



ENTREPRENEURSHIP DEVELOPMENT ON THE ECONOMIC GROWTH OF DEKINA LOCAL GOVERNMENT OF KOGI STATE

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Abstract

There is a need for the government to provide business development programs, tax incentives and create an enabling environment for entrepreneurship to thrive. The study assessed how Dekina Local Government Area's economic growth was impacted by entrepreneurial development. The study's goal is to determine how the Dekina Local Government Area's ability to take risks, be creative, and be proactive has affected its economic progress. Survey research was the method used in the study. Six thousand seven hundred and four people made up the population [6,704]. A basic random sample strategy is used in the study to choose 377 SMEDAN participants. ANOVA and the ordinary least square (OLS) model of regression analysis were constructed using data from surveys administered. SPSS version 20.0 was then used to evaluate the results. According to the study, in Dekina LGA, Kogi, taking risks has a major and beneficial impact on economic growth. Innovativeness also has a substantial impact on growth, as does proactively. The study suggested that Kogi State's SMEs should promote a culture of risk assessment and awareness. Although taking risks is necessary for progress, it's also critical to carefully consider all available options and make well-informed decisions.

Keywords: *Entrepreneurial Development, Economic Growth, and Dekina Local Govt Area*

INTRODUCTION

Entrepreneurship has gained the attention of academia in the last decades because of its important role in creating jobs and fostering economic development. This is the reason for its current vital importance to developing countries, which are trying to develop entrepreneurship to achieve growth and prosperity. Many nations have found that entrepreneurship is a major factor in their economic development and growth (Audretsch, 2022; Acs & Armington, 2021). It is seen as a significant driver of wealth development, innovation, and employment. As a result, the contribution of entrepreneurship to economic growth and development has received considerable attention from researchers and policy makers.

Numerous studies have demonstrated the manner in which entrepreneurial activity can support economic expansion. In the first place, it might result in the establishment of new companies,

which would boost employment and the economy (Audretsch & Thurik, 2023). Second, innovation can come from entrepreneurship and lead to the creation of new goods, services, and technological advancements that can spur economic growth (Baumol, 2020). Third, entrepreneurship can boost market rivalry, which can result in better productivity and more effective resource allocation (Acs & Armington, 2021). Even with all of the potential advantages, starting a business is not always an easy process to follow. The availability of trained labor, government laws, and the ability to obtain funding are just a few of the numerous variables that might determine whether an entrepreneurial endeavor succeeds or fails (Audretsch & Thurik, 2023).

In Kogi State, Nigeria, the primary economic activity of Dekina Local Government is agriculture, with cashew, maize, cassava, and yam being the main crops produced there. Production of livestock, such as sheep, goats, and poultry, also benefits the agriculture industry. (Government of Kogi State). Dekina LGA has a sizable trade sector, with numerous small enterprises involved in the purchase and sale of consumer goods and agricultural products. Important trading hubs, the markets in Dekina, Egume, and Ogbogbo give locals and those in the surrounding areas access to a variety of goods and services. For products and people moving between Nigeria's northern and southern regions, Dekina LGA acts as a transit hub. The region is. Small enterprises in Dekina LGA are contributing to the growth of the service sector by providing services including healthcare, education, and hospitality. The local population's quality of life has increased as a result of investments made by the government in social services like healthcare, education, and water supply. Nonetheless, the goal of this study is to assess how the Dekina Local Government Area's economic growth is impacted by entrepreneurial development.

The development and expansion of the economy depend heavily on entrepreneurship, although there are a number of obstacles that Dekina Local Government business owners must overcome to be successful. Obtaining funding is a significant obstacle, as many business owners find it difficult to raise the funds required to launch or grow their enterprises. Entrepreneurs may find it challenging to obtain the necessary funding from financial institutions due to their high interest rates or requirement for collateral (Adewuyi et al., 2023). Limited access to information about technology, business processes, and market trends is another issue. The inability of entrepreneurs to develop, compete, and expand their firms may be hampered by this lack of knowledge. Additionally, it may make it more challenging for business owners to seize newly created chances in the industry (Ogundele, 2019).

Consequently, it is crucial to do research in order to identify the elements that either support or impede entrepreneurial development. Through the identification of these elements, policymakers can devise measures to bolster the expansion of entrepreneurship, so fostering economic growth and development. The people living in Dekina LGA have benefited from the area's economic expansion, as seen by improvements in income and accessibility to essential services. To maintain the region's economic progress, there are certain obstacles that must be overcome. These include the need to diversify the economy away from agriculture, the lack of proper infrastructure, and the difficulty small firms have obtaining financing

The following research questions were posed in light of the problem statement: (i) How does risk-taking affect the Dekina Local Government Area's economic growth? (ii) How much does innovation impact Dekina Local Government Area's economic growth? (iii) What impact does

initiative have on the Dekina Local Government Area's economic expansion? This study's primary goal is to assess how entrepreneurial development affects the Dekina Local Government Area's economic expansion. The particular goals are to: (i) ascertain how risk-taking affects the Dekina Local Government Area's economic growth. (ii) Evaluate how innovation affects the Dekina Local Government Area's economic growth. (iii) Determine how proactiveness affects the Dekina Local Government Area's economic growth. Based on the particular goals, the following theories were developed: Ho1: The Dekina Local Government Area's economic growth is not significantly impacted by taking risks. Ho2: The Dekina Local Government Area's economic growth is not significantly impacted by innovation. Ho3: The Dekina Local Government Area's economic growth is not significantly impacted by proactiveness.

LITERATURE REVIEW

Conceptual Review

Entrepreneurial Development

The process of creating, establishing, and managing a new company which is frequently started as a small business is known as entrepreneurship, (Ogundele, 2019). The ability and willingness to "develop, organize, and manage a business venture along with any of its risks to make a profit" is referred to as entrepreneurship, (Yetisen, 2023). Although the majority of definitions of entrepreneurship center on starting and operating businesses, a large percentage of start-ups fail because of "lack of funding, bad business decisions, an economic crisis, lack of market demand, or a combination of all of these" (Belicove, 2022). Entrepreneurship is the pursuit of starting, managing, and scaling a business. It involves combining innovation, skills, and vision to develop new products, services, or ideas that meet market demand and create value for a target audience. (Inayah *et al.* 2019). This is because starting a business carries a high risk. Around the world, entrepreneurs are seen as being extremely important to the economy because of the way that their operations function as the engine that drives all monetary activity. Globally, the entrepreneurial revolution has been the engine of economic prosperity and remarkable expansion. Since the main factor determining an economy's degree of success, progress, and opportunity is the entrepreneurial movement, a society's level of prosperity is directly correlated with its ability to support and encourage it. In addition to having the financial resources and legal framework to support and encourage entrepreneurs to pursue more prominent endeavors, the most powerful societies also have the highest concentration of entrepreneurs (Ashraf, 2018).

Since entrepreneurship plays a significant role in the process of economic growth, it has gained recognition as a fundamental idea in discussions of social and human development and is regarded as a component of both (Abubakar, 2018). In Nigeria, there is hardly a government that hasn't prioritized the growth of small businesses at some point. For instance, the Small-Scale Enterprises Promotion Policy was developed in the 1970s in response to the recognition of the need to promote higher productivity and self-employment. Up until now, official declarations aimed at supporting small businesses have not always been followed up by substantive policy proposals supported by efficient execution systems. Actually, only a small percentage of small business owners were contacted by the majority of the programs designed to support small businesses. In actuality, the development of small businesses was less important to policymakers than the growth of a small number of major ones. This served as inspiration for a portion of the Import Substitution Industry (ISI) Strategy in the late 1970s, when enormous sums of money were invested in unviable, massive corporations (Sagagi, 2015).

Risk-Taking

Taking risks is the readiness to invest resources in endeavors and activities where the results are unknown (Lumpkin & Dess, 2022). The degree to which a company is prepared to undertake significant and hazardous obligations is known as risk-taking (Covin & Slevin, 2021). According to Ofuonye (2018), entrepreneurs seek rewards for taking personal risks and bringing about change. To the extent that they require freedom to follow their ideas, adequate authority must be assigned. An entrepreneur is a change agent, an innovator and risk-taker who seizes business opportunities in his community and makes efficient use of resources to create new technologies, creates new goods and services to optimize his earnings, and makes a substantial contribution to the advancement of society.

Innovativeness

According to Sarmah and Singh (1994), an entrepreneur is someone who can effectively use material and financial resources to create wealth, income, and jobs. They can also innovate new products, standardize or improve current ones to open up new markets and attract new clients. Schumpeter (2018) defined innovation as the process of conceiving and putting into practice novel combinations. The capacity to come up with fresh concepts that are extremely diligent and advantageous for both the business and society at large is another definition of an entrepreneur's innovative behavior. For an entrepreneur, innovation is a daily endeavor that helps them accomplish their objectives. According to Mwaura et al. (2017), innovation is the primary entrepreneurial behavior needed for SMEs to thrive. Mwaura et al. (2017) went on to characterize innovativeness as SME's inclination to use technology leadership to foster creativity. Organizations are said to use innovation as a crucial business technique to get a competitive edge. Currently, competitiveness requires innovations as a basic requirement (Bloch & Bhattacharya, 2016; Ariguzo et al., 2018).

Pro-activeness

According to Basso and Fayolle (2019), pro-activeness is the quality of entrepreneurial behaviors that involve anticipating and seizing future opportunities related to markets, technologies, products, and consumer demand. The ability and willingness to take advantage of fresh chances is referred to as proactiveness as a component of entrepreneurial development (Olawoye, 2016). According to Faizul et al. (2019), SMEs can assure their survival and stimulate growth by exhibiting proactive behavior. Proactiveness was further defined by Faizul et al. (2018) as an opportunity-forward-looking competitive aggressiveness perspective where SMEs operate in advance of future demand. Being proactive means having the ability to anticipate events before they happen and acting to address issues that are likely to arise in the future (Arbaugh et al., 2019).

Economic Growth

An essential component of a nation's development and prosperity is its rate of economic growth. It describes the steady rise in an economy's output and consumption of goods and services over a given time frame. A number of metrics, including real GDP, GNP, and per capita income, are commonly used to quantify this expansion. The definition of economic growth, as stated in Wikipedia (2014), is the gradual rise in the market value of the products and services generated by an economy. The real GDP growth percentage is a standard way to measure it. This measure of an economy's growth shows how well it is able to produce more goods and raise the standard of life

for its people. In a similar vein, Business Dictionary (2018) characterizes economic growth as the rise in a nation's potential for production as determined by comparing the GDP of a given year to that of the year prior. The expansion of a country's production capacities, which results in higher output and economic success, is highlighted in this term.

Theoretical Review

Knowledge Based Theory

Penrose (1959) was a pioneer in the field of knowledge-based firm theory. intricate on a social level and challenging to imitate. Grant (1996) asserts that knowledge is a fundamental factor in determining a firm's ability to maintain a competitive advantage and achieve superior commercial performance. Knowledge is also the primary catalyst for innovation. According to Conner (1991), this knowledge is ingrained in and distributed throughout the business at many levels, including documents, systems, organizational identity and culture, rules, routines, and personnel. In the knowledge-based theory of the company, Grant (1996) states that a firm's primary goal is to use its current knowledge base to generate goods and services. By using information and abilities, a company can create new goods and processes or use those already in place to make them more effective and efficient, giving them a competitive advantage (Nonaka & Takeuchi, 1995). Therefore, it implies that the lack of superior knowledge limits the firm's ability to come up with new products and services, thus limiting its competitiveness in the market (Alavi & Leidner, 2021).

Theory of High Achievement Motivation

The theory of high achievement motivation was propounded by McClelland in 1960. This theory assumes that the tendency to achieve, which determines interest and the impetus to undertake an activity with the intention of doing well, is generally stronger when the motive to achieve is strong and when the task is one of intermediate difficulty or risk. Persons who score high in n Achievement normally perform at a higher level in achievement-oriented activities, tend to prefer intermediate degree of risk (or difficulty) and/or to have a moderately high, i.e., realistic, level of aspiration, and tend to be more persistent in achievement-oriented activity when confronted with opportunities to undertake other kinds of activity instead.

A further assumption is that success increases and failure decreases the expectancy of success (P_s) at the same and similar activities; this helps to account for effects of success and failure on changes in motivation that are expressed in subsequent aspiration and persistence. Typically, individuals who are strongly motivated to achieve set a moderately high level of aspiration (or prefer an intermediate risk), raising the aspiration level somewhat following success and lowering it somewhat after failure. Since success increases P_s at the same and similar activities, and $I_s = 1 - P_s$, the effect of success at a moderately difficult task is a change in subsequent motivation so that the tendency to undertake the same activity again is weakened and the tendency to undertake an activity that initially appeared a little more difficult is strengthened. The point at which $P_s = .50$ shifts upward at the next most difficult task. A change in the opposite direction occurs following failure at the initial activity. Hence a moderately high aspiration is lowered following failure.

The theory of high achievement motivation identified two characteristics of entrepreneurship, namely; (1) Doing things in a new and better way and (2) Making decisions under uncertainty. The theory stated further that people with high achievement motivation were likely to become entrepreneurs. That these people are not influenced by money or external incentive, but consider profit making in any venture as a measure of success or competency. Achievement motivation can

be measured by the achievement motivation inventory which is a drive that is developed from emotional state. One may feel to achieve by get striving for success and avoiding failure. Another theory developed by McClelland was the theory of Acquired Needs motivation. He categorized a person's needs into three; (1) Need for Achievement- success with individuals own effort (2) Need for Power- need to dominate and influence others, and, (3) Need for Affiliation -to maintain friendly relations with others. McClelland concluded by stating that the need for achievement is essential for successful new entrepreneurship.

Theoretical Framework

Penrose (1959) established the knowledge-based theory of the firm, which was later developed by Barney (1991), Wernerfelt (1984), and Conner (1991). These authors viewed knowledge as the resource that the firm could use to achieve its most strategic goals. The proponents of this approach say that resources that are based on knowledge are usually.

Empirical Review

Mohammed and Fauziah (2023) examined the creativity, willingness to take chances, and initiative of Nigerian SMEs in their performance, The TETFUND-sponsored microfinance institute's moderating role. 340 questionnaires containing primary data were given to SMEs' owners and managers; 308 of the samples successfully returned the surveys. The data was analyzed using Pearson correlation in the study. The performance of small and medium-sized businesses in Nigeria and EO (innovation, risk-taking, and proactiveness) were found to be significantly positively correlated by the study. They also discovered that, of the entrepreneur orientation dimensions, risk-taking was a statistically non-significant predictor of small and medium-sized firms in Nigeria, whereas only creativity and proactiveness were.

Lesi (2022) examined The Port Harcourt Metropolis's small and medium-sized businesses' performance and entrepreneurial traits. A survey research design was used, with 200 employees and small- and medium-sized business owners making up the study's population. There were 144 participants in the sample, chosen from four different company categories. The Pearson Product Moment coefficient was used to test the null hypotheses while primary data were being gathered. The study discovered a substantial correlation between the dependent variables—profitability, market share, growth, and customer satisfaction—and the independent variables—entrepreneur risk-taking, inventiveness, competitive aggressiveness, and competency. In order to improve performance, the study suggested that Port Harcourt entrepreneurs' propensity for taking risks be properly controlled and integrated.

Kafigi (2021) examined Tanzanian bakeries provide insights into the risk-taking and success of small and medium-sized businesses. Using a multi-stage sampling technique, the study collected data from 161 questionnaires and 20 in-depth interviews with managers and owners of bakeries across Tanzania. These data are analyzed using principal component analysis, moderator analysis, and qualitative content analysis (manifest analysis). The study discovered that the association between risk-taking tactics and SME success is mediated by the age of the company as well as the gender of the owner or manager. According to the survey, SMEs should focus their energy and resources on bolstering their risk management programs, incorporating them into their day-to-day operations and policy-making procedures, and eventually advancing their sustainability.

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Adamu (2020) examined the effect of entrepreneurial orientation on the performance of small and medium scale enterprises (SMES) in selected North Central Nigeria. The study used a structured questionnaire to collate primary data from the respondents in the study areas. The collated data were analyzed using multi regression analysis while the probability values of the estimates were used to test the four hypotheses of the study. The study found that competitive strategy has a negative effect on performance of small and medium scale enterprises in North Central, Nigeria and the effect is not statistically significant. Also, innovative strategy has a positive effect on performance of small and medium scale enterprises in North Central, Nigeria and the effect is statistically significant. Risk taking strategy has a negative effect on Performance of Small and Medium Scale Enterprises in North Central, Nigeria and the effect is statistically significant. Proactive strategy has a positive effect on Performance of Small and Medium Scale Enterprises in North Central, Nigeria and the effect is statistically significant. The study recommended among others that the ability to utilize the innovative skills of managers and employees of bring about enhanced performance of Small and Medium Scale Enterprises in the study areas.

Cosmas and Macdonald (2020) examined entrepreneurial orientation and survival of small and medium enterprises in Nigeria: an examination of the integrative entrepreneurial marketing model. The study adopted descriptive research design. The study used a sample of 364 randomly selected from owner-managers of manufacturing SMEs in south-east geo-political zone of Nigeria. Analysis of data was carried out using IBM SPSS-AMOS version 25 to estimate the relationship between the variables. The study found that EO significantly contributed to the survival of SMEs in Nigeria. The study recommended that integrative EM model should be adopted by both the owners and managers of SMEs as this would help reduce the rate of business failure in Nigeria.

Gap in Literature

Regarding the study, several numbers of studies have demonstrated that an extensive investigation into the impact of entrepreneurial development on economic growth has been conducted. Nevertheless, the impact of entrepreneurial development on the economic growth of the Dekina Local Government Area has not been examined in any of the previously evaluated literatures. This is the gap that will be filled by the study as it analyzes the data collected for the investigation using the multiple regression technique.

METHODOLOGY

In this study, the survey research design is used. All of the business owners in Dekina LGA who were registered with the Nigerian Small and Medium Enterprises Development Agency as of December 31, 2022, make up the study's population. Six thousand seven hundred and four [6, 704] entrepreneurs are officially registered in Dekina LGA (SMEDAN, 2022). The sample size is calculated using the finite population Taro Yamen formula, as follows:

$$n = \frac{N}{1+(e)^2N}$$

Where:

N represent the size of the study's overall population.

n = show how the study's sample size was determined.

1 = constant

e = error tolerance (significant level) = 5% = 0.05

Therefore,

$$n = \frac{6,704}{1+(0.05^2)6,704}$$

$$= \frac{6,704}{17.76}$$

$$= 377$$

For this study's objectives, primary data were gathered. The questionnaire is the tool used to collect data. While the questions in part B of the questionnaire address the research aims and the formulated null hypotheses, the questions in part A of the questionnaire ask about the respondents' general background. Tables will be used to display the data. The responses from the respondents will be interpreted using the frequencies and percentages. A five-point Likert scale with the options of Strongly Agree (SA), Agree (A), Undecided (UD), Disagree (D), and Strongly Disagree (SD) will be used to score the questionnaire responses. Version 20.0 of the Statistical Package for Social Sciences (SPSS) was utilized to analyze the data, and multiple regression analysis was employed to estimate the model and test each of the formulated null hypotheses.

Model Specification

Economic growth (ECGRW) is the dependent variable, and risk-taking (RT), innovativeness (INVTN), and proactiveness (PATN) are the independent variables that measure entrepreneurial development. Multiple regression analysis was performed to estimate the model in order to meet all of the hypotheses. A specified functional relationship is presented as adopted from Nguyen *et al.* (2020) and Oladejo (2020) as follows:

$ECGRW = f(RT, INVTN \text{ and } PATN)$

$ECGRW_i = \beta_0 + \beta_1 RT_i + \beta_2 INVTN_i + \beta_3 PATN_i + e_i$

Where:

ECGRW = Economic growth;

RT = Risk Taking;

INVTN= Innovativeness;

PATN = Proactiveness;

β_0 = a constant

β_{1-3} = coefficients of independent variables;

e = Stochastic error term;

i = Cross sectional; and

f = Functional relationship.

RESULTS AND DISCUSSIONS

Data Presentation

This study provides an analysis and presentation of the information gathered from SMEs in Kogi state's Dekina LGA via a questionnaire. The questionnaire was split into two sections: the first had only questions meant to elicit demographic information from the respondents, and the second was designed to collect information for addressing the objectives and evaluating the hypotheses that had been developed. A total of 377 copies of the questionnaire were given out to SMEs in Dekina LGA, Kogi state; however, only 375 of those copies or 99% of the total were accurately filled out and returned. As a result, the results reached are predicated on the examination of the 375 completed surveys. The data obtained from the questionnaire instrument were displayed in tables. The information gathered is represented in these tables, which facilitates analysis and interpretation of the results.

Analysis of Results

Table 4.1: Demographic Characteristics of the Respondents

Category	Frequency (375)	Percentage (%)
Sex		
Male	176	46.9
Female	199	53.1
Age		
Below 20 years	65	17.3
20 – 30 years	146	39
31 – 40 years	96	25.5
41 years and above	68	18.1
Marital Status		
Married	162	43.1
Single	133	35.5
Divorce	80	21.4
Educational Qualification		
O level	193	51.5
Graduate	147	39.0
Post Graduate	35	9.4
Years of Experience in Business		
Below 5 years	208	55.4
5 – 15 years	153	40.8
16 years and above	14	3.8
Types of Business		
Manufacturing	12	3.1
Service	146	38.8
Retail	165	44.1
Agriculture	53	14.0

Source: Researcher's Computation Using SPSS 20.0 Version

Based on table 4.1, the majority of respondents were female (53.1%) compared to males (46.9%). The dominant age group was 20-30 years old, with 39% falling within this range, 25.5% were 31 – 40 years old, while 18.1% were 41 years and above, and 17.3% were below 20 years. The largest proportion of respondents were married (43.1%), followed by single (35.5%) and divorced (21.4%) individuals. The largest educational group consisted of O level qualifications (51.5%), followed by graduates (39%) and postgraduates (9.4%). Regarding the years of experience in business, 55.4% had been in business for below 5 years, 40.8% for 5-15 years, and 3.8% for 16 years and above. Retailers formed the majority of respondents (44.1%), followed by service providers (38.8%), manufacturers (3.1%), and agricultural workers (14%).

Table 4.1: Reliability Statistics

Cronbach's Alpha	N of Items
.713	28

Source: Researcher's Computation Using SPSS 20.0 Version

The data's outcomes and a range of associated statistics are shown. In order to assess each of the developed null hypotheses, the reliability test is conducted first utilizing Cronbach's Alpha, frequencies, percentages, and the inferential statistic of ordinary least square regression.

Regression Results

Table 4.2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
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1	.620 ^a	.385	.375	2.43484
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Source: Researcher's Computation Using SPSS 20.0 Version

The adjusted R square value of 0.375 also accurately indicated the influence of the combined effect of risk-taking, innovativeness, and pro-activity of 39% on economic growth in Dekina LGA, Kogi State. The R square value of .385 in table 4.2 indicated that the components of the independent variable have a combined effect of approximately 39% on the dependent variable.

Table 4.3: ANOVA Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1427.123	6	237.854	40.121	.000 ^b
	Residual	2282.446	385	5.928		
	Total	3709.569	391			

a. Dependent Variable: PSME

Source: Researcher's Computation Using SPSS 20.0 Version

The model is fit and significant at the 5% level, as indicated by table 4.3's F-Statistics value of 40.121 and sig. level of .000. This indicates that the outcome is valid and appropriate for use in making decisions.

Table 4.4: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.049	1.268		9.503	.000
	RT	.681	.080	.509	8.469	.000
	INVTN	-.192	.071	-.157	-2.717	.007
	PATN	-.270	.099	-.183	-2.715	.007

a. Dependent Variable: PSME

Source: Researcher's Computation Using SPSS 20.0 Version

Restatement and Test of Hypotheses

The developed hypotheses were put to the test using multiple regression analysis in order to investigate the impact of entrepreneurial development on the economic growth of the Dekina Local Government Area.

H₀₁: Taking risks has no appreciable impact on the Dekina Local Government Area's economic growth.

Table 4.4 demonstrates that taking risks has no discernible impact on the economic growth in Dekina LGA, Kogi State, with a t statistic value of 8.469 and a corresponding significance level of .000, both of which are significant at the 5% level of significance. This leads to the rejection of the null hypothesis, which claims that taking risks has no appreciable impact on economic growth in Dekina LGA, Kogi State.

H₀₂: The Dekina Local Government Area's economic growth is not significantly impacted by innovativeness. Additionally, Table 4.4 demonstrates that innovativeness has a substantial impact on the economic growth in Dekina LGA, Kogi State, as evidenced by the resultant t statistic value of -2.717 and the corresponding sig. level of 0.007, which is significant at the 5% level of significance. This leads to the rejection of the null hypothesis, which claims that innovation has no appreciable impact on economic growth in Kogi State's Dekina LGA.

H₀₃: The Dekina Local Government Area's economic growth is not significantly impacted by proactiveness. Proactiveness has a substantial impact on the economic growth in Dekina LGA, Kogi State, according to Table 4.4, which displays the result of the t statistic value of -2.715 and

the accompanying sig. level of.007, which is significant at the 5% level of significance. This leads to the rejection of the null hypothesis, which states that proactivity has no discernible impact on the economic growth in Kogi State's Dekina LGA.

Discussion of Findings

According to this study, taking risks has a major and advantageous impact on the local economy of Dekina LGA in Kogi State. According to the study, small and medium-sized enterprises (SMEs) in Kogi State, Nigeria, have a proclivity for taking on high-risk ventures that have the potential to yield significant returns. The finding is also in line with theory of high achievement motivation which helps to account for effects of success and failure on changes in motivation that are expressed in subsequent aspiration and persistence. The report encourages SMEs in the area to investigate new ideas and take measured risks. Furthermore, it is recommended that SMEs in Kogi State, Nigeria, give top priority to exploring unexplored areas and taking advantage of fresh prospects. This outcome is in line with the conclusions of (Mohammed and Fauziah, 2023) and Lesi (2022). The results, however, disagree with those of Kafigi (2021) and Adamu (2020)

The study also showed that innovation has a big impact on Dekina LGA, Kogi State's economic growth. This demonstrates that Kogi State, Nigerian SMEs place a strong emphasis on research and development. Adoption of technology is also a key component of the strategy that SMEs in the area use. The study does, however, imply that these SMEs in Kogi State, Nigeria, may have opportunity for further innovation in their operating strategies. The finding is also in line with theory of high achievement motivation which helps to account for effects of success and failure on changes in motivation that are expressed in subsequent aspiration and persistence. However, it was clear that SMEs in Kogi State, Nigeria, actively bring about innovations and improvements in their project execution methodologies. This outcome is in line with the conclusions of (Mohammed and Fauziah, 2023) and Lesi (2022). The results, however, disagree with those of Kafigi (2021) and Adamu (2020).

The study also showed that in Dekina LGA, Kogi State, proactiveness significantly influences economic growth. This confirmation shows that SMEs in Kogi State, Nigeria, regularly introduce better ideas and programs when compared to other groups or organizations in the area. The study also shows that SMEs in Kogi State, Nigeria, are placing a strong focus on creating new and creative services. The finding is also in line with theory of high achievement motivation which helps to account for effects of success and failure on changes in motivation that are expressed in subsequent aspiration and persistence. SMEs are also very good at seeing and taking advantage of possibilities in Kogi State, Nigeria's ever-changing business environment. This outcome is in line with the conclusions of Mohammed and Fauziah (2023) and Lesi (2022). Nonetheless, the results do not align with those of Kafigi (2021) and Adamu (2020).

CONCLUSION AND RECOMMENDATIONS

The study shows that risk-taking has a significant and positive effect on the economic growth in Dekina LGA, Kogi State. SMEs in the region exhibit a strong inclination towards pursuing high-risk projects with the potential for substantial rewards. It is concluded that SMEs in Kogi State must continue to engage in well-calculated risks while exploring novel ideas and opportunities. This proactive approach to risk-taking can lead to improved performance and growth for these enterprises. The study highlights that innovativeness significantly affects the performance of

SMEs in Dekina LGA, Kogi State. While SMEs in the region focus on research and development and adopt technology, there is scope for more creativity in their operational methods. It is suggested that SMEs in Kogi State must foster a culture of creativity and innovation to continuously introduce improvements and novel services. This will enable them to stay competitive and adapt to the changing market demands.

The study finally emphasizes that pro-activeness plays a crucial role in the performance of SMEs in Dekina LGA, Kogi State. Compared to other groups or organizations in the area, SMEs consistently introduce superior projects and programs, showcasing a proactive approach to identifying and seizing opportunities. It is concluded that SMEs in Kogi State must continue to be proactive in seeking new business avenues, as this can lead to sustained growth and success growth.

Recommendations

Based on the results of the investigation, we suggest the following:

- i. Kogi State SMEs ought to promote a culture of risk assessment and awareness. Although taking risks is necessary for progress, it's also critical to carefully consider all available options and make well-informed decisions.
- ii. Kogi State's SMEs should make investments to develop their capacity for innovation if they want to stay competitive. This may entail setting aside funds for R&D, motivating staff members to provide creative ideas, and working with outside partners to obtain new insights.
- iii. Because business settings are dynamic, Kogi State's SMEs should place a high value on agility and proactivity. SMEs may set themselves up for success by keeping up with industry changes and spotting new opportunities.

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