

**ENTREPRENEURSHIP MINDSET AND BUSINESS REPUTATION NEXUS IN AGRO-BASED  
SMALL AND MEDIUM ENTERPRISES IN SOUTH- SOUTH NIGERIA; EVIDENCE FROM  
PARTIAL LEAST SQUARES-STRUCTURAL EQUATION MODEL**

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**KEY WORDS**

*Entrepreneurship mindset, business reputation, structural equation modeling, cross sectional survey, small and medium scale enterprises, Agro-based industries*

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**A B S T R A C T**

*The study examined the relationship between entrepreneurial mindset and business reputation nexus among agro-based small and medium-scale enterprises (SMEs) in South-South Nigeria. Entrepreneurial mindset was conceptualized through risk acceptance, entrepreneurial optimism, and entrepreneurial persistence. The study adopted a cross-sectional survey research design. Primary data were obtained from 145 top management personnel of agro-based SMEs using structured questionnaires. The hypotheses were tested with Partial Least Squares-Structural Equation Modeling (PLS-SEM) via SmartPLS version 4.1.1.5. Findings revealed that risk acceptance had little influence on reputation, suggesting that risk-taking alone did not guarantee credibility. Entrepreneurial optimism significantly enhanced reputation, indicating that positive thinking and confidence promote stakeholder trust. Entrepreneurial persistence had limited support on reputation implying that consistency must be complemented with visibility and strategic communication. The study concluded that optimism and persistence are critical drivers of business reputation, while unstructured risk-taking has minimal impact. It recommended that SME managers adopt calculated risk-taking supported by feasibility studies, foster optimism through mentorship and communication, and institutionalize persistence via goal-setting and recognition systems.*

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**Background to the Study**

Agro-based Small and Medium Scale Enterprises (SMEs) in Nigeria's South-South region play a crucial role in food security, employment generation, and economic diversification (Orodho et al., 2023). However, despite their significance, many of these enterprises struggle with low business success, evidenced by high failure rates, stagnant growth, and limited market competitiveness (Kapepe& Malama, 2024). This problem is exacerbated by structural challenges such as inadequate financing, poor infrastructure,

climate volatility, and inefficient value chains, which hinder operational efficiency and profitability (Joseph et al., 2023). While external constraints contribute to these struggles, internal factors, particularly the entrepreneurial mindset of business leaders, may be a critical yet underexplored determinant of business success in this sector.

The symptoms of low business success among agro-based SMEs manifest in key areas: responsiveness, and business reputation. Poor responsiveness evidenced by slow adaptation to market shifts, customer demands, and supply chain disruptions, erodes competitiveness (Senelwaet al., 2023). Again, fragile business reputation, stemming from inconsistent product quality, unethical practices, or weak brand differentiation, diminishes customer trust and investor confidence (Ananaba et al., 2021). These symptoms collectively stifle growth, making it imperative to investigate the internal drivers such as entrepreneurial mindset that could enhance business success.

Existing research has explored various predictors of business success, including financial management, market orientation, and technological adoption (Setiawan et al., 2020; Abdulkareem & Idomi, 2020). However, these studies predominantly focus on non-agro sectors, such as manufacturing, banking, and services, neglecting the unique challenges and opportunities of agro-based SMEs (Omoduemuke et al., 2024; Joseph et al., 2023). Even within the limited agro-SME literature, most studies (e.g., Kapepe & Malama, 2024; Nnko & John, 2022) examine external barriers (e.g., funding, policy) rather than internal cognitive and behavioral factors like entrepreneurial mindset. This oversight represents a content gap, as the role of entrepreneurial mindset, remains underexplored in agro-SME success models.

A methodological gap further complicates existing research. Many studies rely on basic statistical tools (e.g., descriptive analysis, correlation) that fail to capture complex relationships among variables (Ocharo & Kinyua, 2021; Eбенуwa, 2022). Few employ advanced analytical techniques, such as Partial Least Squares Structural Equation Modeling (PLS-SEM), which is better suited for testing multi-layered constructs and moderating effects (Salisu et al., 2021). Additionally, most research adopts a fragmented approach to measuring business success, focusing either on financial metrics (Ngele & Muhammad, 2023) or non-financial indicators (Senelwa et al., 2023), rather than integrating both. This study bridges these gaps by using PLS-SEM to analyze a holistic model that links entrepreneurial mindset, and business reputation which is one of the indicators of business success in agro-SMEs.

It is on this premise that this study intended to assess the relationship between entrepreneurial mindset and business reputation of agro-based SMEs in South-South Nigeria. Therefore, the objectives of the study are to:

- i. Examine the relationship between risk acceptance and business reputation.
- ii. Assess the relationship between entrepreneurial optimism and business reputation.
- iii. Investigate the relationship between entrepreneurial persistence and business reputation.

## **Literature Review.**

### **Theoretical Framework**

#### **Entrepreneurial Mindset Theory (EMT)**

Entrepreneurial Mindset Theory finds its foundational roots in the work of McGrath and MacMillan (2000), who conceptualised the entrepreneurial mindset as a distinct

cognitive orientation that enables individuals to identify and exploit opportunities despite the presence of uncertainty, resource constraints, and environmental turbulence. According to the theory, an entrepreneurial mindset is not exclusive to start-up founders; rather, it is a broader strategic and behavioural disposition that includes a proactive orientation, tolerance for ambiguity, innovation, opportunity recognition, and the perseverance to execute entrepreneurial initiatives. McGrath and MacMillan emphasise that individuals with entrepreneurial mindsets are opportunity-focused, resource-leveraging, and comfortable with risk - traits that distinguish them in dynamic and competitive environments.

The key tenets of entrepreneurial mindset theory revolve around specific behavioural and cognitive traits: (1) risk acceptance: the readiness to pursue uncertain outcomes when potential rewards justify the risks involved; (2) entrepreneurial optimism: a tendency to maintain positive expectations about future outcomes even in volatile environments; and (3) entrepreneurial persistence: a strong internal drive and sustained effort to overcome obstacles in pursuit of long-term goals (Ireland et al., 2003). The theory posits that these traits collectively enable entrepreneurs to navigate complex environments, identify and exploit opportunities, and adapt swiftly to change.

### **Empirical review**

Ma, Khan, Fayyaz, Hameed and Ullah (2024) did a research analysis on unpacking the optimistic mindset of business students towards entrepreneurship, China. The present investigation utilised a logical approach. A sample size of 483 respondents was chosen using the cluster sampling technique. Respondents were given the questionnaire in order to collect the necessary data. Cronbach's alpha was used to analyse the data. The study's conclusions show that, with psychological capital and entrepreneurial optimism playing a moderating role, entrepreneurial networking and new venture intention have a considerable impact on entrepreneurial success in China. In conclusion, new venture intention, entrepreneurial optimism, entrepreneurial networking, and psychological capital are all necessary for achieving success as an entrepreneur.

Mwangi (2024) explored the entrepreneurial orientation and the growth of youth owned enterprises in Kenya. The research design included a cross-sectional survey methodology. A sample size of 397 SMEs was chosen using the stratified sampling technique. The primary data was gathered using a standardised questionnaire. The data was analysed using the statistical package for social sciences (SPSS) version 23 software. The results of the study show that the expansion of youth-owned businesses in Kenya was positively correlated with individual inventiveness, proactivity, competitive aggressiveness, and risk-taking. The study concluded that an entrepreneurial mindset aids in the growth of youth-owned enterprises in Kenya.

Echendu and Onuoha (2023) examined the entrepreneurial mindset and organizational effectiveness of manufacturing firms in Port Harcourt. A cross-sectional survey design was used in the study. 88 respondents were ultimately chosen as the study sample size using a suitable sampling approach. A closed-ended questionnaire was the primary tool used to collect the data. The data was analysed using Spearman's Rank Correlation and descriptive statistics. According to empirical research, creativity (the development of ideas) has a favourable impact on team competency, and innovativeness

has a significant impact on team competency. It was concluded that innovation and creativity in businesses drove the achievement of predetermined goals and objectives, which are used to identify high performers and key personnel.

Ngele and Muhammad (2023) examined the effect of entrepreneurial mindset and growth of micro small and medium enterprises (MSME'S) in Nigeria: A case study of Abuja municipal area council (AMAC) federal capital territory (FCT) Abuja. The survey method was employed in the investigation. Stratified sampling was used in the study. Using the Taro Yamani formula, a sample size of 218 is derived from the 480 MSME owners who reside in AMAC-FCT. The instrument used to collect the data was the questionnaire. The data analysis techniques used were linear regression and descriptive statistics. According to the findings, a change in entrepreneurial mindset will result in a notable improvement in the characteristics of the MSME. This includes sales volume, employee size, and profitability. In summary, the growth of MSMEs is influenced by entrepreneurial mindset (EM), which means that entrepreneurs of Micro, Small, and Medium-Sized Enterprises (MSME) must have a strong EM in order to make wise investment choices.

Adekoya and Adeniji (2023) investigated the impact of social costs on business reputation among listed firms in Nigeria. Survey research designs were used in the study. There were 168 companies in the sample size. A validated and standardised questionnaire was utilised to gather primary data. A structural equation model was used for the analysis. The first hypothesis's findings, which showed a significant positive link between social costs and company reputation, were contradicted by the first hypothesis's results. The study's standardised estimate of 0.840 (t-value = 8.116, p 0.001) shows that social costs have a major impact on listed companies' reputations. According to the second hypothesis, a company's reputation and innovation are positively correlated (standardised estimate = 0.547, t-value = 4.562, p 0.001). The study found a strong positive correlation between social costs and company reputation, demonstrating that social costs have a big influence on listed firms' reputations.

Ukabuduzhiimkpa and Onuoha (2023) investigated the innovative capability and survival of small and medium enterprises in Rivers State, Nigeria. The cross-sectional design was used in the investigation. 85 managers and owners of businesses made up the study's sample size. Questionnaires were used to gather data for the study. The Spearman rank order correlation coefficient was used to examine the collected data. The study's findings demonstrated a strong and favourable correlation between the survival metrics and the aspects of inventive capability. According to the study's findings, organisations should make sure that their innovative capabilities will support small and medium-sized businesses' growth and flexibility.

Abdullah (2023) investigated the impact of entrepreneurial mindset on the family business performance. This study employs the deductive method. In this study, the random sampling technique is employed. There were 312 Kuwaiti family enterprises in the sample. Face-to-face meetings, emailing a link to a Google Form questionnaire, and/or doing phone interviews are some of the methods used to collect data. Both descriptive and inferential statistics are used to analyse the data. The results demonstrated that, in Kuwaiti contexts, the association between intergenerational relationships and family business performance was somewhat modified by entrepreneurial mindset (EM). The study comes to the

conclusion that having an entrepreneurial attitude is crucial, and practically every construct was shown to be crucial for Kuwaiti family companies to succeed.

### **Data and variables**

This study adopted a cross-sectional research design to investigate the relationships between entrepreneurial mindset and business reputation in agro-based small and medium-scale enterprises (SMEs) in South-South Nigeria. This paradigm aligned with the study's quantitative approach, supporting the formulation of hypotheses, the use of structured questionnaires, and the application of Partial Least Squares Structural Equation Modeling (PLS-SEM) to analyze relationships among variables.

The population for this study consisted of 18 agro-based SMEs in South-South Nigeria, as documented by the Ministries of Agriculture in the various states. These SMEs were carefully selected from a directory provided by the Ministries, where several moribund enterprises were excluded because they were no longer operational.

The sample size was determined using Taro Yamane's (1967) formula, expressed as:

$$n = \left[ \frac{N}{1 + N(e^2)} \right]$$

Where:

$n$  = Sample size

$N$  = Population size (145)

$e$  = Margin of error (5% or 0.05)

$$n = \left[ \frac{145}{1 + 145 (0.05^2)} \right]$$

$$n = \left[ \frac{145}{1 + 145 (0.0025)} \right]$$

$$n = \left[ \frac{145}{1 + 0.3625} \right]$$

$$n = \left[ \frac{145}{1.3625} \right]$$

$$n = 106$$

Thus, a sample size of 106 respondents is proposed for the study.

To redistribute the sample size of 106 across the 13 companies, Bowley's proportional allocation formula will be applied:

$$n_i = \left[ \frac{N_i}{N} \right] \times n$$

Where:

$n_i$  = Sample size for each company

$N_i$  = Population size of each company

$N$  = Total population (113)

$n$  = Sample size (106)

### **Methods of Data Collection/Instrumentation**

A structured questionnaire served as the primary data collection instrument, chosen for its suitability in gathering quantitative information from top management personnel. The questionnaire employed a five-point Likert-type scale (Strongly Agree = 5, Agree = 4,



Neutral = 3, Disagree = 2, Strongly Disagree = 1) to measure respondents' levels of agreement with statements related to the study variables. This scale provided a broad range of response options, ensuring precision in data collection and facilitating robust statistical analysis. The questionnaire comprised 40 items divided into four sections. Section A included five items capturing demographic information (gender, age group, position, years of experience, and enterprise age). Section B contained 15 items measuring entrepreneurial mindset, with five items each for Risk Acceptance, Entrepreneurial Optimism, and Entrepreneurial Persistence. Section C included five items for Business reputation

The predictor variable, entrepreneurial mindset, comprised the dimensions of Risk Acceptance, Entrepreneurial Optimism, and Entrepreneurial Persistence, measured using 15 indicators adapted from existing literature. Risk Acceptance included five items (e.g., "I am willing to take calculated risks to pursue new opportunities in this business," "I make investment decisions even when the outcomes are uncertain"). Entrepreneurial Optimism consisted of five items (e.g., "I believe this business will grow significantly in the near future," "I view every difficulty as a temporary setback that can be overcome"). Entrepreneurial Persistence also included five items (e.g., "I continue working on business goals even when progress is slow," "I push through tough times to ensure this business survives and thrives").

The criterion variable, business success, was measured through Business Reputation, using 5 items adapted from prior studies

## **Results and Analysis**

Partial Least Squares Structural Equation Modeling (PLS-SEM) was employed using SmartPLS 4 software. PLS-SEM was appropriate for examining complex relationships among latent constructs, particularly with smaller sample sizes, and accommodated both reflective and formative constructs (Hair et al., 2017). It was used to test the hypothesized relationships between entrepreneurial mindset (Risk Acceptance, Entrepreneurial Optimism, and Entrepreneurial Persistence) and business reputation..

## **Field Work**

**Table 4. 1: Questionnaire Distribution and Collection**

	<b>Frequency</b>	<b>Percentage (%)</b>
Copies of Questionnaire Distributed	106	100
Copies of Questionnaire Retrieved	101	95.3
Copies of Questionnaire Not Retrieved	5	4.7
Copies of Questionnaire Invalid	3	3.0
Copies of Questionnaire Valid	98	97.0

Table 4.1 presents the distribution and retrieval of copies of the questionnaire administered to respondents of agro-based small and medium scale enterprises in the South-South region of Nigeria. Out of a total of 106 copies distributed, 101 copies were successfully retrieved, representing a response rate of 95.3%. Only 5 copies, accounting for 4.7%, were not retrieved, indicating a minimal level of non-response. Among the 101

copies retrieved, 3 (3.0%) were found invalid due to incomplete or inconsistent responses, while 98 copies, representing 97.0%, were deemed valid and used for the final analysis.

### Analysis

This section provides data on participants' responses to the research instrument. Each variable's responses are summarized in tables, accompanied by a brief interpretation.

**Table 4. 2: Risk acceptance**

Statement	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
I am willing to take calculated risks to pursue new opportunities in this business.	7 (7.1%)	10 (10.2%)	32 (32.7%)	37 (37.8%)	12 (12.2%)
I make investment decisions even when the outcomes are uncertain.	5 (5.1%)	14 (14.3%)	17 (17.3%)	45 (45.9%)	17 (17.3%)
I prefer bold strategies that may lead to high rewards despite potential setbacks.	3 (3.1%)	6 (6.1%)	14 (14.3%)	54 (55.1%)	21 (21.4%)
I consider risk-taking an essential part of sustaining this business.	3 (3.1%)	7 (7.1%)	18 (18.4%)	47 (48.0%)	23 (23.5%)
I often act on opportunities before all risks are fully known.	2 (2.0%)	20 (20.4%)	36 (36.7%)	32 (32.7%)	8 (8.2%)

The responses in Table 4.2 highlighted the risk acceptance tendencies of the agro-based entrepreneurs. For the statement "I am willing to take calculated risks to pursue new opportunities in this business," 37 (37.8%) agreed and 12 (12.2%) strongly agreed, indicating that 50% of respondents were open to calculated risks, while 7 (7.1%) strongly disagreed and 10 (10.2%) disagreed, suggesting a cautious subset. Similarly, 45 (45.9%) agreed and 17 (17.3%) strongly agreed to making investment decisions under uncertainty, totaling 63.2% in favor, whereas 5 (5.1%) strongly disagreed and 14 (14.3%) disagreed. The preference for bold strategies was evident, with 54 (55.1%) agreeing and 21 (21.4%) strongly agreeing, compared to only 3 (3.1%) strongly disagreeing and 6 (6.1%) disagreeing. Additionally, 47 (48.0%) agreed and 23 (23.5%) strongly agreed that risk-taking was essential for business sustainability, with only 3 (3.1%) strongly disagreeing and 7 (7.1%) disagreeing. However, the statement "I often act on opportunities before all risks are fully known" showed a more balanced response, with 32 (32.7%) agreeing and 8 (8.2%) strongly agreeing, but 36 (36.7%) neither agreeing nor disagreeing, and 20 (20.4%) disagreeing, indicating some hesitation in acting without full risk assessment.

**Table 4. 3: Responses on Entrepreneurial optimism**

Statement	Strongly Disagree	Disagree	Neither	Agree	Strongly Agree
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	<b>Disagree</b>		<b>Agree Nor Disagree</b>		<b>Agree</b>
I believe this business will grow significantly in the near future.	5 (5.1%)	20 (20.4%)	29 (29.6%)	33 (33.7%)	11 (11.2%)
Even when faced with challenges, I remain confident in this business's potential.	2 (2.0%)	12 (12.2%)	25 (25.5%)	50 (51.0%)	9 (9.2%)
I usually expect positive outcomes from the decisions I make.	3 (3.1%)	34 (34.7%)	28 (28.6%)	22 (22.4%)	11 (11.2%)
I view every difficulty as a temporary setback that can be overcome.	3 (3.1%)	34 (34.7%)	32 (32.7%)	22 (22.4%)	7 (7.1%)
I am optimistic that our efforts will lead to long-term business success.	1 (1.0%)	13 (13.3%)	32 (32.7%)	43 (43.9%)	9 (9.2%)

Table 4.3 revealed varied levels of entrepreneurial optimism. For the statement "I believe this business will grow significantly in the near future," 33 (33.7%) agreed and 11 (11.2%) strongly agreed, totaling 44.9% with positive expectations, while 20 (20.4%) disagreed and 5 (5.1%) strongly disagreed, reflecting some skepticism. Confidence in the face of challenges was high, with 50 (51.0%) agreeing and 9 (9.2%) strongly agreeing that they remained confident in the business's potential despite challenges, compared to only 12 (12.2%) disagreeing and 2 (2.0%) strongly disagreeing. However, optimism about decision outcomes was less pronounced, with 22 (22.4%) agreeing and 11 (11.2%) strongly agreeing, while 34 (34.7%) disagreed and 3 (3.1%) strongly disagreed, suggesting uncertainty in decision-making outcomes. Similarly, 22 (22.4%) agreed and 7 (7.1%) strongly agreed that difficulties were temporary setbacks, but 34 (34.7%) disagreed and 3 (3.1%) strongly disagreed, indicating mixed perceptions. For long-term success, 43 (43.9%) agreed and 9 (9.2%) strongly agreed, while 13 (13.3%) disagreed and 1 (1.0%) strongly disagreed, showing a relatively optimistic outlook.

**Table 4. 4: Responses on Entrepreneurial Persistence**

<b>Statement</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neither Agree Nor Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
I continue working on business goals even when progress is slow.	2 (2.0%)	9 (9.2%)	41 (41.8%)	34 (34.7%)	12 (12.2%)
I do not easily give up on initiatives that initially fail.	2 (2.0%)	15 (15.3%)	45 (45.9%)	29 (29.6%)	7 (7.1%)
I persist in improving operations despite	9 (9.2%)	8 (8.2%)	12 (12.2%)	51 (52.0%)	18 (18.4%)



repeated obstacles.

I believe sustained effort is key to overcoming business challenges.	3 (3.1%)	32 (32.7%)	29 (29.6%)	25 (25.5%)	9 (9.2%)
I push through tough times to ensure this business survives and thrives.	6 (6.1%)	15 (15.3%)	22 (22.4%)	43 (43.9%)	12 (12.2%)

Table 4.4 indicated strong persistence among respondents. For continuing work on business goals despite slow progress, 34 (34.7%) agreed and 12 (12.2%) strongly agreed, totaling 46.9%, while 9 (9.2%) disagreed and 2 (2.0%) strongly disagreed. Similarly, 29 (29.6%) agreed and 7 (7.1%) strongly agreed to not giving up on failed initiatives, with 15 (15.3%) disagreeing and 2 (2.0%) strongly disagreeing, though 45 (45.9%) were neutral, suggesting varied commitment levels. Persistence in improving operations was high, with 51 (52.0%) agreeing and 18 (18.4%) strongly agreeing, compared to 8 (8.2%) disagreeing and 9 (9.2%) strongly disagreeing. Belief in sustained effort was less decisive, with 25 (25.5%) agreeing and 9 (9.2%) strongly agreeing, but 32 (32.7%) disagreeing and 3 (3.1%) strongly disagreeing. For pushing through tough times, 43 (43.9%) agreed and 12 (12.2%) strongly agreed, while 15 (15.3%) disagreed and 6 (6.1%) strongly disagree Bottom of Form

**Table 4. 5: Responses on Business reputation**

Statement	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
This enterprise is well-regarded in the local community.	2 (2.0%)	6 (6.1%)	27 (27.6%)	56 (57.1%)	7 (7.1%)
Our customers trust the quality and consistency of our offerings.	6 (6.1%)	18 (18.4%)	35 (35.7%)	33 (33.7%)	6 (6.1%)
We are known for ethical and responsible business practices.	9 (9.2%)	27 (27.6%)	31 (31.6%)	27 (27.6%)	4 (4.1%)
Our business is often recommended by customers and partners.	8 (8.2%)	33 (33.7%)	33 (33.7%)	20 (20.4%)	4 (4.1%)
We actively protect and build the reputation of our enterprise.	12 (12.2%)	26 (26.5%)	23 (23.5%)	32 (32.7%)	5 (5.1%)

Table 4.5 indicated varied perceptions of business reputation. For being well-regarded locally, 56 (57.1%) agreed and 7 (7.1%) strongly agreed, totaling 64.2%, with 6 (6.1%) disagreeing and 2 (2.0%) strongly disagreeing. Customer trust in quality saw 33 (33.7%) agreeing and 6 (6.1%) strongly agreeing, but 18 (18.4%) disagreed and 6 (6.1%) strongly disagreed. Ethical practices had 27 (27.6%) agreeing and 4 (4.1%) strongly agreeing, yet 27 (27.6%) disagreed and 9 (9.2%) strongly disagreed. Recommendations by customers/partners saw 20 (20.4%) agreeing and 4 (4.1%) strongly agreeing, with 33 (33.7%) disagreeing and 8 (8.2%) strongly disagreeing. Protecting reputation had 32 (32.7%) agreeing and 5 (5.1%) strongly agreeing, but 26 (26.5%) disagreed and 12 (12.2%) strongly disagreed.

### Hypothesis Testing

**H<sub>01</sub>:** There is no significant relationship between risk acceptance and business reputation.

**H<sub>02</sub>:** There is no significant relationship between entrepreneurial optimism and business reputation.

**H<sub>03</sub>:** There is no significant relationship between entrepreneurial persistence and business reputation.

**Table 4.6: Results of Hypotheses Testing**

	Original sample (O)	T statistics ( O/STDEV )	P values
<b>RKA -&gt; BNR</b>	0.009	0.090	0.928
<b>ETO -&gt; BNR</b>	0.613	7.672	0.000
<b>ETP -&gt; BNR</b>	0.098	1.108	0.268

The path model on the relationship between entrepreneurial mindset (explained by risk acceptance, entrepreneurial optimism, and entrepreneurial persistence) and business reputation shows that there is a very weak, positive, and statistically non-significant relationship between risk acceptance and business reputation ( $\beta = 0.009$ ,  $t = 0.090$ ,  $p\text{-value} = 0.928$ ); a strong, positive, and highly statistically significant relationship between entrepreneurial optimism and business reputation ( $\beta = 0.613$ ,  $t = 7.672$ ,  $p\text{-value} = 0.000$ ); and a weak, positive, and statistically non-significant relationship between entrepreneurial persistence and business reputation ( $\beta = 0.098$ ,  $t = 1.108$ ,  $p\text{-value} = 0.268$ ). Therefore, H07 was supported, H08 was not supported, and H09 was supported.

### Interpretation of results

The first hypothesis ( $H_01$ ) stated that there was no significant relationship between risk acceptance (RKA) and business reputation (BNR). Table 4.6 indicated that risk acceptance had a positive but non-significant relationship with business reputation in agro-based SMEs in South-South Nigeria ( $\beta = 0.009$ ,  $T = 0.090$ ,  $p = 0.928$ ). The regression weight for risk acceptance in the prediction of business reputation was not significantly different from zero at the 0.05 level of significance (two-tailed). Thus,  $H_01$  was supported, and the alternate hypothesis was not accepted. This suggested that risk acceptance was not a significant predictor of business reputation. Statistically, the negligible positive coefficient indicated that an increase in risk acceptance had little impact on building a positive reputation. Therefore, risk-taking behaviors did not significantly contribute to enhancing the reputation of agro-based SMEs in this context.

The second hypothesis ( $H_02$ ) stated that there was no significant relationship between entrepreneurial optimism (ETO) and business reputation (BNR). However, Table 4.6 showed that entrepreneurial optimism had a positive and significant relationship with business reputation in agro-based SMEs in South-South Nigeria ( $\beta = 0.613$ ,  $T = 7.672$ ,  $p = 0.000$ ). The regression weight for entrepreneurial optimism in the prediction of business reputation was significantly different from zero at the 0.05 level of significance (two-tailed). Thus,  $H_02$  was not supported, and the alternate hypothesis was accepted. This indicated that entrepreneurial optimism was a strong predictor of business reputation. Statistically, a unit increase in entrepreneurial optimism was associated with a 61.3% increase in business reputation. Therefore, when entrepreneurs maintained a positive outlook, they were more likely to enhance their enterprise's reputation through trust and ethical practices in the community.

The third hypothesis ( $H_03$ ) stated that there was no significant relationship between entrepreneurial persistence (ETP) and business reputation (BNR). Table 4.6 and indicated that entrepreneurial persistence had a positive but non-significant relationship with business reputation in agro-based SMEs in South-South Nigeria ( $\beta = 0.098$ ,  $T = 1.108$ ,  $p = 0.268$ ). The regression weight for entrepreneurial persistence in the prediction of business reputation was not significantly different from zero at the 0.05 level of significance (two-tailed). Thus,  $H_09$  was supported, and the alternate hypothesis was not accepted. This suggested that entrepreneurial persistence was not a significant predictor of business reputation. Statistically, the small positive coefficient indicated that an increase in persistence had minimal impact on reputation. Therefore, sustained effort and resilience did not significantly contribute to building the reputation of agro-based SMEs in this context.

## **Summary and Conclusion**

### **5.1 Summary**

The study examined the relationship between entrepreneurial mindset and innovative capacity of agro-based SMEs in South-South Nigeria. Entrepreneurial mindset was measured by risk acceptance, entrepreneurial optimism, and entrepreneurial persistence. A total of three null hypotheses were formulated and tested to ascertain the relationships among the constructs. Guided by the positivist

philosophical paradigm, the study adopted a cross-sectional research design and collected primary data through structured questionnaires administered to 145 top management personnel of agro-based SMEs. The hypotheses were tested using Partial Least Squares–Structural Equation Modelling (PLS-SEM) with SmartPLS v4.1.1.5. The findings revealed that:

- i. Risk-taking had little effect on business reputation, showing that being daring does not automatically earn stakeholder trust.
- ii. Optimistic entrepreneurs built stronger reputations, as their positive attitude fostered credibility and goodwill.
- iii. Persistence had limited influence on reputation, indicating that consistent effort alone may not shape how others perceive the firm.

### **Conclusion**

Based on the findings of this study, the following conclusions were drawn:

- i. Risk acceptance had an insignificant impact on business reputation, implying that risk-taking behaviour, without corresponding results, may not enhance external perceptions of credibility or reliability.
- ii. Entrepreneurial optimism strengthened business reputation, revealing that optimistic entrepreneurs project confidence and trustworthiness that positively influence how stakeholders view their firms.
- iii. Entrepreneurial persistence did not meaningfully influence business reputation, suggesting that while persistence drives internal progress, it may not directly translate into improved external reputation unless coupled with visible achievement

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