme, 2016). The economic obligations of SMEs are also obvious in the mobilization of latent finances, the creation of competition by offering innovative products and services, the reduction of pressure on foreign exchange demands via import substitution, the provision of services to large firms, and employment generation (Gberevbie & Isiavwe-Ogbari, 2007).

SMEs in Nigeria are estimated to account for about forty percent of the National Income and three quarters of industrial employment according to Eniola, (2014). Duke (2006), states that an estimated eighty seven percent of firms in Nigeria are small businesses and contribute an

estimated sixty one percent of the National Income. At the national level, they generate 58 percent of employment. Similarly, it is estimated that more than half of all businesses in Ghana are grouped under SME and contribute a significant amount to the GDP. Kenya's experience also shows the existence of an estimated 1.3 million micro and small enterprises, employing about 2.3 million persons, thereby creating employment, wealth and export expansion (Dimoji & Onwuneme, 2016; Mbogua, 2003). In many of the newly industrialized nations like China, India, South Korea majority of the businesses are categorized under the SME sector and account for a large number of the labour force as stated by Sanusi, (2003). The establishment of SMEs in Lagos State has a profound impact on the economic growth of the state and nation as a whole. The growth and development of SMEs in Lagos came into existence towards the concluding parts of the 1950s (Ogechukwu *et al.* 2013).

There is a significant increase in the establishment of SMEs in Lagos because it has a high population density, also, this is largely due to the limitations of unemployment in Nigeria (Guengant & May, 2013). There are a lot of enterprises in Lagos State that engage in similar types of businesses, as a result of this businesses in Lagos tend to be highly competitive. Nigeria has a developing economy and what could potentially account for the growth of the economy is influenced by the growth of SMEs in the country (Razak, 2020). Lagos State is the part of Nigeria where business activities greatly contribute to the development of the economy. SMEs represents a significant factor towards the development of Nigeria's economy, in addition to the generation of local employment, equitable distribution of revenue, and generating revenue (Stel *et al*. 2005; Bosma *et al*. 2018).

Small and medium enterprises are very important because they affect the growth and the stability of an economy. Hence, a decrease in the level of growth of SMEs limits the economy with a

reduction in the country's per capita income, it could lead to poverty, unfavourable balance of trade and payment, increased redundancy and unemployment (Adeleke, Jianguo and Uchechi, 2017). It is noteworthy to enhance the level of each country's economic growth by rewarding entrepreneurial processes that would precede the creation and survival of SMEs (wang, 2020).

Survival requires a total dependence on entrepreneurship and the need for both potential and existing entrepreneurs to possess good personality traits and business practices that can enable them to create sustainable SMEs (Adeleke, 2017). Consequently, in order for the better performances of SMEs in Nigeria, it is necessary to critically examine some of the various types of personality traits that business owners need to develop to improve the growth and performance of their businesses of which an investigation would be carried out in this research to confirm it.

2.1.2   Concept of Personality Traits

Personality has Greek origins which highlights face coverings utilized by artisans that portray how they look. It's about having traits that are distinguished from the individual's traits behind the mask (Mavale & Narkhede, 2017). It is the uniqueness of an individual that is influenced by development of an individual attitudes, habits, values, personal memories, skills and social relationships over a period of time (McAdams and Olson, 2010), it also includes various aspects of human life that allows for the determination of the behaviour of a human being in specific moments (Dastoori & Poor, 2012; Kusmintarti, Brawijaya, Brawijaya & Brawijaya, 2016). It is also the individual's preferred way of carrying out their activities (Askarian & Eslami, 2013).

Every person behaves in a unique way and possesses abilities peculiar to them, belief systems and skills which depend on his personality features. Similarly, firms are also based on aims, duties and current activities that bring in specific expectations and needs (Aghili et al., 2014).

Golpayegan (2017) defined personality as the mixture of constant mental and physical characteristics which gives identity to an individual. While Akinboye and Soaib (2016) referred to personality as the behavioural patterns which are honed majorly during the individual's decisive years. Also, it is believed that individuals with different types of personality always perceive conflict from different points of view (Hashim, Wan Edura, Othman, Hamzah & Sunai, 2012). This is one of the main reasons that the personality of every individual complements each other in the organizational setting (Melisa, Bülent & Meral, 2016; Chi, Maier & Gursoy, 2013; Hashim, Rashid, Othman, Hamzah & Sunai, 2013).

Personality traits represent a set of characteristics that are responsible for a person's identity (Kinicki, 2010). The dimension of personality traits is mostly outside our control but strongly influences attitude, expectation and assumptions about others and things around us, therefore influencing behaviour. Personality traits can also be defined as structures and propensities within an individual that explain their features, pattern of thought, emotion and behaviour (Colquitt, 2009). Personality traits therefore represent a process of change and it relates to the psychological growth and development of an individual.

The last twenty five years has produced vast improvements towards our understanding of personality traits. Business owners' characteristics, patterns of thinking, feeling and behaviour show their personality traits (Naumann & Soto, 2008). Over the years, there has been an emergence on how specific behavioural tendencies are organized into other traits (personality structures), how personality traits evolve over time (personality development), and how personality traits influence life outcome. This shows that the personality traits of a business owner influence the growth of their business. If the personality of a business owner is not favourable for the growth of the business, it can be modified over time in order to make the business successful

or change to another business that they can manage well. This assumption will be verified in this research.

### 2.1.3 Business Performance

Business performance can be observed from sales, profit making process, rate of return of capital, and the returns derived from investments. Li et al. (2015) utilized three determinants for measuring performance, efficiency, growth, and profitability. Business performance is the result of multiple aspects that are difficult to quantify (Sanchez and Marin, 2015). The literature has recorded limitations in both qualitative and quantitative analysis and are recommended to be used interchangeably, measuring quantitatively such as Return on Investment (ROI), profit, and sales. While the qualitative measurements are often called as performance indicators. Performance measurement is achieved by using the approach as a certain scale of performance variables such as knowledge and experience in business, quality goods and services, the capacity to innovate, teamwork, productivity, and corporate responsibility to the stakeholders.

Carnison, Sanchez and Marin (2015) examined the performance of small and medium enterprises using three aspects namely profitability, productivity, and market. While Lee and Tsang (2014) made use of performance, sales growth, the growth of the firm's assets, and profitability. Studies in small and medium enterprises' business performance measurement approach usually utilizes a combination of financial and non financial parameters but limitations arose when the owners of small and medium enterprises are not willing to provide information and adequate performance data (Beal, 2018).

2.2 SMEs & Economic Development

Carree and Thurik (2008) examined the effects of small firms on an industry's performance and growth, the results found positive effects between measures of entrepreneurship and growth. The result of their study was that small businesses have a significant impact on industry growth and performance. Lal & Clement (2006) assessed the role of individual enterprises in relation to economic development. The study done by Lal & Clement (2006) illustrates that reforms in the market influence the individual enterprises and lead to a high economic growth. The findings of the study concluded that by developing entrepreneurial processes in India, it was capable of generating additional economic growth. The work undertaken by Thurik (2008), has given an angle on emerging economies and elucidates that entrepreneurship has become a significant variable in economic growth.

Smith (2010) examined entrepreneurship and economic growth in terms of the responsibilities of entrepreneurship towards the growth of the economy. The study ascertained that the level of entrepreneurship has a positive effect on economic growth. Shrivastava & Shrivastava (2013) highlighted the fact that entrepreneurs assist in job creation for the people and hence assist economic development. Toma et al., (2014) examined the link between economic development and entrepreneurship. The research built a theoretical model that illustrates a few of the main factors which were linked with the synthesis of entrepreneurship and economic development.
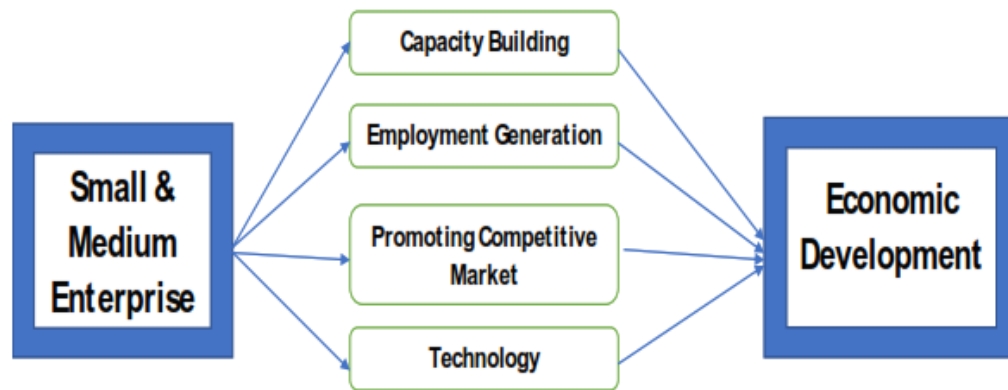
Source: Developed by author

Figure2: Concept of SMEs

Dev & Sengupta, (2020) noted SMEs are regarded as one of the most significant sectors that leads to the economic growth of many countries. It increases commercial activity and aids the creation of employment opportunities through innovation (Waiho et al., 2020). Therefore, the countries continually monitor the performance of SMEs' and give support towards increasing the business performance to maintain favorable results (Robinson & Kengatharan, 2020). However, Amankwah-Amoah et al., (2021) have disputed that SMEs' current performance in the country has been adversely affected by the pandemic in China. At the inception of the pandemic, China experienced an annual growth drop of 2.4% in 2020 based on Kamal, (2020). Also, Anup Kumar, (2020) has stated that SMEs' current performance has reduced China's National Income to below 0.05

2.3 Prevalence of Personality Traits in Business Owners

Personality traits are features that an individual has that makes them different from others (Barrick, Mount & Ning, 2013). The personality traits of a business owner determine how successful the business will be (Zhao & Seibert, 2006). The survival and growth of an enterprise

is determined by how effectively the business owner is able to manage their business which is also dependent on their attitude towards the business.

The character of an individual and behaviour determine the personality traits of that individual, this has a significant impact on the commitment of a business owner towards their enterprise (Barrick, Mount & Ning, 2013). The most important factor that determines how successful a business will be is the personality traits of the business owners. Personality traits also help business owners acquire the knowledge of which kinds of businesses to venture into. Personality traits are a set of innate abilities to examine and direct the focus of an entrepreneur in order to achieve the desired goals of profitability of the business (Mohammed & Massoud, 2016; Ibidunni, Ogunnaike & Abiodun, 2017).

The literature on entrepreneurship explains the differences between Business owners and non-business owners. For example, business owners require a high need for achievement (Costa, 2000), display creativity, and are more prone to take risks (Baron, Shane, 2004) and are self-confident. Cuervo (2005) suggests that entrepreneurs who are very intelligent, experienced, creative, accepting of risk, and social relationships tend to discover and take advantage of opportunities. The entrepreneurial personality profile is "based on the specific configuration of the main personality factors: high extraversion, conscientiousness and openness, and low agreeableness and neuroticism" (Staniewski et al., 2016, p. 1940), In addition to being more innovative (Kandler et al., 2016).

Individuals considered to be emotionally stable are perceived as being gentle and confident. On the contrary, the common features of neurotic persons include feelings of worry and depression (Costa, 2006). Business owners are plagued with scenarios that lead to stress. Factors such as the financial risk of commencing and operating a new business venture can produce physical and

psychological stress (Zhao and Seibert, 2006). Therefore, emotional stability shows the ability to think positively in all circumstances and deal with stress. In addition, business owners distinguished by this personality trait are self-confident according to Costa, (2006), They are also likely to positively motivate employees and have good interpersonal relations with them and the stakeholders (Etemad et al., 2013). Neuroticism is likely to reduce the propensity for risk taking and the reduction of the ability of individuals to build social capital (Baluku et al., 2016).

Extroverts are enthusiastic and search for opportunities for pleasurable experiences (Barrick et al., 2003). On the contrary, introverts prefer being alone. By commencing on a new venture, entrepreneurs are expected to be in extensive contact with the internal and external partners of the business. Extroverted business owners build connections to help them access external resources. As mentioned by Zhao and Seibert (2006), the congeniality of extraverts allows them to direct others and develop vivid interactions socially. Additionally, extraverted business owners motivate their employees and their commitment to improve the working environment. Cantner, Silbereisen, and Wilfling (2011) stated that extraverts are better at performing managerial tasks due to their sociability.

The growth of SMEs is based on creativity and the ability to be innovative, a positive correlation can be identified between this personality feature and business owners (Ames, Runco, 2005). Barrick and Mount (2018) illustrates that individuals that are high in openness to experience may have positive attitudes towards growth of SMEs.

Moreover, Zhao, Seibert, and Lumpkin (2010) suggest that "successful entrepreneurial performance is facilitated by a disposition towards new or unconventional ideas, values, and actions". However, less open persons are more conservative, which is obviously not favourable to entrepreneurial activities (Zhao et al., 2010).

An agreeable individual is cooperative, caring, and gentle according to Costa, (2000). Earlier studies have recorded uncertain findings about the effect of agreeableness on the growth of SMEs. While high agreeableness can reduce the SMEs rate of non performance (Cantner et al., 2011), "high levels of agreeableness may inhibit one's willingness to drive hard bargains, look out for one's own self-interest and influence or manipulate others for one's own advantage" (Zhao and Seiber, 2006).

Some researchers have established the negative association between these two variables. For instance, Cantner et al. (2011) depicts empirical evidence that conscientiousness improves the probability of entrepreneurs failing since conscientious entrepreneurs focus on task accomplishment, which may not be a factor in terms of profit. Conscientious business owners are also characterized by a lack of creativity and lower contextual performance in young innovative firms. Ciavarella et al. (2004) showed that business owners' conscientiousness is positively linked to the survival of the business on the long run, while Cantner et al., (2011) stressed that "the hazard for SMEs failure should be therefore decreased if founder managers possess a relatively higher level of conscientiousness".

2.4 Personality Traits of Business Owners and Growth of SMEs

The growth of small to medium scale enterprises is very important because it determines the status of the economy in Nigeria. There are underlying factors that determine the growth of SMEs. The factors include financial and environmental factors and the characteristics of the business owner or entrepreneur characteristics (Avlontis and Salavou, 2007). Personality traits of business owners tend to have a major impact on the growth of SMEs (Nwoye, 2019). In Nigeria the attitude of a person towards his or her business determines how successful the business will

be (Uchenna, 2020). Financial and environmental factors are relatively important but these also depend on the personality traits of the business owner (Bouazza, Ardjouman, & Abada, 2015).

A business owner that is not sociable, bold and passionate about the business or enterprise may experience a decrease in the level of growth of SMEs. Business owners must also have some characteristics such as dependable, reliable, ambitious and hardworking, emotionally stable, creative and kind. In a report on Personality traits of Entrepreneur by Kerr & Xu, (2017) research on impact of personality traits on growth of enterprises took off in the mid-20th century. Researchers have worked over the last few decades on the Big-5 factor personality model. Several additional traits have been fused into the Big-5 for business owners' work.

There are numerous problems faced by SMEs in Nigeria but some of these problems relate to the entrepreneurs' characteristics (Ayozie, 2011). Performance of firms including SMEs anywhere even in Nigeria will start from the business owners' personality traits, capabilities, management skills, technical skills, and its rate of adaptability to the internal and external business environment in achieving a competitive advantage. The business environment in Lagos State is very rigorous and competitive. A business owner has to be very creative and innovative and also must be emotionally stable in order to withstand this situation (Ayozie, 2011).

The research conducted by Ajani & Oluyemi, (2016) to examine the effect of business owners' characteristics on the performance of SMEs using "Yaba Local Government area of Lagos State" as an example reviewed that business owners' traits, entrepreneurial proficiencies, and educational levels of the business owners have a significant impact on the performance of SMEs in Lagos, Nigeria. Entrepreneurial competency and level of education shape the personality traits of business owners (personality development) to suit the kind of business being undertaken (Chuluunbaatar, et al., 2011). It was recommended that business owners possess the knowledge

of informational, educational and specialized training which will help in developing some characteristics or attributes in them in order to expose and enable them to develop some risk-taking strategies inherent in self-employment and wealth creation which will eventually lead to the growth of SMEs.

A research conducted by Alam, (2011) in Bangladesh on the personality traits of business owners revealed that, the attributes or characteristics that a business owner possesses contributes to the success and growth of SMEs. Entrepreneurs' traits are in relation to their demographic, individual features, and entrepreneurial mindset. There are many challenges faced by SMEs in Nigeria but some of these challenges are in relation to the entrepreneurs (Ayozie, 2011). Performance of firms in Nigeria will start from its owners' capacity, management skills, technical planning and its adaptability to the internal and external business environment in achieving a competitive advantage.

Business owners are innovative individuals who are inclined to developing businesses and making it profitable. These abilities are affected by some certain traits possessed by them. The study of Owoseni, (2011) examined the impact of openness and extraversion features on the innovative behaviour of entrepreneurs in Ibadan, Oyo state, Nigeria showed a significant difference between openness and innovative behaviour and also the result of the study illustrates that business owners who were high on extraversion exhibited more innovative behavior than those who scored low. Based on the findings of the study, it was recommended that business owners should observe and build on their most significant traits. A recent analysis shows business owners are more innovative than other people and this innovative behaviour is related and correlated to business performance and success (Rauch, and Frese 2007).

Studies have revealed that the progress in the management of a business and the ability of a business owner to develop or increase the level of growth of SMEs which all depend on the attributes or characteristics that the business owner possesses are closely related to the survival of the Small to Medium Scale enterprises. A research on the effects of six personality factors of CEOs at small and medium-sized enterprises on performance in business management, focusing on learning and growth was done by Han, Seok & Kim, (2017) on the basis that personality traits contribute to behavioural characteristics. The study revealed that among the six personality traits, extraversion, conscientiousness and openness to experience show a positive effect on the learning and growth of SMEs. The study also revealed that agreeableness had a great impact on the performance of business and on business management.

The individual uniqueness in behaviour determines the personality traits which have a great impact on the career of a business owner. Ayoade, Ogunnaike & Adegbuyi, (2018) carried out an empirical investigation of the direct and indirect effect of personality traits on entrepreneurs' commitment of SMEs. The study carried out by them knows the impact that the big 5 personality traits have on the entrepreneurs' commitment to SMEs. The result revealed that extraversion, conscientiousness and agreeableness will result in a high level of commitment of the business owners towards their business.

Furthermore, Gyimah, Owiredu and Antwi (2020) alluded from their research that there is a significant relationship between the big 5 dimensions of business owners personality traits and business success. The results showed extraversion, agreeableness and neuroticism to influence business success partly and also a prevailing factor was the business success measurement tool. Thus, as agreeableness exerts a notable impact on financial performance, extraversion and neuroticism were found to have a significant influence on growth performance. Also, the study

revealed that openness to experience is negligible under each of the dependent variables, the study shows a positively insignificant relation on financial performance and negatively insignificant relation on growth performance.

A study undertaken by Lesi (2021) on entrepreneurial Characteristics and performance of Small and Medium Scale Enterprises in Port Harcourt Metropolis revealed that there is a significant relationship between entrepreneur risk taking, innovativeness, competitive aggressiveness and competency, and profitability, market share, growth and customer satisfaction. The study concluded that entrepreneurial characteristics affect positively and significantly performance of small and medium scale enterprises. It was recommended that risk taking characteristics of entrepreneurs should be well managed and integrated with the objective of increasing performance. Innovation and innovative characteristics should be considered as a culture among the business owners and training and conferences on small and medium scale should be adopted to increase entrepreneur competencies and competitive strategies.

Yordanova, (2017) remarked that determination is called for by entrepreneurial work, whereas others have main focus on motivation, willpower, and hard work. Entrepreneurship is based on the organization of entities attracted to roles that match their personality and their advantages, especially conscientious people, and no doubt, these people accept to relate with entrepreneurial firm acts. Hesitantly many intellectuals perceive that conscientiousness is the main motivational variable. Major dependable personality interpreter of job performance diagonally all types of work and field (Khajeheian, 2017) the firms which were concerned with entrepreneurship were closely observed and it was concluded that motivation ability in an entrepreneur was behind the progress of the firm.

2.5 Theoretical Framework

2.5.1 Personality and Personality traits

The desire to be knowledgeable on why people act the way they do, has been ongoing, it has been the curiosity of numerous studies. In answering some of the enquiries, personality psychologists have come up with a holistic model of personality studies known as trait theory. Trait is defined as the method of numerically aligned by the frequency of constant features displayed by an individual (Michel, 2010 & Damiano, 2008). This explains why some business owners do better in their enterprise than others and also shows the differences between a business owner and other populations who are not business owners.

Trait is that innate belonging that enables an individual to act uniquely in response to environmental factors (Chowdhary, 2006). The business environment is very competitive, especially in Nigeria. The success of an enterprise in Lagos State depends on how a business owner can survive the pressure that comes with the environment. This is why the success of each enterprise varies from the other. Other personality theorists emphasized the role of biological cognitive and environmental forces in shaping personality.

Sharma, Chua, & Chrisman, (2000) stated that neuroticism personality trait consists of two dimensions, which are volatility and withdrawal. The volatility dimension consists of 9 elements which get upset easily, change mood, and have a quick temper. However, the second dimension of neuroticism is withdrawal. (Chlosta, Patzelt, Klein, & Dormann, 2012) stated that there are two dimensions of extraversion, which are enthusiasm and assertiveness. The enthusiasm dimension consists of nine elements which are; making friends, warming up quickly to others,

showing happy feelings, having fun, laughing, hard to get to know, keeping others at distance, caught up in excitement and enthusiastic people.

According to (Beverland, 2013) openness possesses aesthetic sense, loves critical reasoning, is deeply engrossed in music, perception of the beautiful things in life, need for creative outlet, like poetry, seldom gets absent minded, seldom notices emotional aspects of painting and picture. (Gomba & Kele, 2016) there are two dimensions of agreeableness, which are compassion and politeness. According to (Rauch & Frese, 2007) there are two dimensions of consciousness, which is industriousness and orderliness. The industriousness dimension consists of 9 elements which are; finish the work, get things done quickly, time wastage, feel difficult to work, mess things up, putting mind on task, postpone decision and be distracted. While the second important dimension of consciousness is orderliness.

2.5.2 Psychological or Trait Approach.

Psychological or trait approach is the branch of entrepreneurship that is most likely to be a broadly represented aspect in the literature. This approach is focused primarily on how individuals comport themselves (Nandram and Samsom, 2007). Traits such as congeniality, anxiety, and energy were assumed to be present in people who acted in that way (Chell, Haworth, and Brearley, 1991). Also, it was a way by which entrepreneurs were separated from others (Westhead and Wright, 2000). Consequently, entrepreneurs were believed to be unique. Furthermore, researchers Timmons and Spinelli,(2015); Caird, (2013) in their research on the traits of entrepreneurs, discovered features namely; "need for achievement; the locus of control and the risk-taking propensity; commitment and determinations; leadership; opportunity obsession; tolerance of risk; ambiguity and uncertainty; creativity; self-reliance and ability to adapt; motivation to excel; leadership; need for power; need for affiliation; resourcefulness;

creativity; visionary; independent thinker; hard worker; optimistic", they also noted that these were the traits that produced a successful business owner. McClelland postulated that six of the attributes aforementioned namely: "self-confidence, persistence, persuasion, use of influence strategies, expertise, and informative seeking were not a determining factor for a successful business owner.

Openness is practical which is pretty opposite from spiritual ability but it's connected with intelligence, such as conflicting thoughts (Woodfield et al., 2017) the key feature of entrepreneurship is originality and tendency, which used to bring out innovation or, in Schumpeter's (1942/1976) famous phrase, "creative destruction." In every range of entrepreneurs who are seen to be successful have ability to make a plan and vision whereas narrow minded thinkers don't do such things. Motivation, welcoming a chance of success is concerned with vision and openness thinking of an entrepreneur. Up to some limit entrepreneurs depend on being original or what they are for solving regular issues, moreover for making policies having less resources (Ramadani, Hisrich, Anggadwita, & Alamanda, 2017) it is not about work performance all the time openness is linked with performing in training areas and academies or such learning place. People who have a higher ratio of extraversion usually connect in the society, like to meet people in friendly manners and they tend to win situations and events in the society. They keep themselves inspired and motivated by having positive thoughts and feelings. Such people are more energetic, active and not afraid to be straight forward.

Qualities like being positive, staying excited and having more active living ability are attached with the people considered to be entrepreneurs (O'Leary, Swaffin-Smith, & Fakoussa, 2017) study of Holland's classification shows that the people who are related with business and adopting it as their occupation are extraverts. The career of an entrepreneur seems to be more

attractive and inspiring than other occupations, that is why it is more favored by extroverts. Moreover, entrepreneurs lead the groups of their working people and the traits of extroverted people like being social, friendly, and active are all attached with people who are considered extroverts (Nelson & Constantinidis, 2017). The quality of extraversion and attaching with leading a business force us to think that extroverts could be more attracted towards business and entrepreneurship. It can link that an entrepreneur's ratio of being an extrovert is linked to their performance positively.

There are so many tasks in which entrepreneurs are busy and doing it routine wise like going very much social, having connections with people and making a big network and also keeping good relations with partners, customers and people who supply products to them. Agreeableness is an element in which we evaluate one's behaviour and action towards others. The main properties of high agreeableness are described as a person who is quite polite in nature, responsible, and cooperative. The most important quality of agreeable personality is that they are quite different from others and face opposition in any condition and no doubt, they show compassion and solve the problems with positive intention. According to (Adedayo, Olanipekun, & Ojo, 2016) people on high level of agreeableness are pretty social like: social work and teaching rather than firms, because those professionals are quite attractive and no doubt in that case they can interact with others and easily understand other person needs. Entrepreneurship requires retreating and shunning employment arrangements which are outdated and these can improve the level of self-confidence and make relations good. It is made compulsory by entrepreneurship to make a profitable firm according to the interests and needs of entrepreneurs (Cater & Young, 2016). Some important qualities for becoming successful are running through tough negotiations, finding out interest in business and knowing to tackle others in the stream (Bizri, 2016). Stable

on such judgment, study anticipated that good entrepreneurs are not much agreeable. In this research, study will check the big five personality traits, to assess business owner's personality and practice such processes to forecast the possibility of growth and performance of SMEs.

2.5.3 McClelland Psychological Theory

The McClelland psychological theory was propounded primarily on the trait of the need for achievement which influences people to possess the features to succeed in their endeavors. Landzani (2004) showed that changing situations require that business owners should undergo regular training to reduce the probability of failure, improve profitability, and attain the growth of the business. This is non negotiable because most entrepreneurs commence business without proper training and researching the business. Examining SMEs globally, it is clear that they are pivotal to alleviating the challenges of unemployment, recession, and a huge poverty gap (Franz, 2000).

The failure of SMEs lead to a reduction in National Income, poverty, adverse trade balance, increased redundancy, and underemployment. Hence, it is necessary to revitalise the level of economic growth by ensuring favorable entrepreneurial activities that lead to the creation and survival of SMEs. Consequently, for the better performances by SMEs in Nigeria, it is of utmost importance to critically illustrate on the types of entrepreneurial traits that a business owner requires for a better performance of the firm.

2.5.4 Human Capital Model

Human capital model deals with the knowledge and experience gained of small-scale entrepreneurs. The general notion is that the human capital of the founding member improves the probability of survival of the firm (Bruederl, Preisendörfer und Ziegler, 2015). Human capital serves as a means for capacity building. Human capital makes the founding member more effective in organizing the business processes leading to profitability. Several research works utilized various modes of operation based on human capital. Bruederl et al. (2017) differentiated between general human capital in terms of educational attainment and the duration of work experience. In general, trends highlighted that human capital and success in business are directly proportional.

Human capital theory possesses a significant implication: Since the theory is primarily based on capacity building, the theory suggests processes as well: human capital can be honed and augmented.

In addition, assuming human capital serves as a resource it might be interesting to examine human capital implications of the members of staff in small scale enterprises. In the manufacturing sector, it was indicated that a Human Resource Management (HRM) system was linked to business performance especially when it was joined alongside a quality manufacturing strategic plan (Youndt, Snell, Dean, & Lepak, 2016).

Studies undertaken on the impact of general human capital by Backes-Gellner and Lazear (2003) have indicated that it is significant for long term success if business founding members have already developed a broad capacity base rather than a specialized knowledge about a single area of study. Relationships between the human capital approach and the success rates of entrepreneurs have been experimented as well. Chandler and Hanks (2007) found that there is a favorable outcome when business owners discover new businesses in the same industry where

they had acquired work experience previously. The same authors observed only a negligible impact of general human capital on success rates in terms of educational attainment..

A detailed analysis of the latter is carried out by Lazear (2004), likewise Wagner (2003), who discovered empirical support for Lazear's `jack-of-all-trades model' which is not necessarily correlated with educational attainment. Also, Dunn and Holtz-Eakin (2000) established a positive correlation between success rates of business founders and self-employed individuals.

In conclusion, so much review has been done on finances, profit and entrepreneurs characteristics as the means of measuring the growth of SMEs and business performances. Innovativeness has been considered to have great impact on the growth of business and performance, not so much research has been done on personality traits of business owners and its impact on growth and business performances. This study adds to the literature reviews on why personality traits like the BFI which are Extraversion, Openness to Experience, Conscientiousness, Agreeableness and Neuroticism are of great importance to the growth of SMEs and Business Performance.

CHAPTER THREE: METHODOLOGY

3.0 Introduction

This chapter would examine the research method used to discuss the impact of personality traits of business owners on the growth of SMEs in Lagos State Nigeria. This methodology section would include an in-depth explanation of the research philosophy, research strategy and method, the sampling techniques and procedures that would be used during the research. In addition, the data analysis methods and ethics would be discussed in the later section of this chapter.

3.1 Research Philosophy

This is an arrangement of ideas and premises about the development of knowledge in a specific research, which includes the researcher's conscious or unconscious assumptions about their research; these assumptions affect how the research understand their research questions, methods and how they would interpret their findings (Saunders, Lewis and Thornhill, 2019, p.124). Positivism as a research approach was developed by Francis Bacon, Auguste Comte and the early twentieth-century group of philosophers also known as the Vienna Circle. Pham (2018) stated that positivism is a methodological philosophy in quantitative research that uses natural sciences

to explain social sciences. The phenomena has been researched as to be evaluated and supported by evidence.

The evaluation involves studying the relationship between the independent and dependent variables. The approach is of the belief that the scientific empiricism which was designed to produce data and facts should be unbiased and independent of human interpretations. For a positivism approach, the research survey or experiment might make use of an existing theory to develop their hypothesis. This hypothesis is subjected to test, and if not confirmed can be refuted by other researchers (Saunders, Lewis and Thornhill, 2019, p.126). This approach fits into the methods, role of values, the makeup of the acceptable knowledge of this research and the nature of reality of this research.

3.2 Research Design

A descriptive case study design will be used in this research to determine the Impact of personality traits of business owners on the growth of SMEs. By using a case study as the research method, the research will have an in-depth and detailed subject of the study and its contextualized view (Baxter and Jack, 2010). Descriptive surveys are used to describe a phenomenon and its attribute, they describe the how and when a situation happens, thus, this kind of research design is appropriate for this study. There are two types of primary data collection method, qualitative and quantitative. However, this study will be based on quantitative research for gathering primary data.

This shows that the above method is a suitable research design for the frequency distribution or socio-demographic variables and also to know the cause and effect of that exist between the variables. Under this research design, the use of quantitative approach was utilized. The quantitative approach was appropriate in explaining the situation, as it existed at the time of

research and Descriptive research design was utilized through a survey (questionnaire) in the form of format.

3.3 Research Method

The quantitative research methods would be used to determine the impact of personality traits of business owners on the growth of SMEs in Lagos State Nigeria. According to (Saunders, Lewis and Thornhill, 2019, p.177) research strategies are plans laid out by researchers on the way and process in which research questions will be answered. They are the practical link between the research philosophy and the researcher's method of research preference. Research strategies could be qualitative, quantitative, and mixed methods of research design. The research strategy used must take into account the level of logical reasoning of the respondents. As this would guide the researcher on research questions to be asked, which should be based on the research objectives.

Therefore, this research will make use of the quantitative design because this method aligns with the research objectives. A case study will be used as the research strategy, this strategy is used because it will provide the researcher and in-depth knowledge into the impact of personality traits of business owners on the growth of SMEs.

3.4 Population of the Study

Population can be explained as a comprehensive group of individuals, institutions, objects and so forth which have a common characteristic that are the interest of a researcher. The common characteristics of the groups distinguish them from other individuals, institutions, objects and so forth. The population of this study consists of business owners that have Small to Medium scale

Enterprise in Lagos State, Nigeria. This research will focus on the personality traits of business owners that own Small and Medium Scale Enterprises in Lagos State.

3.5 Sources of data

This study adopted just two sources of data collection which are primary source and secondary source. In respect of the quantitative research method, the major research instrument that was used was questionnaire. The questionnaire consisted of questions to get the major information about the research questions, objectives and hypothesis.

3.5.1 Questionnaire

The questionnaire was designed to collate the primary data for the study. The questionnaire was put in google form for business owners to fill. The questionnaire contains three sections. Section A contained questions on the socio-economic characteristics of the respondents. Other subsequent sections covered both close and open-ended questions relating to various aspects of the study and questions that were raised in the order in which the objectives of the study are arranged. Section B contains information on SMEs and section C contains information on personality traits.

The questionnaire was structured to have both closed and open-ended questions to allow for freedom of expression from the respondents. The questionnaire was administered through the use of **google-forms**.

The questionnaire required the anonymity of the respondents. The responses to the statements in section c will follow the five point Likert scale of (Strongly agree, Agree, Undecided, Disagree and Strongly Disagree).

3.6 Sample size and Sampling Technique

3.6.1 Sample Size

Sample size is a market research term used for defining the number of individuals required to conduct the research. Researchers select their sample based on demographics, such as age, gender, etc. The total number of individuals in a particular sample is referred to as the sample size which is used to gather information about the population of study. The sample size of this study consisted of 100 Business Owners with different personality traits that have Enterprises in Lagos State, Nigeria. Sample populations were carefully selected targeted respondents for research objectives (Saunders, Lewis and Thornhill, 2015, p. 275). Purposive sampling method which is a non- probability sampling method was used so as to align the research objectives to the research questions, which is to data from a selective sample.

3.6.2 Sampling Technique

In this research, a non-probability sampling technique was used for Business Owners in Lagos State Nigeria. The selection was focused on ensuring a decent balance of business owners that have various SMEs in Lagos State. This was done to certify the research approach and give a clear image of the Enterprises.

Using a non-probability sample eliminated any generalization and impending bias in data collection and certified that the data collected, analyzed and interpreted was a true and clear representation of the organization.

The primary data was collected through the use of a questionnaire in google form, which was administered via email of business owners gathered from the Lagos state office where all the

information about business owners were gathered. The questionnaires were prepared in an electronic format and sent to the email addresses of the business owners. Questionnaire was used because it ensures standardization of data collection, all business owners get to answer each question in their convenient time and voluntarily.

3.7 Reliability and Validity of the study

The reliability of an instrument can be ascertained if it consistently measures what is intended with the same results obtained. The Cronbach alpha method was adopted to confirm the reliability of these instruments. This is the extent to which the instrument calculates what is required for measurement and performs as intended (Patrick, 2013). The table below shows that the items are reliable for measurement and therefore valid.

Table2: Reliability and Validity

S/N		No of Items	Cronbach Alpha's Result
1	SMEs and Business performance	8	0.699
2	Personality traits	40	0.801
3	Mean	48	0.75

3.8 Data Analysis

The data collected from the targeted audience in this research will be analyzed using descriptive analysis through the variables and parameters developed from the research questions. In analyzing the data and reaching a conclusion, graphical representation of each question will be drawn. These graphical representations will help the researcher in visualizing the relationship between the two variables being tested and they will play an important role in interpreting data. The data will be analyzed using the frequency table, percentages, tables, charts, means, and Pearson Correlation to explore the relationships between the various variables tested in the research. The data will then be presented in Tables and figures.

3.9 Ethics

Ethical consideration is an essential part of research. It serves as a guideline for the credibility of the research findings by influencing the authenticity and credibility of the data collected from the target population. According to Saunders et al., (2019), ethical considerations are benchmarks that instruct researchers on their conduct during and after research, in relation to the rights of the respondents to the findings of the research.

This research followed all the ethical considerations. The original proposal was forwarded to the supervisor for approval. The data from the research was obtained from respondents voluntarily who were above Nigeria legal age of consent, which is 18 years and above. Ethical questions such as the right of respondents to privacy and free-will were adequately considered while the potential risks of possible physical harm, and unanticipated measures were also made provision of. The mental health of the participants were respected, while the essence of the work was mentioned to respondents ahead of their responses. The data obtained was analyzed as they were,

and objective presentations of the outcome were compiled with as much accuracy as possible. Likewise, the activity was organized in a discrete manner concerning the distribution of the reports of the study.

Research Methodology Conclusion

A quantitative research approach was adopted for this research. In the research design, the data was obtained from business owners in Lagos state Nigeria. The target population for the research were Business Owners in Lagos state Nigeria. The data collection method was via a structured questionnaire that was sent to the email addresses of the respondents gathered through a secondary source. The data was strategically analyzed using SPSS to understand and establish the hypothesis and research questions. All ethical considerations were followed during the research process.

CHAPTER FOUR

DATA ANALYSIS

The email address of the participants was gathered via secondary data. A total number of 100 participants was selected and the link to google form with a permit note was sent to their email address. Data was collected from a total of 60 respondents who participated in the study voluntarily. Below is a descriptive presentation of the findings obtained from each research question from the respondents who were business owners in Lagos state Nigeria. The result will be in three parts; the demographic of the population and the second section information about SMEs growth and Performance and the third section is information about personality traits.

1. What age group do you belong to?

Table 3. Descriptive statistics of respondent's age

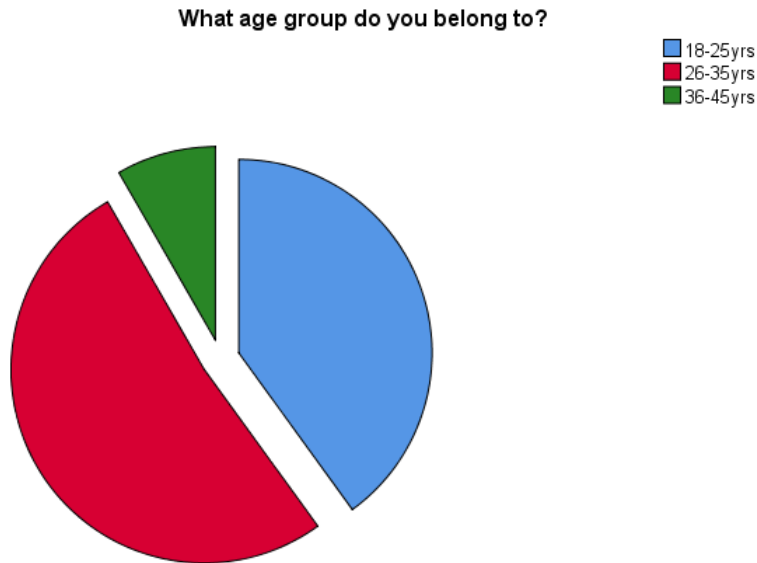|	Frequency	Percentage (%)
18-25yrs	24	40.0
26-35yrs	31	51.7
36-45yrs	5	8.3
Total	60	100.0

Source: Author's Field Survey, 2021

Figure 2. Pie chart of respondents' age group

The result of the analysis presented in Table 1, showed that of the 60 respondents that participated in this study, 31(51.7%) belong to the 26-35yrs age group followed by those who were 18-25yrs 24(40.0%), and 36-45yrs, 5 (8.3%). The result implied that most of the respondents belong to the 26-35yrs age group. The results were further represented pictorially in terms of frequency and presented in the pie chart as seen in Figure 1.

2. What is your gender?

Table 4. Descriptive statistics of respondents' gender

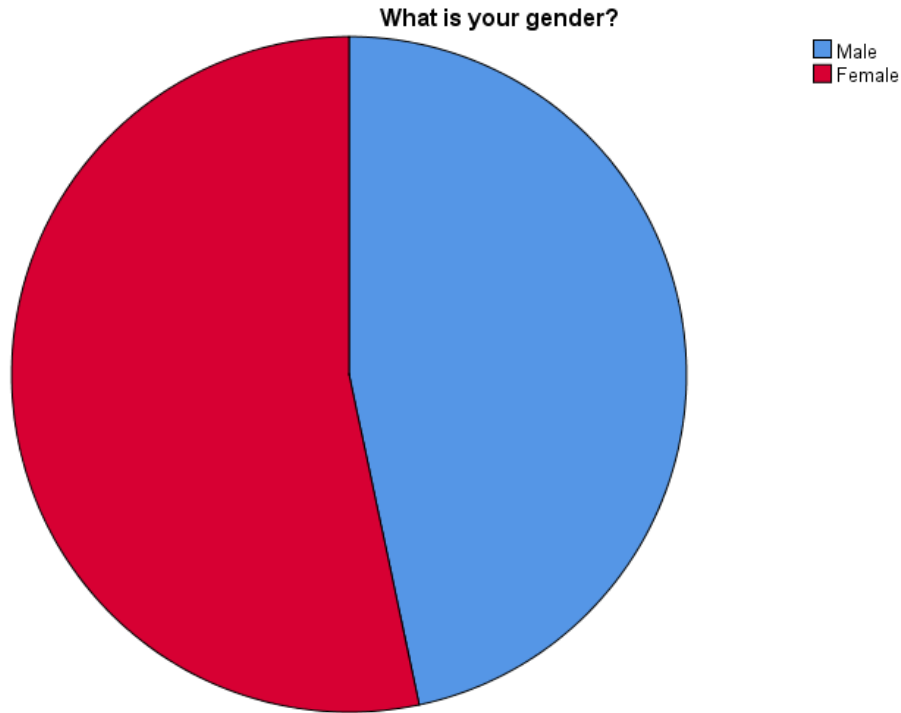|	**Frequency**	**Percentage (%)**
Male	28	46.7
Female	32	53.3
Total	60	100.0

Source: Author's Field Survey, 2021

Figure 3. Pie chart of Gender

The result of the analysis presented in Table 2, showed that of the 60 respondents that participated in this study, 28 (46.7%) were males, 32 (53.3%) were females. This result implies that there were more female respondents than male respondents. The results were further represented pictorially in terms of frequency, and presented in a pie chart as seen in Figure 2.

3. What is the Ethnic Background you identify with?

Table 5. Descriptive statistics showing respondents' ethnicity

	Frequency	Percentage (%)
Yoruba	25	41.7
Igbo	20	33.3
Others	15	25.0
Total	60	100.0

Source: Author's Field Survey, 2021

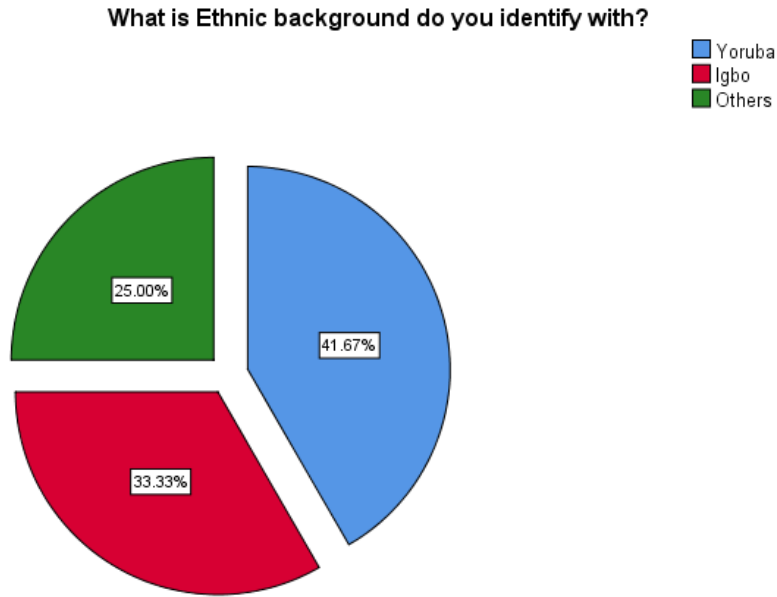**What is Ethnic background do you identify with?**

Figure 4. Pie chart of respondents' ethnic background

The result of the analysis presented in Table 3, showed that of the 60 respondents that participated in this study, 25 (41.7%) belong to the Yoruba ethnic group, 20 (33.3%) belong to the Igbo ethnic group while 15(25.0%) belong to other ethnic groups. This result implies that there were more respondents who had Yoruba than their ethnic background. The results were further represented pictorially in terms of frequency, and presented in a pie chart as seen in Figure 3

4. What type of business do you run?

Table 6. Descriptive statistics of type of business

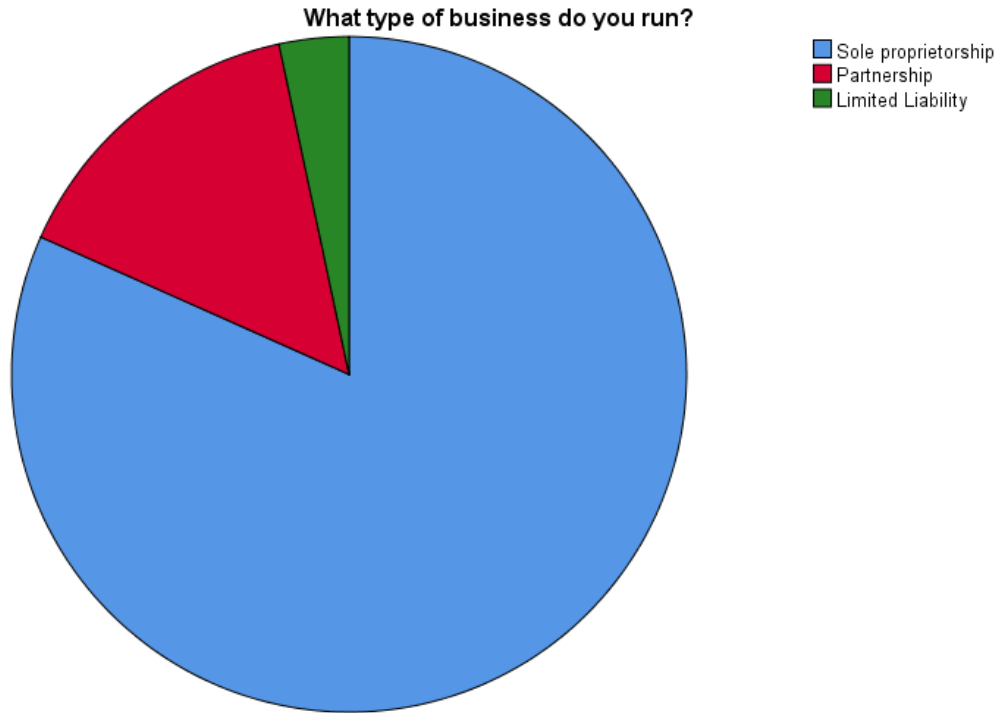|	Frequency	Percentage (%)
Sole proprietorship	49	81.7
Partnership	9	15.0
Limited Liability	2	3.3
Total	60	100.0

Source: Author's Field Survey, 2021

Figure 5. Pie chart of type of business

The result of the analysis presented in Table 4, showed that of the 60 respondents that participated in this study, 49 (81.7%) ran a sole proprietorship business, 9 (15.0%) ran a partnership, while 2 (3.3%) ran a limited liability business. This result implies that most respondents ran a sole proprietorship business type. The results were further represented pictorially in terms of percentage, and presented in a pie chart as seen in Figure 4.

5. What industry does your business belong to?

Table 7. Descriptive statistics of Industry to which SMEs belong to

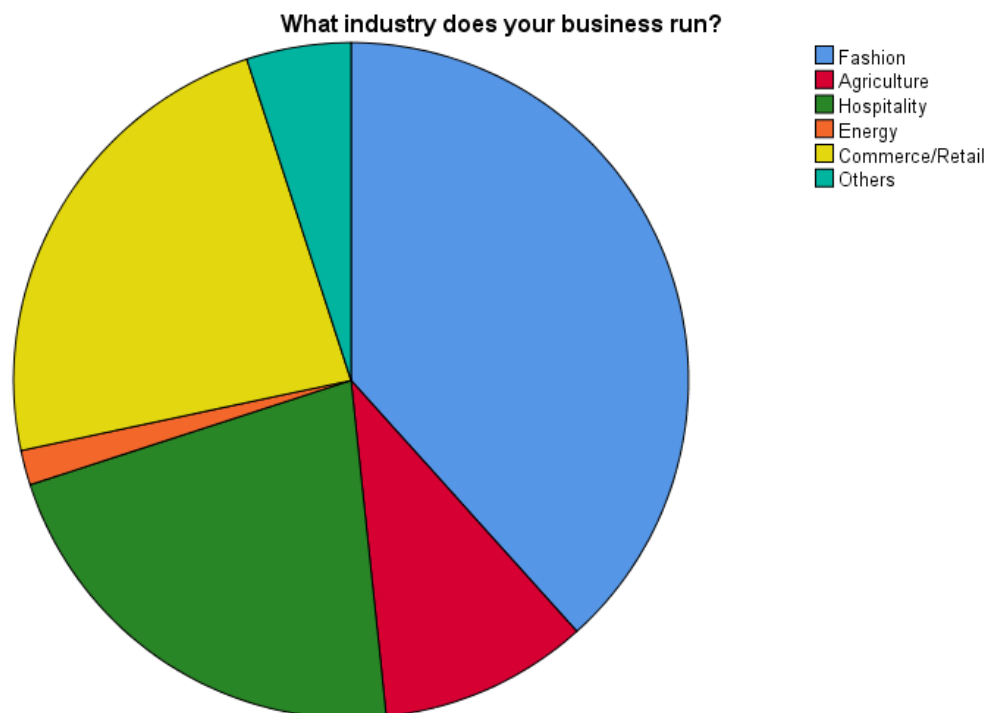|	Frequency	Percentage (%)
Fashion	23	38.3
Agriculture	6	10.0
Hospitality	13	21.7
Energy	1	1.7
Commerce/Retail	14	23.3
Others	3	5.0

Total	60	100.0

Figure 6. Pie chart of industries SMEs belong to

The result of the analysis presented in Table 5, showed that of the 60 respondents that participated in this study, 23 (38.3%) belong to the fashion industry, 14 (23.3%) belong to the commerce/retail industry, 13(21.7%) belong to the hospitality industry, 6(10%) to the agriculture industry and 3 (5.0%) belonged to other industries. This result implies that most respondents belonged to the fashion industry. The results were further represented pictorially in terms of frequency, and presented in a pie chart as seen in Figure 5.

6. What is your status at the SME?

Table 8. Descriptive statistics of respondents' position at SME

	Frequency	Percentage (%)
Management	17	28.3
Senior staff	14	23.3

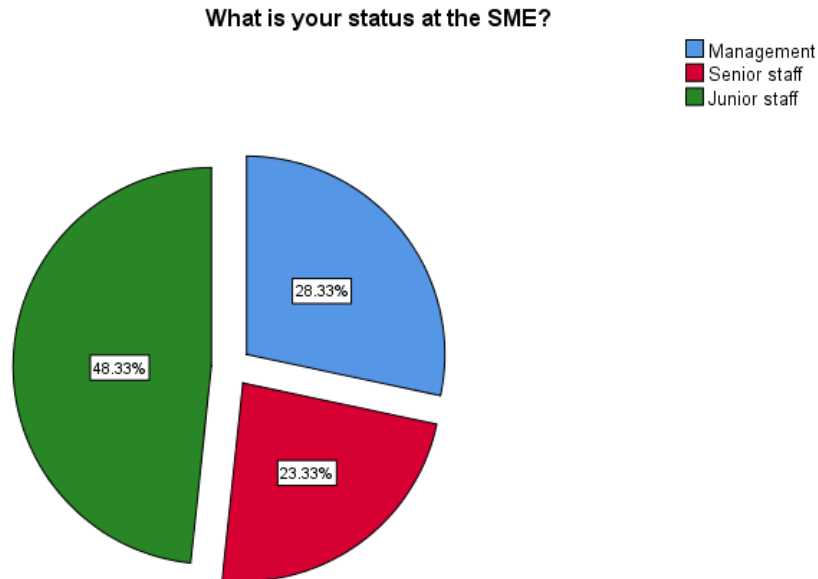|	Frequency	Percentage
Junior staff	29	48.3
Total	60	100.0

What is your status at the SME?

Figure 7. Pie chart showing respondents' position at SME

The result of the analysis presented in Table 6, showed that of the 60 respondents that participated in this study, 29 (34.5%) were junior staff, 17 (28.3%) held management positions and 14 (23.3%) held senior staff positions. This result implies that most respondents held junior staff positions. The results were further represented pictorially in terms of percentage, and presented in a pie chart as seen in Figure 6.

7. How old is your organization?

	Frequency	Percentage (%)
0-12months	15	25.0
1-3yrs	24	40.0
4-7yrs	10	16.7

8-10yrs	011	18.3
Total	60	100.0

Table 9. Descriptive statistics of age of organization

Source: Author's Field Survey, 2021

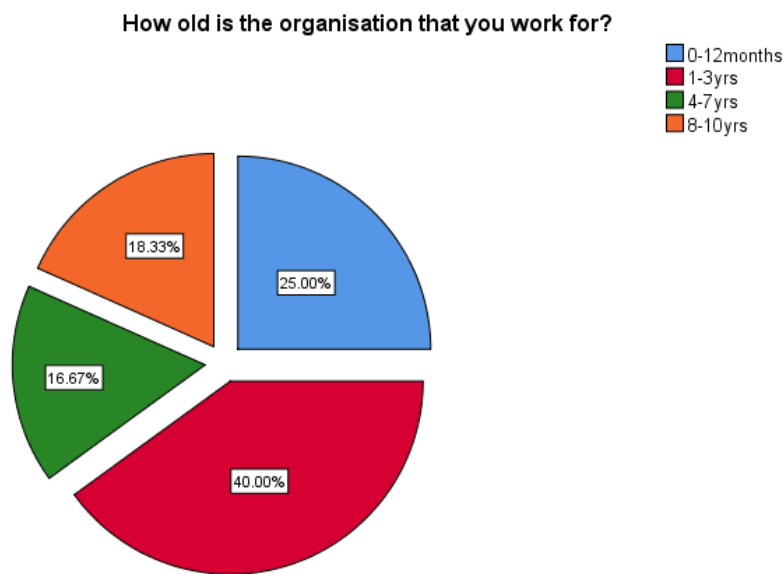How old is the organisation that you work for?

Figure 8. Pie chart of age of organization

The result of the analysis presented in Table 7, showed that of the 60 respondents that participated in this study, 24 (40.0%) of the organization were 1-3yrs old, 15 (25.0%) were 0-12 months, 10 (16.7%) were 4-7 years old while 11 (18.3%) were 8-10 years old. This result implies that most of

the organization have existed for about 1-3years. The results were further represented pictorially in terms of frequency, and presented in a pie chart as seen in Figure 7.

8. What was the turnover of the organization in the first financial year?

	Frequency	Percentage (%)
Less than ₦499,999	29	48.3
₦500,000 - ₦999,999	24	40.0
₦1,000,000 - ₦4,999,999	1	1.7
₦5,000,000 - ₦9,999,999	2	3.3
₦10,000,000 and above	4	6.7
Total	60	100.0

Table 10. Descriptive statistics of the turnover of the organization in the first financial year

What was the turnover of your organisation in the first financial year?

Legend:
- Less than ₦499,999
- ₦500,000 - ₦999,999
- ₦1,000,000 - ₦4,999,999
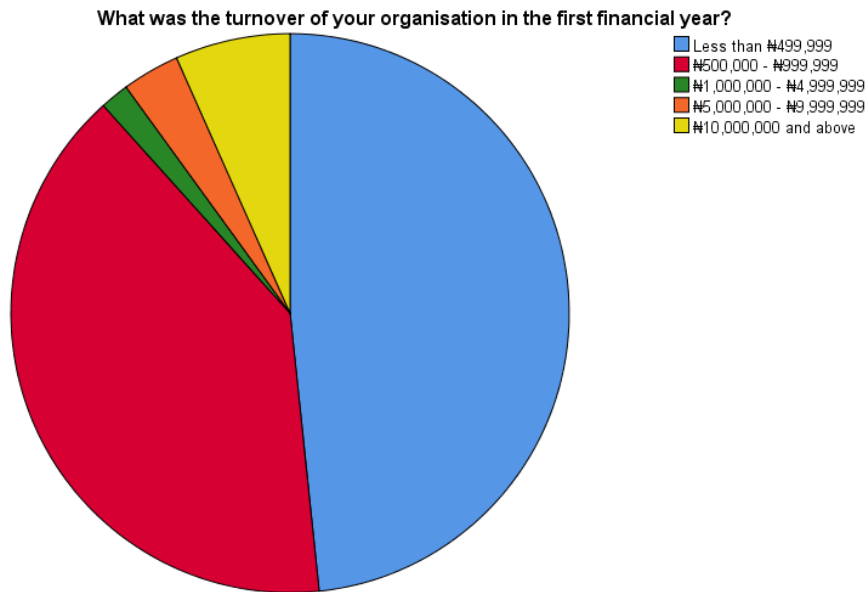- ₦5,000,000 - ₦9,999,999
- ₦10,000,000 and above

Figure 9. Pie chart of the turnover of the organization in the first financial year

The result of the analysis presented in Table 8, showed that of the 60 respondents that participated in this study, 29 (48.3%) of the organizations had a financial turnover of less than ₦499,999, 24 (40.0%) had a financial turnover of ₦500,000 - ₦999,999, 4 (6.7%) had a financial turnover of ₦10,000,000 and above, 2 (3.3%) had a financial turnover of ₦5,000,000 - ₦9,999,999. This result implies that most of the organization had a financial turnover of less than ₦499,999 in their first financial year. The results were further represented pictorially in terms of frequency, and presented in a pie chart as seen in Figure 8.

9. What was the turnover of the organization in the last financial year?

Table 11. Descriptive statistics of the turnover of the organization in the last financial year

	Frequency	Percentage (%)
₦500,000 - ₦999,999	21	35.0
₦1,000,000 - ₦4,999,999	28	46.7
₦5,000,000 - ₦9,999,999	9	15.0
₦10,000,000 and above	2	3.3
Total	60	100.0

Source: Author's Field Survey, 2021

What was the turnover of your organisation in the last financial year?

Legend:
- ₦500,000 - ₦999,999
- ₦1,000,000 - ₦4,999,999
- ₦5,000,000 - ₦9,999,999
- ₦10,000,000 and above
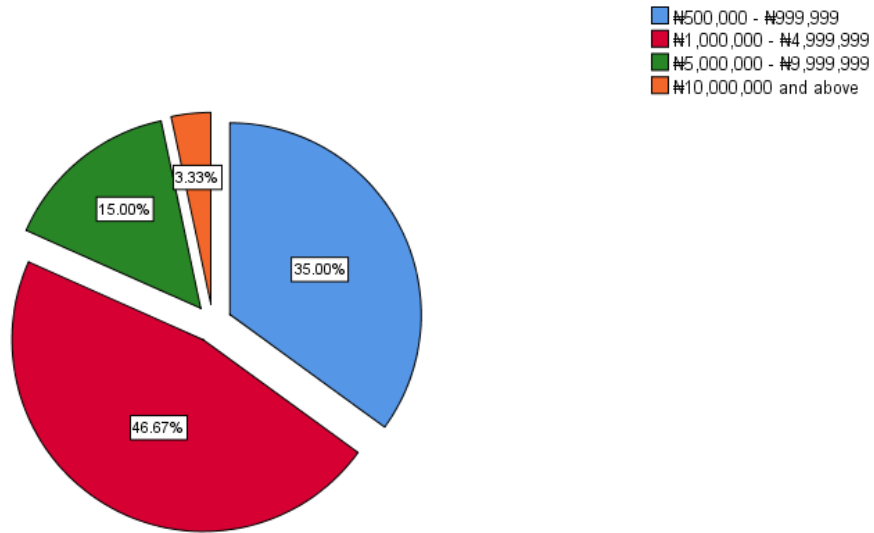
3.33%
15.00%
35.00%
46.67%

Figure 10. Pie chart of the turnover of the organization in the last financial year

The result of the analysis presented in Table 9, showed that of the 60 respondents that participated in this study, 21 (35.0%) of the organizations had a financial turnover of less than ₦499,999, 28 (46.7%) had a financial turnover of ₦500,000 - ₦999,999, 2 (3.3%) had a financial turnover of ₦10,000,000 and above, 9 (15.0%) had a financial turnover of ₦5,000,000 - ₦9,999,999. This result implies that most of the organization had a financial turnover of ₦500,000 - ₦999,999, in the last financial year. The results were further represented pictorially in terms of frequency, and presented in a pie chart as seen in Figure 9.

10. What is the number of people in your workforce?

Table 12. Descriptive statistics of workforce strength

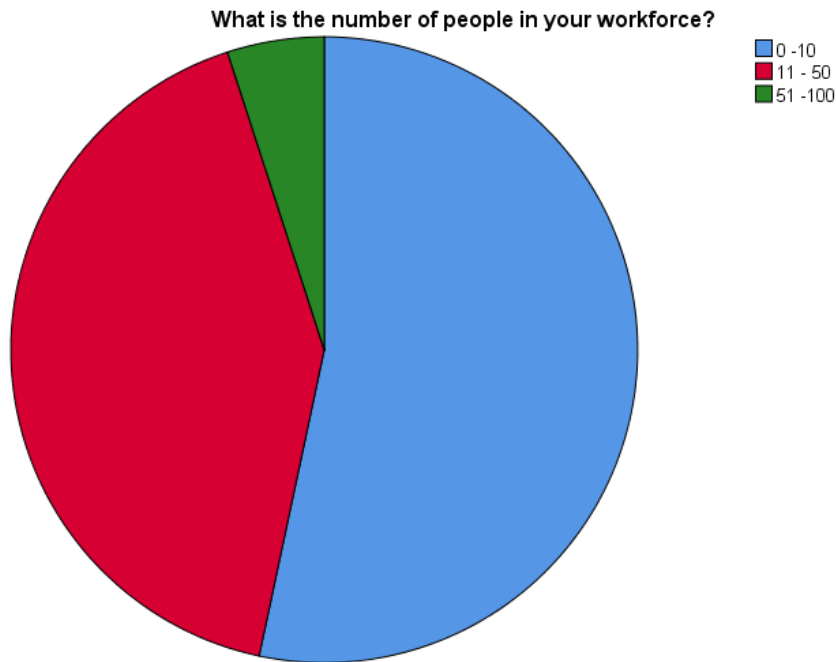|	Frequency	Percentage (%)
0 -10	32	53.3
11 – 50	25	41.7
51 -100	3	5.0
Total	60	100.0

Figure 11. Pie chart of workforce strength

The result of the analysis presented in Table 10, showed that of the 60 respondents that participated in this study 32(53.3%) had 0-10 people in their workforce, while 25 (41.7%) had 11-50 people in their workforce and 3 (5.0%) had 51-100 people in their workforce. The result shows that most organizations had a workforce of 0-10 people. The results were further represented pictorially in terms of frequency, and presented in a pie chart as seen in Figure 10.

11. How would you measure the growth of your business since it started?

Table 13. Descriptive statistics of business growth

	Frequency	Percentage
Fair	13	21.7
Good	14	23.3
Very Good	23	38.3
Excellent	10	16.7

Total	60	100.0

Source: Author's Field Survey, 2021

How would you measure the growth of your business since you started?

Legend:
- Fair
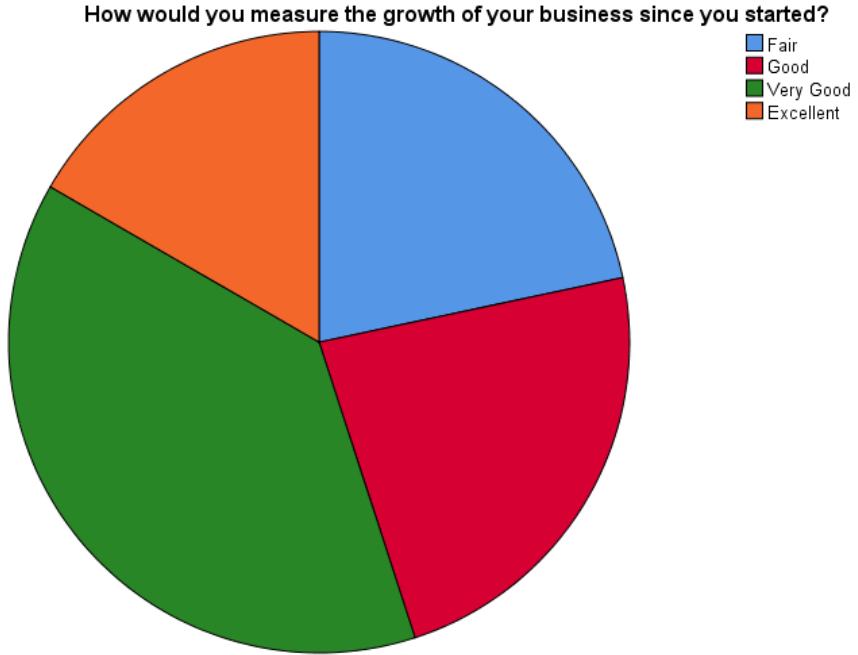- Good
- Very Good
- Excellent

Figure 12. Pie chart of business growth

The result of the analysis presented in Table 11, showed that of the 60 respondents that participated in this study 23(38.3%) considered the growth of their business as very good, 14(23.3%) considered the growth of their business good, 13(21.7) considered their business growth fair and 10 (16.7%) considered their business growth excellent. The result shows that most respondents measured their business growth as very good. The results were further represented pictorially in terms of frequency, and presented in a pie chart as seen in Figure 11.

12. What area of Lagos does your business operate in?

Table 13. Descriptive statistics of business location

	Frequency	Percentage (%)
Mainland	38	63.3
Island	22	36.7
Total	60	100.0

Source: Author's Field Survey, 2021

What areas does business operate in?
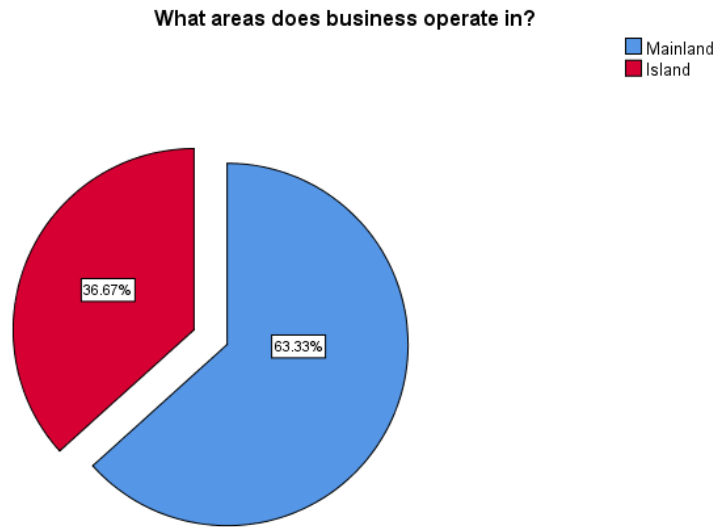
Mainland
Island

36.67%

63.33%

Figure 12. Pie chart of location of business

The result of the analysis presented in Table 11, showed that of the 60 respondents that participated in this study 38 (63.3%) had their business situated in the mainland area of Lagos while 22 (36.7%) had their business situated on the Island.

Hypothesis One

Personality traits of business owners have no significant impact on the growth of SMEs

Variable	B	*T*	Sig	*R*	*R²*	F	P
Extraversion	0.15	2.16	<.05				
Agreeableness	0.16	3.59	<.05				
Conscientiousness	0.09	1.15	>.05	0.682	.465	9.34	<.05
Neuroticism	-0.09	-1.57	>.05				
Openness to Experience	-0.18	-2.95	<.05				

Dependent variable: How would you measure the growth of your business since you started?

Table 14. Summary of regression analysis of the impact of personality traits on SMEs growth

Multiple regression was carried out to investigate if personality factors will significantly impact the growth of SMEs. The results as shown in Table 13, indicated that all the personality factors accounted for 46.5% of the variance in the growth of business (R^2=.465, F (5, 54) = 9.37, p < .05) significantly. Extraversion significantly impacted SMEs growth (β = .15, p < .05), also agreeableness significantly impacted SMEs growth (β = .16, p<.05), conscientiousness did not significantly impact SME growth (β = .09, p>.05), neuroticism did not significantly impact SMEs growth (β = -.09, p >.05), finally, openness to experience significantly impacted SMEs growth (β = .02, p = 0.8). Given these findings, we reject the hypothesis. Therefore, this analysis shows personality traits of business owners have a significant impact on the growth of SMEs.

Hypothesis Two

Personality traits of business owners have no significant effect on business performance

Variable	B	T	Sig	R	R^2	F	P
Extraversion	-0.02	-.39	>.05				
Agreeableness	0.22	6.59	<.05				
Conscientiousness	-0.17	-2.95	<.05	.701	.491	10.41	<.05
Neuroticism	0.20	4.79	<.05				
Openness to Experience	-0.16	-3.41	<.05				

Dependent Variable: What was the turnover of your organization in the last financial year?

Table 15. Summary of regression analysis of the impact of personality traits on business performance

Multiple regression was carried out to investigate if personality factors will significantly impact business performance. The results as shown in Table 14, indicated that all the personality factors accounted for 49.1% of the variance in the business performance (R^2=.491, F (5, 54) = 10.41, p <

.05) significantly. Extraversion did not significantly impact business performance (β = .15, p > .05), agreeableness significantly impacted business performance (β = .22, p<.05), conscientiousness significantly impacted business performance (β = .17, p<.05), neuroticism significantly impacted business performance (β = .20, p >.05), finally, openness to experience significantly impacted business performance (β = .16, p < 0.8). Given these findings, we reject the hypothesis.

CHAPTER FIVE

This chapter summarizes findings from the data analyzed and also gives recommendations and conclusions to growth and performance of SMEs on the objective of the research. The objective of the research was to determine the impact of personality traits on the growth of SMEs.

5.1 Discussion

It has been an established fact that SMEs contributed to the economy's development globally. SMEs development is very important to the development of the economy because it makes the majority of businesses operate around the world. This makes it more important than the large firms. Another important role that SMEs contribute to the economy is employment opportunities. There are so many factors that affect the growth of SMEs which are categorized into two factors which are the external factors and internal factors. The external factors are the environmental factors while the internal factors are underlying factors, that is, individual characteristics.

So many researches revealed that external factors like finances, business environment, competition, labour force and status of countries affect the growth of SMEs. Underlying factors which can be found in the individual are referred to as the internal factors. Internal factors like the demographic variables (age and educational background), individuals' attributes or characters are considered to be the major variables affecting the growth of the business and performance. Entrepreneurs' characteristics and innovation also are considered as factors affecting the growth

of SMEs and performance based on the review from past literature. A little has been done on personality traits of business owners as a predicting factor affecting SMEs growth and performance.

Multiple linear regression analysis was done using SPSS 25 version to determine the impact of personality traits of business owners on the growth of SMEs which is the main objective of the study. The result shows that there is a significant impact of the personality traits of business owners on the growth of SMEs. From the result, extraversion, agreeableness, and open to experience impacted the growth of SMEs. The growth of SMEs in this research was measured using demographic variables from the financial turnover of the first year of establishment, second year and the present year and also from item number 11. The result revealed a great financial turnover and great growth of SMEs. Furthermore, multiple regression analysis was also done to determine the impact of personality traits of business owners on the business performance. The result revealed that agreeableness, conscientiousness, neuroticism and openness to experience have a significant impact on business performance.

The results and findings are broadly consistent with previous research literature on personality traits and growth of SMEs. The research aim was to establish the impact of personality traits of business owners on the growth of SMEs and Business performance. The findings of the research show that only four out of five of the traits have significant impact on the growth of SMEs (extraversion, openness to experience, agreeableness and conscientiousness) and only three. In addition, most of the employees believe that the training processes they have undergone had a positive effect on their job performance, motivation and satisfaction.

5.2 Limitation

In the research's course several limitations were observed and they will be discussed below; The number of participants in the study is small, and the research used only one case study, therefore, the findings of this research cannot be used to create generalization on all the SMEs in Lagos. Thus, readers would have to show caution in using this research as a generalization benchmark on the impact of personality traits of business owners on the growth of SMEs. In addition, the study only focused on the performance of businesses or SMEs in Lagos State. Other research on different populations groups and in different countries would need to be studied to get stronger empirical conclusions on how personality of business owners affect the growth of SMEs and business performance. Despite these limitations, the study was able to investigate the impact of personality traits of business owners on the growth of SMEs.

5.3   Recommendations

Several business owners now understand the importance of personality traits because it affects the growth of SMEs and business performance. To accomplish the benefits of personality traits on SMEs growth, the following should be taken to consideration:

First, the business owners should note the personality traits they possess. If the traits are not suitable for the business, then they can venture into another business they can do based on the personality traits they have.

In addition, the study showed that personality traits of business owners influence the growth and performance of SMEs. Thus, Lagos business owners should seek to develop traits that will make the financial turnover increase with time therefore, leading to the growth of SMEs and also improving the economy of the country.

5.4 Conclusion

Determining the personality of business owners that influence the growth of SMEs is vital in today's competitive business environment. This study identified Extraversion, openness to experience, agreeableness and conscientiousness as having a significant influence on business success from the perspective of both SMEs growth and performance. Again, the study concluded also that Extraversion does not determine performance of SMEs measured in terms of financial performance.

Agreeableness, and Neuroticism were considered to be influencing business success partially. From the financial performance perspective, Agreeableness is seen to influence business success whilst in growth performance angle Extraversion and Neuroticism were deemed to influence business success. The findings were fascinating as it showed various performance spectacles. Thus, potential entrepreneurs should be mindful of these factors and take advantage of them in their quest to improve their business growth and performance.

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Appendix 1: Questionnaire

Dear Participant,

I am conducting research to determine the impact of personality traits of business owners on the growth of SMEs. The aim of the research is understanding the impact of personality traits of business owners on the growth of SMEs in Lagos. The research is limited to SMEs owners in Lagos State.

This survey will only take about 6 minutes to complete. Your participation is voluntary, and this survey is for academic purposes only. All information obtained will be treated with utmost confidentiality.

Thank you

Olalekan Ajulo.

SECTION I: SOCIO-DEMOGRAPHIC INFORMATION

1. What age group do you belong to?
   - 18 – 25yrs
   - 26 – 35yrs
   - 36 – 45yrs
   - 46yrs and above
2. What is your gender?
   - Male

- Female
- Others
3. What is Ethnic background do you identify with?
    - Yoruba
    - Hausa.
    - Igbo
    - Others
4. What areas does business operate in?
    - Mainland
    - Island

SECTION II: INFORMATION OF THE SMEs

1. What type of business do you run?
    - Sole proprietorship
    - Partnership
    - Limited liability
    - Unlimited liability
2. What industry does your business run?
    - Mining & Quarrying
    - Manufacturing
    - Electricity & Gas
    - Water Supply
    - Construction
    - Motor Trade
    - Wholesale Trade
    - Retail Trade
    - Transportation & Storage
    - Accommodation & Food
    - Information & Communication
    - Financial & Insurance
    - Real Estate
    - Professional & Scientific
    - Administrative & Support
    - Others
3. What is your status at the SME?
    - C-Level
    - Administrative
    - Management
    - Senior Staff
    - Junior Staff
4. How old is the organization that you work for?
    - 0 – 12months

- 1 – 3 yrs.
- 4 – 7 yrs.
- 8 – 10 yrs.
- 11 yrs. and above

5. What was the turnover of your organization in the last financial year?
   - Less than 499,999 NGN
   - 500,000 to 999,999 NGN
   - 1,000,000 to 4,999,999 NGN
   - 5,000,000 to 9,999,999 NGN
   - 10,000,000 NGN and above

6. What is the number of people in your workforce?
   - 0 – 10
   - 11 – 50
   - 51 – 100
   - 101 – 500
   - 500 and above

7. How would you measure the growth of your business since you started?
   - Poor
   - Fair
   - Good
   - Very Good
   - Excellent

SECTION III: PERSONALITY TEST

Openness refers to a person's ability to be curious about ideas, imaginative, artistic, have a wide range of interests, excitable and unconventional

Conscientiousness refers to a person's ability to be efficient, organized, not careless, thorough, self-disciplined and not impulsive.

Extraversion refers to a person's ability to be sociable, assertiveness, energetic, adventurous, enthusiastic and outgoing

Agreeableness refers to a person's ability to be forgiving, not demanding, altruistic, not stubborn, modest and sympathetic

Neuroticism refers to a person's ability to be anxious, angry, not content, shy, moody and vulnerable.

1 Disagree Strongly	2 Disagree a little	3 Neither agree nor disagree	4 Agree a little	5 Agree strongly

I am someone who...

1. _____ Is talkative

2. _____ Tends to find fault with others

3. _____ Does a thorough job

4. _____ Is depressed, blue

5. _____ Is original, comes up with new ideas

6. _____ Is reserved

7. _____ Is helpful and unselfish with others

8. _____ Can be somewhat careless

9. _____ Is relaxed, handles stress well.

10. _____ Is curious about many different things

11. _____ Is full of energy

12. _____ Starts quarrels with others

13. _____ Is a reliable worker

14. _____ Can be tense

15. _____ Is ingenious, a deep thinker

16. _____ Generates a lot of enthusiasm

17. _____ Has a forgiving nature

18. _____ Tends to be disorganized

19. _____ Worries a lot

20. _____ Has an active imagination

21. _____ Tends to be quiet

22. _____ Is generally trusting

23. _____ Tends to be lazy

24. _____ Is emotionally stable, not easily upset

25. _____ Is inventive

26. _____ Has an assertive personality

27. _____ Can be cold and aloof

28. _____ Perseveres until the task is finished

29. _____ Can be moody

30. _____ Values artistic, aesthetic experiences

31. _____ Is sometimes shy, inhibited

32. _____ Is considerate and kind to almost everyone

33. _____ Does things efficiently

34. _____ Remains calm in tense situations

35. _____ Prefers work that is routine

36. _____ Is outgoing, sociable

37. _____ Is sometimes rude to others

38. _____ Makes plans and follows through with them

39. _____ Gets nervous easily

40. _____ Likes to reflect, play with ideas

41. _____ Has few artistic interests

42. _____ Likes to cooperate with others

43. _____ Is easily distracted

44. _____ Is sophisticated in art, music, or literature