

Entrepreneurship Capital and Organizational Performance of SMES In South-South, Nigeria

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ABSTRACT

This study examined the effect of entrepreneurship capital on organizational performance of SMEs in the South-South geopolitical zone of Nigeria. Guided by four research objectives, four research questions and four hypotheses, the study employed a descriptive survey research design. The population comprised 24,256 registered SMEs across Delta, Edo, Bayelsa, and Rivers States, categorized into corporate/service organizations, industrial goods enterprises, and consumer goods enterprises. A sample size of 400 respondents from 30 SMEs across the six states in the South-South zone was selected. Data collection was conducted using a structured questionnaire, and analysis was performed using descriptive and inferential statistics, with multiple regression analysis employed to test the hypotheses. The findings revealed that entrepreneurship capital social capital, knowledge capital, human capital and start-up capital positively and significantly affects organizational performance. Social capital, through trust and network diversity, emerged as a key driver of performance. Knowledge capital was found to enhance organizational effectiveness, particularly through knowledge sharing and intellectual capital. Human capital, encompassing skills, experience, and innovation, significantly impacts performance when effectively managed. Start-up capital was identified as critical for ensuring the sustainability and competitiveness of SMEs. The study concludes that entrepreneurship capital is a significant determinant of SME performance in South-South Nigeria. The study recommends amongst others that management of SMES should continue to leverage on social capital in order enhance the performance of their ventures, Also government should continue to provide the right framework to support business and stakeholders should create an environment suitable for the financial and general growth of SMEs in South-South, Nigeria.

Keywords: *Entrepreneurship Capital, Social Capital Factors, Knowledge Capital, Human Capital, Start-Capital And Organizational Performance*

I. INTRODUCTION

Since the advent and the practice of entrepreneurship in an ever dynamic and complex business environment occasioned by intense competition and globalization, it appears that entrepreneurship has become a springboard for creating resilience, innovative, adoptive effective and successful small and medium sized enterprises which could aid industrial development and economic growth. Apart from Small and Medium Enterprise's (SMEs) having the potentials and the strategic roles in enhancing national development, it has made major contributions to employment, poverty reduction, wealth generation and community warfare as well as increasing gross domestic products (Saxenian, 2024).

However, the major objective of Small and Medium Enterprise's (SMEs) are to maximize profitability, increase output and productivity, secure market shares, enhance customer satisfaction/retention and secure competitive advantage over others. SMEs are the business model often used by entrepreneurs to participate in economic development. Added to this, is the fact that in Nigeria, the immediate economic reason for venturing into SMEs by entrepreneurs is to create employment for themselves and their family members as evidence have shown that SMEs in Nigeria generate more employment opportunities for unit investment than large scale firms.

However, SMEs having the potentials for ensuring a self-reliance industrial development, in terms of ability to depend on local raw materials and generate employment for job seekers in the labour market. Since the adoption of economic reform program in Nigeria (structural adjustment program – SAP) in 2016, there have been a decisive shift of emphases from the grandiose, capital-intensive large-scale enterprises to SMEs. The objective has been to develop domestic linkages for rapid

sustainable industrial development, (Granovetter 2021). Consequently, governments at all levels in Nigeria are stepping up efforts in promoting the development of SMEs through increased establishment of schemes that render financial and technical assistance to entrepreneurs in Nigeria. For this reasons SMEs are being compelled with the aid of the financial and environmental adjustments to nurture their entrepreneurial environment as well as exercise entrepreneurial behavior and processes (Ademosu & Morakinvo, 2021). Conversely a well nurtured entrepreneurial environment and involvement of entrepreneurial behavior and processes can give birth to entrepreneurship capital and also enhance organizational performance. However, in order to foster entrepreneurial capital, organizations must practice entrepreneurial behaviors and processes. As a result, a deeper knowledge of entrepreneurial behaviors is needed.

Granovetter (2021) cited that the study of entrepreneurship capital and its impact and economic decision making, and actions stems back to classic literatures in economic and sociology in which social and relational structure influences market process. However, the higher economic performance of Silicon Valley which could be viewed as a rich endowment of what could be termed as entrepreneurship capital, “it is not simply the concentration of skilled labour, suppliers and information that distinguish the region. A variety of regional institution including Stanford University, several trade associations and local business organization, and a myriad of specialized consulting market research, public relation and venture capital firms- provide technical, financial and networking services which the regions enterprises often cannot afford individually (Saxenian, 2024).

However, there are number of factors which affect the organizational performance, in which one of the most commonly known is human capital. Investment in human capital (Education, Experience, and Knowledge) creates multi-dimensional benefits for the economy. However human capital is vitally important for an organization's success (Khuwaja, 2018). The concept of Entrepreneurial human capital merges management and finance subjects into economics field. Entrepreneurial human capital is related to the components of entrepreneur’s education, experience, skills, and training which are found one of the dominant factors for organization’s performance. Entrepreneurial capital not only increases the profitability of firm but also increases the strength, sustainability and longevity of the organizations. Entrepreneur’s human capital directly impacts on organizational performance of those

entrepreneurs who have greater capacity to translate education and training into higher earnings and will have a higher ability to capture the market as compared to other entrepreneurs. Entrepreneurs Capital have not inherited skills but it is long way process which can be learned through educational institutions and training programs, that enables the individual to become a successful entrepreneur. Although, in recent years companies have found themselves in an economy heavily affected by globalization, an economy in which knowledge and information are indispensable elements in order for any organization to perform and experience growth. Therefore, the need for intellectual capital has increased to the point of being one of the most valuable assets that must be better understood in order for any firm to experience growth. From such a perspective, human resources and their management now occupy a privileged place in business as well SMEs. The impact of human resource management is generally measured by the individual performance of each employee that, in turn, has a quantifiable impact upon the overall organizational performance. Global competitiveness, and business growth becomes inevitable since, there is a constant requirement for business owners to become aware of the factors that would desire to possibly contribute to the expansion and enhancement of entrepreneurial capital and organizational performance.

Organisational performances is the capability of an enterprise to achieve and meet its success through the efficient and effective use and employment of available resources such as human, machinery, financial, social and other resources. It is the past actions of an organization, which can be quantified in terms of how efficient and effective the organization has achieved its goals and objective in relation to a reference point. This is because an organization can be more efficient and effective compared to the past or other organizations when it uses less input to produce the same output at appropriate time frame (Adams 2013). The essence of effective and efficient utilization of available resources is to sustain organizational perform which is geared in increasing market shares, increased customer satisfactions from the enterprise and other related expectations from the stakeholders. This study reviewed entrepreneurship capital from social capital, loan and grant, knowledge capital, knowledge capital and startup capital. Therefore, upon this premises the researcher seeks to investigate the gap between entrepreneurship capital and organizational performance of SMEs South-South, Nigeria

Statement of the Problem

Entrepreneurship capital maybe affected by the demographic composition of the region which are: age, sex, income level, race, employment, location, home-ownership, and level of education. Demographic elements that can be classified as being marginal or outsiders to the main social groups may not possess the requisite social capital for their knowledge to be applicable in and compatible with incumbent organizations. However, SMEs performance requires entrepreneurship capital because corporations are required to keep a certain degree of organizational overall performance to yield and invest in other initiatives. Entrepreneurs already have certain socio-economic obstacles and dangers they have to overcome in their businesses

In developing countries, entrepreneurs take the chance in growing new revolutionary ideas, which is one of the potentials of entrepreneurial capital; notably sound innovative ideal can lead to a ripple effect in organizational performance. Access to financial is a key determinant for businesses start-ups and spin-offs development and growth of small and medium enterprises; unfortunately, one of the key challenges of most entrepreneurs is their inability to access sufficient funds. Financing constraints are one of the biggest concerns affecting potential entrepreneurial business around the world, they fade away at fast rate during their initial year of existence, due to inadequate financial resources and lack of funding. Another challenge facing entrepreneurs is institutional constraint where enterprises are deprived from quality support by the government, and imposition of student legalization and taxation that hinders start-ups growth and sustainably business performance. Barriers that may hinder growth or small business are normally related to institutional and financial barriers. Institutional constraints are mainly related to the interaction with government including legislation, taxation, and government support. On the other hand, financial barriers represent a lack of financial resources.

Unfortunately, the productivity of workers is falling, giving birth to low performance of SMEs. This is due to the fact that most enterprises failed to send their employees on training because of inadequate funds in embarking on employee education, knowledge management, seminars and training. In addition, most organizations believe that workers are dubious in nature because after being trained and given further education, such workers may desire to join other firms or start up a new enterprise. In addition to these challenges, the researcher will examine and locate this critical research lacuna by exploring the impact of entrepreneurship capital on organizational

performance of Small and Medium Enterprise's (SMEs) in South -South Nigeria. Some of the entrepreneurs lack ethical principles and values together with competitive intelligent to foster growth and organizational performance, Therefore, the study examines the effect of entrepreneurship capital on organizational performance of SMEs in South-South, Nigeria.

Objectives of the Study

1. To access the effect of social capital factors on sustained organizational performance of SMEs in south-south, Nigeria.
2. To investigate the effect of knowledge capital on organizational performance of SMEs in south-south, Nigeria.
3. To investigate the effect of human capital on organizational performance of selected SMEs in south-south, Nigeria.
4. To ascertain the effect of start-up capital on organizational performance of selected SMEs in south-south, Nigeria.

Research Questions

1. What is the effect of social capital on organizational performance of SMEs in south-south, Nigeria?
2. How does knowledge capital affect organizational performance of SMEs in south-south, Nigeria??
3. What is the effect of human capital on organizational performance of SMEs in south-south, Nigeria??
4. What is the effect of start-up capital on organizational performance of SMEs in south-south, Nigeria??

Research Hypotheses

- H₀₁: Social Capital factors has no significant effect on organizational performance of SMEs in south-south, Nigeria
- H₀₂: Knowledge capital has no significant effect on organisational performance of SMEs in south-south, Nigeria.
- H₀₃: There is no significant effect of Human capital on organisational performance of SMEs in south-south, Nigeria.
- H₀₄: Start-up capital has no significant effect on organizational performance of SMEs in south-south, Nigeria.

II. REVIEW OF RELATED LITERATURE

Entrepreneurship Capital

Entrepreneurship has been defined as consisting of two criteria. The first relates to the (asymmetric) state of knowledge and is the capacity of economic actors to identify opportunities that are best or exclusively exploited through the founding of a new business. The second criterion is about economic conduct, specifically starting a new business to capitalize on the knowledge's economic worth. One could argue that this kind of entrepreneurship serves as a reflection of the underlying entrepreneurship capital stock. When we talk about entrepreneurial capital, we're talking about the ability of spatial units of observation that are relevant to a given region to create new businesses. A large and robust literature has emerged trying to link social capital to entrepreneurship.

As Gartner (2012) stated that "Entrepreneurial behavior involves the activities of individuals who are associated with creating new organizations rather than the activities of individuals who are involved with maintaining or changing the operations of on-going established organizations." Entrepreneurship has typically been referred to as an action, process, or activity. They proposed that it can also be considered to constitute a stock of capital, since it reflects several different factors and forces, legal, institutional and social, which create a capacity for this activity. A recent literature has emerged suggesting that entrepreneurship capital may be something of a missing link in explaining variations in economic performance (Acs and Audretsch, 2013). However, while a rich literature has emerged identifying the determinants of entrepreneurship therefore, Saxenian (2014) provides compelling case study evidence attributing the superior performance of Silicon Valley to a high capacity for promoting entrepreneurship, which could be viewed as a rich endowment of entrepreneurship capital. Baumol (2012) has argued that entrepreneurial activity may account for a significant amount of the growth left unexplained in traditional production function models. Economic output is also dependent on the ability to harness new ideas through the creation of new firms, in addition to the classic variables of labor, capital, and even intellectual capital. A counterexample is instructive. In the former Soviet Union, while the exact measures of the stocks of capital and labor, and even knowledge, were questionable, their existence was not. As opposed to this, there was very little capital available for entrepreneurship, at least insofar as it was lawful. Knowledge-based theories of the firm suggest that organizations are

best viewed as 'a social community specializing in speed and efficiency in the creation and transfer of knowledge'. These theories assume that positive relationships among organization members are essential for knowledge transfer and creation to occur as effectively as possible.

Breznitz and Zhang, (2020), entrepreneurship capital is a measure of the capacity to engage in and generate entrepreneurial activities such as business start-ups and spin-offs. However, the proportional percentage of economic activity accounted for by small enterprises, level of self-employment, the number of market participants or competition and company start-ups. Henderson (2022) used the average share of non-farm employment accounted for by non-farm proprietors and the average annual growth rate in entrepreneurs captured by the average number of per capita new business starts that survived five years and the average number of per capita new business starts that produced high-growth during their first five years of operation.

Aldrich & Martinez (2013), review studies trying to link measures of social capital to entrepreneurship. The connection of entrepreneurship-to-entrepreneurship capital may be more important and relevant than that between entrepreneurship and social capital. However, assessing entrepreneurship capital is just as difficult as assessing conventional components of production. In any case, entrepreneurship capital, like all the other types of capital, is multifaceted and heterogeneous. However, entrepreneurship capital manifests itself in a singular way – the startup of new enterprises. Thus, we propose using new-firm startup rates as an indicator of entrepreneurship capital, the latter being an unobservable (i.e., latent) variable. *Ceteris paribus*, higher startup rates reflect higher levels of entrepreneurship.

There is growing recognition of the important role small and medium enterprises (SMEs) play in economic development. The SMEs constitute about 70% of total business units in some developing and underdeveloped countries and account of 60% of some countries employed labour force. They're frequently referred to as the fuel of national economic engines, the seeds of large corporations, and effective and prolific job producers. The SME sector, not the multinational corporations, employs the majority of workers even in mature industrial countries (KDI, 2008). A company's ability to position itself in a market with purchasing power depends on its ability to function as both a consumer and a supplier. From an economic standpoint, an organization's demand for consumer or industrial goods will drive the activity

of its suppliers, just as the demand of its customers drives its own activity. Demand in the form of investment plays a dual role, both from the demand-side (about the suppliers of industrial goods) and on the supply-side (through the potential for new production arising from upgraded equipment) (Barnay, 2015). Another area of constraint, which tends to block the flow of credit to Small and Medium Enterprise's (SMEs), is lack of information. Small business owners are typically better informed about the potential of their own companies, but in certain cases, it can be challenging for them to clearly communicate and provide the kind of in-depth information that investors are looking for. Furthermore, some small business managers have a tendency to be cautious when it comes to giving external financiers comprehensive information about the core of the company because they worry that information about it might somehow end up in the hands of rival companies (Winborg & Landstrom, 2000).

Social Capital and Organisational Performance

Social Capital manipulates organizational performance. In recent competitive world, organizations work in an environment which constantly needs to improve performance and they should endeavor to reach elevation in their performance, otherwise, they are doomed to destruction. Study on influential factors upon organizational performance is one of the methods of improvement in organizational performance quality. Given that many scientists and experts in the field of management believe that human capitals are the primary source and foundation for enhancing an organization's performance and productivity, human power ought to be viewed as the primary foundation for boosting an organization's performance and productivity (Mojtehedzadeh et al., 2010). Therefore, attention to employee's job satisfaction and social capitals in organization are such factors which can influence on performance of organizations. Organizational performance is one of the basic notions in management and most of management's tasks formed according to this notion. Indeed, organizations' success can be reflected in their performance. Oxford English Dictionary defines performance as perform, apply, and do each regular and committed work. This definition is related to inputs and outputs and shows that performance has close relationship with work and its outcomes. Organizational performance refers to the extent to which an organization performs well in pursuing its mission or produces outputs towards its mission (Kim, 2005).

Organizational social capital is generally understood as the ability of the individuals in the organization to work for the common good, and networking and trust are most often used to characterize organizational social capital (Hasle et al., 2007). Organizational social capital is as a resource reflecting the character of social relations within the firm. Organizational social capital is as existing properties owned by organizations that can be utilized or activated through social relations among the members (Sahin 2010). Social capital in the workplace is reflected in three aspects (Nahapiet & Ghoshal, 1998):

Knowledge Capital and Organizational Performance

Knowledge capital can be defined as all those intangibles an organisation has and which can be acquired or generated, assimilated, processed, and implemented in a harmonious way in order to attain higher levels of innovation, productivity and competitiveness, in spite of not being reflected in the financial statements. Moreover, they produce future value, upon which competitive advantage rests (Sánchez, 2017; Zhanget 2018). The first attempt to define the concept of knowledge capital is attributed to Stewart (1998) who said that intellectual capital which is an integral part of knowledge capital consists of talents, the skills of individuals and groups, technological and social networks, software, and the culture that unites all of these elements. Intellectual capital also comprises intellectual material – intellectual property, methods, and procedures – everything that can be used to create value for an organization yet is intangible and hard to measure (Stewart 1998). While Sveiby & Lloyd (2011) were the first to directly define knowledge capital as a micro-level concept by categorising it into human capital (the education and experience of workers), structural capital (ability to organise) and relationship capital (stakeholder relations). However, an organization's value in the contemporary, knowledge-based economy is created through innovations, the sources of which are the organization's employees. It is the employees, their knowledge and competencies that constitute the intellectual assets of an organization. Although the concept of intellectual capital has been used already for some time, organizations still have difficulties in measuring it because of a variety of measurement methods, none of which are universally applicable (Bhatti, Zaheer 2014). In scientific literature, knowledge capital is often defined as a sum of three interrelated and mutually supporting components: human capital, structural capital (sometimes called organizational capital),

and relational capital (or customer capital). When analyzing intellectual capital and its components, it must be noted that intellectual capital is intangible and difficult to measure; therefore, there is no measurement model that could be applied without distinction to all organizations (Saruutulgs, Edenerbert & Tsetseegna, 2022).

Kai, Minhong and Yuen, (2011), stated that effective knowledge management as a factor for organisational performance in an organization contributes to work efficiency, lower costs, higher productivity, higher quality, and increased customer satisfaction. In a long-term perspective, all these factors bring financial gain. Thus, it could be stated that knowledge management in an organization is a tool for creating value, improving performance, increasing customer and employee satisfaction. Knowledge capital is considered not as an option but as a prerequisite for good organizational performance. In a long-term perspective, all knowledge management processes can contribute to goal achievement and increase organizational performance. Evidence is provided by numerous studies, which demonstrate the influence of knowledge capital management on organizational performance from both the customers' and employees' perspective.

Ahmadi, (2011) affirms that knowledge capital forms the root of a corporation - and of a Nation - that supplies the nourishment for future strength and growth. It includes all factors of production, invisible on the traditional balance sheet, but decisive of a company's long-term profitability. It is a contemporary topic in the business world. Knowledge capital includes assets such as brands, customer relationships, patents, trademarks and of course knowledge. The growing discrepancy between the market value and book value of a corporation is largely attributed to intellectual capital, the intangibles of business that underpin future growth.

Human Capital and Organizational Performance

Human capital has long been recognized as one of the imperative resources that can create competitive advantages for firms. Human capital may help businesses become more innovative, fast, flexible, and adaptable by improving their capacity to identify and seize business opportunities (Snell, 2011). However, in the recent competitive world, organizations work in an environment which constantly needs to improve performance and they should endeavor to reach elevation in their performance, otherwise, they are doomed to destruction. One way to raise the caliber of organizational performance is to research the factors

that have a significant impact on it. Given that many scientists and experts in the field of management believe that human capitals are the primary source and foundation for enhancing an organization's performance and productivity, human power ought to be viewed as the primary foundation for boosting an organization's performance and productivity (Mojtehdzadeh, 2010).

In a broad sense, human capital is an assortment of activities, including all the information, skills, talents, experience, intelligence, training, and competences that members of a population possess both individually and collectively. These resources are the collective ability of the populace and constitute a type of wealth that can be used to achieve all or some of the objectives of the state, country, or both. According to Schultz (2013), the term "human capital" has been defined as a key element in improving a firm's assets and employees in order to increase productivity and profitability as well as sustain competitive advantage. To sustain entrepreneurship, human capital becomes an instrument used to increase productivity. Human capital refers to procedures related to education, training, and other professional endeavors to raise an employee's knowledge, skills, abilities, values, and social capital. These procedures will eventually affect the performance of the firm and the employee's satisfaction. Human capital is a crucial resource for businesses, particularly when it comes to employees' ongoing development of their knowledge, skills, and capacities, according to Rastogi (2010). "The knowledge, skills, competencies, and attributes embodied in individuals that facilitate the creation of personal, social, and economic well-being" is, therefore, the definition of human capital (Organization for Economic Co-Operation and Development or OECD, 2018). Businesses must seek out greater competitive advantages through dynamic company plans that include creativity and innovation due to the ever-changing nature of the business environment. Fundamentally, this is critical to their long-term viability. Without a doubt, the contribution of human resources is crucial to increasing a company's competitiveness (Barney, 1995). Summing up, a lot of research has been done on human capital and how it affects business performance. It goes without saying that improving human capital will boost performance and competitiveness (Agarwala, 2013). Meanwhile, the human capital theory shows a strong correlation between innovation and company performance (Lumpkin & Dess, 2015).

Aiken & Hage (2011) defined innovation as the generation, acceptance, and implementation

of new ideas, processes, products, or services for the first time within an organization setting. Rasul (2013) defines innovation as the process whereby ideas for new (or improved) products, processes or services are developed and commercialized in the marketplace”. Beyond the process dimension Wang & Kafouros (2009) recognize innovation as value driver: “Innovation through infusion of new products and services and provide impetus to emerging economies by opening up opportunities of international trade”. Zaltman, Duncan & Holbek (2013) defined innovation as invention a creative process whereby two or more existing concepts or entities are combined in some novel way to produce a configuration not previously known by the person involved.”

Start-Up Capital and Organizational Performance

Entrepreneurship is a crucial ingredient towards economic growth and job creation. Small business start-ups are currently of great interest to many state and local governments. With the growing need for entrepreneurs to stimulate small business development, it is necessary to understand the obstacles faced by these entrepreneurs in their attempt to start a business. From past research it has been revealed that the hardships encountered by entrepreneur’s stem mainly from a lack of knowledge or skill and a lack of finances. It should be noted that even when some entrepreneurs manage to startup a business, they find it difficult to access sufficient capital that could enhance growth of the business.

Audretsch, (2012) recognized that entrepreneurship can be more challenging in rural areas, given their remoteness, which limits their access to skilled labor, technology, and capital, and creates barriers to build networks. Thus, it is important to understand how human capital and financial capital contribute to the entrepreneurial process in urban and rural areas. Dabson (2011) suggested that rural businesses face a unique set of challenges, but that initiatives at the state level can encourage entrepreneurship throughout rural areas. Firms located in rural areas are especially vulnerable due to shifting demographics, economic trends, and changing market conditions. Rural America is going through an economic restructuring in which employment opportunities in traditional industries are declining because of firms relocating to low-cost

labor markets overseas or businesses adopting new labor-saving technologies.

Markley (2011) suggests that debt and equity capital are vital elements in funding a new business, but these resources can be difficult to tap in rural areas. Rural banks may not be willing to make nontraditional loans, and there may not be another bank around the corner to make that loan. The situation is even more challenging for new business, and it affects initial growth of the business. Accessing equity capital may be the most important hurdle hindering rural business plans. In many rural places, equity markets either do not exist or are unorganized at best Communities that are both small and remote make it hard for rural entrepreneurs to build economies of scale. The local demand for products is limited and resource acquisition is difficult (Dabson 2011).

Start-up capital constitutes the abilities and skills of any business and affects the overall productivity of a business start-up. Higher levels of education increase both the probability of becoming self-employed and the success of individuals in that sector in terms of the earnings and seeking for start-up capital. Having previous management experience does not demonstrate a significant effect but tacit knowledge acquired from previous start-up experience had a strong effect on business startups (Davidson & Honig 2003).

III. METHODOLOGY

The study adopted descriptive and survey research design. The population of the study comprises of all SMEs in south-south, Nigeria which consists of Delta State, Edo State, Bayalsa State and Rivers State. The total estimated population of the the registered SMEs with Corporate Affairs Commission (C.A.C) in South-South Nigeria are twenty four thousand two hundred and fifty six (24,256) for both corporate organization, industrial and consumer enterprises. The researcher sampled confirmed but categorized employees from thirty (30) SMEs in South-South Geopolitical Zone, (Edo State, Delta State, Rivers State, Bayelsa State, Akwa-Ibom State and Cross River State). However, for an even distribution of the sample five (5) SMEs was selected from each of the state. The sample for the study was determined using the Taro Yamani sample size formula thus:

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

Where n = sample size sought
 e = level of significance

N = population size
 Working reveals the desired sample size thus:

$$n = \frac{24,256}{1 + 24,256 (0.05)^2}$$

$$n = \frac{24,256}{24,257 \times 0.0025}$$

$$n = \frac{24,256}{60.6425}$$

n = 400 as sample size for the study

Data were collected through primary and secondary sources. The collected data were analyzed using descriptive and inferential statistics. Descriptive statistic was used to summarise the data on Social Capital and organizational performance. Inferential statistics will be used to test the research hypotheses. The research hypotheses were tested using multiple regression analysis. The analyses were conducted using Statistical Package for Social Sciences (SPSS).

ANALYSIS OF DATA

A total of four hundred (400) copies of questionnaire were administered to the employees of

selected SMEs in Edo State, Delta State, Rivers State, Bayelsa State, Akwa-Ibom State and Cross River State) Nigeria. Out of the four hundred (400) copies of questionnaire administered to the respondents, three hundred and eighty-seven (387) 96.75% were retrieved, and out of the four hundred (400) 100% copies of questionnaire distributed, only thirteen (13) 3.25% copies were not properly filled. Thus, the sample to be used for the study was the total of three hundred and eighty-seven (387) respondents which represent 96.375% of the sample size of 387.

**Table 1: Questionnaire Administration of Selected SMEs
 Response from Distributed Questionnaire (Personal Information of Respondents)**

S/N	Variables	Frequency	Percentage (%)
1.	Gender		
	Male	203	52.4
	Female	184	47.5
		387	100
2.	Age		
	Below 30years	107	27.6
	31-40 years	235	60.7
	Above 41 years	45	11.7
		387	100
3	Educational Background		
	OND /NCE		
	HND/B.Sc	93	24.0
	MBA	191	49.4
	OTHERS	73	18.9
		30	7.8
		387	100
3.	Marital Status		
	Single	31	8.0
	Married	233	60.2
	Other	123	31.8
		387	100

Source: Field Survey Analysis, 2025

From the Table 1 above showing the demographic characteristics of employees of the thirty (30) selected SMEs in South-South Geopolitical zones (Edo State, Delta State, Rivers State, Bayelsa State, Akwa-Ibom State and Cross River State) Nigeria. It can be observed that the Table 4.1. above sought to determine the respondents' gender. It was established that 203(52.4%) of the respondents were male while 184(47.5%) of the respondents were female. The findings showed that respondents were evenly distributed across the gender divide although there were more male than female respondents. In terms of age, it showed that 107(27.6%) are below 30years, 235(60.7%) are between 31-40years, while the rest of 45(11.7%) are 40 years above. Also Out

of the 387 respondents,31(8.0%) are yet to marry while 233(60.2%) are married and finally 123(31.8%) are either divorced or widowed. Majority of the respondents are HND/B.Sc. holders with the frequency of 191(49.4%), 93(24.0%) were NCE/NECO holders, 73(31.34%) respondents were MSc/MBA holders and finally 30(7.8%) respondents' holder other degree. This evaluation establishes that the respondents are educated.

Analysis of Research Questions One to Four

The analysis were done with the aid of descriptive statistics. The descriptive statistics which showed the pattern of sample response in relations to the questions. This is presented as below;

Table 2: Social Capital Factors and Organizational Performance of selected SMEs in South-South Nigeria

S/N	Statement	Scale					Mean (X)	Standard Deviation
		SA 5	A 4	U 3	D 2	SD 1		
1.	Social capital is inherent in the social relations within an organization, therefore, be regarded as a potentially critical asset in maximizing organizational change and performance	165 (42.6)	162 (41.9)	40 (10.3)	10 (2.6)	10 (2.6)	4.193	.9116
2.	Organizational social capital consists of the structural, cognitive and relational dimensions between organization members.	140 (36.2)	121 (31.3)	27 (7.0)	57 (14.7)	42 (10.9)	3.540	1.3764
3.	Social capital is formed through information flow such as education related to jobs, exchanging ideas, self-help groups and altruism	130 (33.6)	112 (28.9)	28 (7.2)	71 (18.3)	46 (11.9)	3.540	1.4161
4.	Social capital factors tends to be life saver of firms in accumulating resources that could enhance organizational goals	165 (42.6)	76 (19.6)	10 (2.6)	84 (21.7)	52 (13.4)	3.5633	1.5313
5	Social capital factors cut across educational, social, religion, culture and customer preferences which placed them on the competitive edge	159 (41.1)	124 (32.0)	50 (12.9)	35 (9.0)	19 (4.9)	3.9535	1.1597

Source: field work, 2025

The descriptive statistics showing the pattern of sample response, in relationship to Social capital factor and organizational performance questionnaire items is indicated on table 2 above.

327 (85.4%) of the respondents agreed that social capital is inherent in the social relations within an organization, therefore, be regarded as a potentially critical asset in maximizing organizational change

and performance, 40(10.3%) were undecided and 20(5.2%) of the respondents disagreed to the above statement.

A total of 261(67.5%) of the respondents agree that Organizational social capital consists of the structural, cognitive and relational dimensions between organization members, 27(7.0%) of the respondents were undecided. While 99 (25.6%) of the respondents disagreed.

To the statement Social capital is formed through information flow such as education related to jobs, exchanging ideas, self-help groups and altruism 242(62.5%) of the respondents agree, 28(7.2%)

were undecided while a total of 117(30.2%) disagree.

A total of 241 (62.2%) of the respondents agree that Social capital factors tends to be life saver of firms in accumulating resources that could enhance organizational goals, 10(2.6%) of the respondents were undecided. While 136(35.1%) respondents disagreed to the above statement.

A total of 283 (73.1%) of the respondents agree that Social capital factors cut across educational, social, religion, culture and customer preferences which placed them on the competitive edge, 50(12.9%) of the respondents were undecided. While 54(13.9%) respondents disagreed to the above statement.

Table 3: Knowledge Capital and Organizational Performance of selected SMEs in South-South Nigeria

S/N	Statement	Scale					Means (X)	Standard Deviation
		SA 5	A 4	U 3	D 2	SD 1		
11	Having knowledge to the intangible value of an organization be it new or existing tend to put business in a stable condition	160 (41.3)	128 (33.1)	33 (8.5)	42 (10.9)	24 (6.2)	3.9251	1.2203
12	A company's knowledge capital depends on the skills and talents of its workers, which is what makes it an intangible asset	251 (64.9)	94 (24.3)	19 (4.9)	16 (4.1)	7 (1.8)	4.4625	0.9022
13	Knowledge capital when well utilized tends to give a business an advantage which is expected to reflect on people's experience, skills, knowledge and learning within a particular organization	257 (66.4)	74 (19.1)	17 (4.4)	39 (10.1)	- -	4.4186	0.9686
14	Knowledge capital is mainly based on the fact that it tends to be pointed at achieving a lasting competitive advantage which depends on applying sources made based on institutional knowledge	177 (45.7)	134 (34.6)	67 (17.3)	9 (2.3)	- -	4.2377	0.81776
15	Knowledge is the main assets is essentially needed to manage an organization in achieving success which lies on the back of knowledge-based economy	160 (41.3)	138 (35.7)	43 (11.1)	32 (8.3)	14 (3.6)	4.0284	1.08772

Source: field work, 2025

In Table3 above, a total of 288(74.4%) of the respondents agreed that having knowledge to the intangible value of an organization be it new or existing tend to put business in a stable condition,

33(8.5%) of the respondents were undecided. While 66 (17.1%) of the respondents disagreed to the statement fifteen.

345(89.2%) of the respondents agreed A company’s knowledge capital depends on the skills and talents of its workers, which is what makes it an intangible asset, 19 (4.9%) were undecided while 23(5.9%) of the respondents were undecided.

Knowledge capital when well utilized tends to give a business an advantage which is expected to reflect on people’s experience, skills, knowledge and learning within a particular organization, 331 (85.5%) of the respondents agreed to it, 17(4.4%) of

the respondents were undecided. While 39 (10.1%) respondents disagreed.

311(80.3%) of the respondents agreed that knowledge capital is mainly based on the fact that it tends to be pointed at achieving a lasting competitive advantage which depends on applying sources made based on institutional knowledge, 67 (17.3%) of the respondents were undecided while 9(2.3%) of the respondents disagreed to the statement.

Table 4. Human capital and Organizational Performance of selected SMEs in South-South Nigeria

S/N	Statement	Scale					Means (X)	Standard Deviation
		SA 5	A 4	U 3	D 2	SD 1		
16	Human capital is a veritable tool required by an organizational to keep alive in the competitive environment and give it an edge over others	283 (73.1)	78 (20.2)	11 (2.8)	12 (3.1)	3 (0.8)	4.6179	0.7573
17	Human capital is processes that relate to training, education and professional initiatives in order to increase levels of knowledge, skills, abilities, value which in turn lead to employee satisfaction and performance	232 (59.9)	89 (23.0)	24 (6.2)	42 (10.9)	- -	4.3204	0.9977
18	The combination of human and capital is paramount in ensuring effective performance of an organization	162 (41.9)	139 (35.9)	75 (19.4)	7 (1.8)	4 (1.0)	4.1578	0.8688
19	Human capital enhances firm’s capabilities of discovering and exploiting business opportunities and then can help them attain Social capital factor, speed, flexibility and adaptability	221 (57.1)	91 (23.5)	28 (7.2)	42 (11.1)	4 (1.0)	4.2455	1.0599
20	Human capital is an essential element in improving a firm assets and employees in order to increase productive and profitability as well as sustain competitive advantage	208 (53.7)	98 (25.3)	23 (5.9)	38 (9.8)	20 (5.2)	4.1266	1.2010

Source: field work, 2025

In table 4. above, majority of the respondents 361(93.3%) agreed that Human capital is a veritable tool required by an organizational to keep alive in the competitive environment and give it an edge over others, 11 (2.8%) of the respondents were undecided. While 15 (3.9%) of the respondents disagreed. Human capital is processes that relate to training, education and professional initiatives in order to increase levels of knowledge, skills, abilities, value which in turn lead to employee satisfaction and performance, 321(82.9%) of the respondents agreed to it, 24 (6.2%) of the

respondents were undecided while 42 (10.9%) of the respondents agreed.

A total of 301(77.8%) of the respondents agreed that combination of human and capital is paramount in ensuring effective performance of an organization, 75(19.4%) respondent were undecided. While 11 (2.8%) of the respondents were undecided.

Human capital enhances firm’s capabilities of discovering and exploiting business opportunities and then can help them attain Social Capital factors, speed, flexibility and adaptability, 312(90.3%) of

the respondents agreed to it, 28 (7.2%) of the respondents were undecided while 46 (12.1%) of the respondents were undecided.

A total of 306(79%) of the respondents agreed that combination of Human capital is an

essential element in improving a firm assets and employees in order to increase productive and profitability as well as sustain competitive advantage, 23(5,9%) respondent were undecided. While 58 (15%) of the respondents were undecided.

Table 5: Start-Up Capital and Organizational Performance of selected SMEs in South South Nigeria

S/N	Statement	Scale					Means (X)	Standard Deviation
		SA 5	A 4	U 3	D 2	SD 1		
21	Having enough start-up capital is a means of achieving stability in the performance of business	166 (42.9)	128 (33.1)	39 (10.1)	36 (9.3)	18 (4.7)	4.0026	1.1507
22	Start-up capital is significant in the growth of small businesses, its sustenance and survival	162 (41.9)	139 (35.9)	37 (9.6)	35 (9.0)	14 (3.6)	4.0336	1.0970
23	Inadequate funding of small business remains a big barrier with the development and performance of Nigerian SMEs performance	281 (72.6)	76 (19.6)	15 (3.9)	12 (3.1)	3 (0.8)	4.2455	1.09601
24	The difficult in financing SMEs begins with the availability of capital, which could impose severe restrictions by financial institution	234 (60.5)	71 (18.3)	25 (6.5)	57 (14.7)	-	4.2455	1.0960
25	Starting up is a brand-new type of company or organization that was established for a particular purpose, faces significant advanced in Economics, Business and Management Research, uncertainties and is short live	148 (38.2)	140 (36.2)	94 (24.3)	1 (0.3)	4 (1.0)	4.1034	0.8484

Source: field work, 2025

From the table 4.5 above 294(76%) agreed that Having enough start-up capital is a means of achieving stability in the performance of business. 39(10.1%) were undecided, while 54(14%) disagreed on the above statement.

To the statement ‘Start-up capital is significant in the growth of small businesses, its sustenance and survival’ 301(77.8%) of the respondents agreed, 37(9.6%) undecided, while 49(12.6%) of the respondents were undecided.

357(92.2%) of the respondents agreed that inadequate funding of small business remains a big barrier with the development and performance of Nigerian SMEs performance, a total of 15(3.9%) were undecided. While 1.

kjhfcxhjhbnvbvbjkhgvcvvhvhjhgvhgvh5 (3.9%) respondent disagreed.

305(78.8%) of the respondents agreed that difficulty in financing SMEs begins with the availability of capital, which could impose severe restrictions by financial institution, a total of 25(6.5%) were undecided. While 57(14.7%) respondents disagreed to the statement.

288(74.4%) of the respondents agreed that Starting up is a brand-new type of company or organization that was established for a particular purpose, faces significant advanced in Economics, Business and Management Research, uncertainties and is short live, a total of 94(24.3%) were undecided. While 5 (1.3%) respondent disagreed.

Table 6: Organizational Performance

S/N	Statement	Scale					Means (X)	Standard Deviation
		SA 5	A 4	U 3	D 2	SD 1		
26	Organizational performance is closely related to productivity, effectiveness and profitability	177 (45.8)	124 (32.0)	66 (17.1)	16 (4.1)	4 (1.0)	4.1710	0.9327
27	Performance is multidimensional when goals are manifold	209 (54)	101 (26.1)	39 (10.1)	34 (8.8)	4 (1.0)	4.2306	1.0173
28	Organizational performance is reflected to as having competitive advantage	158 (40.8)	133 (34.4)	84 (21.7)	12 (3.1)	- -	4.1292	0.8570
29	The productivity of organization is likened and correlated to organizational performance	186 (48.1)	127 (32.8)	37 (9.6)	17 (4.4)	20 (5.2)	4.1421	1.0954
30	The tendency to engage in and support new ideas which enhances the achievement of organizational goals is seen as performance	186 (48.1)	127 (32.8)	37 (9.6)	17 (4.4)	20 (5.2)	4.1421	1.0954

Source: field work, 2025

In table 6, above, a total of 301(77.8%) of the respondents agreed that my organizational performance is closely related to productivity, effectiveness, and profitability, 66(17.1%) of the respondents were undecided. While 20 (5.1%) of the respondents disagreed with the statement.

310 (80.1%) of the respondents agreed that Performance is multidimensional when goals are manifold, 39 (10.1%) of the respondents were undecided while 38 (9.8%) of the respondents disagreed.

Organizational performance is reflected as having competitive advantage, 291 (75.2%) of the respondents agreed to it, 84(21.7%) of the

respondents were undecided. Finally, 12(3.1%) respondents disagreed.

313 (84.5%) of the respondents agreed that productivity of organization is likened and correlated to organizational performance, 37 (9.6%) of the respondents were undecided. Also 37(9.6%) of the respondents disagreed to the statement.

313 (84.5%) of the respondents agreed that the tendency to engage in and support new ideas which enhances the achievement of organizational goals is seen as performance, 37 (9.6%) of the respondents were undecided. Also 37(9.6%) of the respondents disagreed to the statement.

Correlations

Table 7 Correlation Correlations

		Social Capital factors	Loan and Grant	Knowledge capital	Human capital	Start-up capital	organizational performance
Social Capital factors	Pearson Correlation	1	.193	.124*	.111	.374**	.133*
	Sig. (2-tailed)		.102	.029	.050	.000	.019
	N	310	310	310	310	310	310
	Sig. (2-tailed)		.102	.000	.000	.567	.880

	N	310	310	310	310	310	310
Knowledge capital	Pearson Correlation	.124*	.413**	1	.430**	.119	.142
	Sig. (2-tailed)	.029	.000		.000	.745	.466
	N	310	310	310	310	310	310
Human capital	Pearson Correlation	.111	.414**	.430**	1	.102	.105
	Sig. (2-tailed)	.050	.000	.000		.074	.931
	N	310	310	310	310	310	310
Start-up capital	Pearson Correlation	.374**	.133	.119	.102	1	.186**
	Sig. (2-tailed)	.000	.567	.745	.074		.001
	N	310	310	310	310	310	310
organizational performance	Pearson Correlation	.133*	.109	.142	.105	.186**	1
	Sig. (2-tailed)	.019	.880	.466	.931	.001	
	N	310	310	310	310	310	310

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Table indicated positive correlation coefficients of the indicators of organizational performance, an indication that they are good measures of entrepreneurship capital. The findings indicated that Social Capital factors correlated positively with organizational performance ($r = .133^*$, 0.05). The second variable being Knowledge capital correlated positively with organizational performance ($r = .142$, 0.05). The third variable being Human capital correlated positively with organizational performance ($r = .105$, 0.05).

The fourth variable being Start-up capital correlated positively with organizational performance ($r = .186^{**}$, 0.01).

Multiple Regression Analysis

Multiple regressions were conducted to determine the effect of entrepreneurship capital on organizational performance of SMEs in South-South, Nigeria. The results are shown in the tables below.

Table 8 Model Summary of Multiple Regression Analysis
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.518 ^a	.269	.265	1.7248

a. Predictors: (Constant), Social Capital factors (SOCCAP), Knowledge capital (KNOC), Human capital (HMNCAP) and Start-up capital (STPCAP)

Source: SPSS output of field survey data, 2024.

Table reveals that 26.5% (.265) of variance in organizational performance is accounted for by the joint predictive power of Social Capital factors (SOCCAP), Loan and Grant (GRTL), Knowledge capital (KNOC), Human capital (HMNCAP) and Start-up capital (STPCAP) while the remaining percentage is explained by exogenous factors.

Table 9 Multiple Regression Coefficients Analysis Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	15.057	1.723		8.739	.232
Social Capital factors	.248	.259	.250	1.813	.001
Knowledge capital	.147	.169	.345	2.686	.003
Human capital	.176	.163	.183	2.798	.000
Start-up capital	.216	.258	.117	3.279	.001

a. Dependent Variable: Organizational performance

The result in table 9 above shows that the five components of Entrepreneurship capital have a positive effect on organizational performance. On this note, Knowledge capital is the most important predictor of organizational performance ($\beta = 0.345$, $P < 0.01$), followed by Social capital ($\beta = 0.250$, $P < 0.01$), followed by Human Capital ($\beta = 0.183$, $P < 0.01$), followed by Start-up capital ($\beta = 0.117$, $P < 0.01$).

Test of Research Hypotheses

The Decision Rule

If the probability value calculated is greater than ($>$) the critical level of significance, then the null hypotheses will be accepted while the alternate hypothesis is rejected and vice versa. Thus the p-value for the hypotheses testing is at 0.05(5 %) i.e. the tolerable error thereby placing the level of significance at 5%

Hypothesis One

HO₁: Social Capital factors has no significant effects on organizational performance forms in south-south, Nigeria

From the regression coefficient in table 2, Social Capital factors has a positive effect on organizational performance of SMEs in south-south, Nigeria. ($\beta = 0.250$, $P < 0.01$). Since the P value calculated in table 4.9 is lesser than the critical level of significance ($.001 < 0.05$), we reject the null hypothesis and accept the alternate hypothesis implying that Social Capital factors has a significant effect on organizational performance.

Hypothesis Two

HO₃: Knowledge capital has no significant effect on organisational performance of SMEs in south-south, Nigeria.

The result of multiple regression in table 3, revealed that Knowledge capital exert positive and statistically significant effects on organisational

performance ($\beta = 0.345$, $P < 0.01$). The beta coefficient of 0.265 implies that one-unit decrease in Knowledge capital will result in a 0.265 decrease in organisational performance and vice versa, statistically controlling for the effect of other independent variables. The p value of .000 is significant and more than the acceptable 95% confidence interval. Thus, we reject the null hypothesis and accept the alternate hypothesis. This implies that sample data provided convincing evidence that Knowledge capital has significant effects on organisational performance.

Hypothesis Three

HO₃. There is no significant effect of Human capital on organisational performance of SMEs in south-south, Nigeria.

From the regression coefficient in table 4, the beta coefficient and calculated p value of Human capital provide evidence that the influence level of Human capital is positive and significant ($\beta = 0.183$, $P < 0.01$), and also exert effects on organisational performance. The p value of .265 (26.5%) which is greater than .05 level of significance implies that there is a significant effects level of Human capital on organisational performance.

Hypothesis Four

HO₅: Start-up capital has no significant effect on organisational performance of SMEs in south-south, Nigeria.

Based on the findings, Start-up capital has a positive effect which is insignificant on organizational performance ($\beta = 0.117$, $P < 0.01$). However, based on the decision rule, the p value of .001 is lesser than .05 level of significance. Therefore, the null hypothesis is rejected while alternate hypothesis is accepted. By implication, Start-up capital has a significant effect on organizational performance.

IV. Discussion of Results

Social Capital factors and organizational performance

The empirical findings from the descriptive statistics on table 2, indicated that the majority of the respondents overwhelmingly responded positively to the various constructs in relationship to Social Capital factors and organizational performance. The beta value on table 4.9 corroborated the positive effect given the beta value ($\beta=.250 < 0.01$). The test of hypothesis indicated in table 4.9 reveals that there is a significant effects of Social Capital factors on organizational performance ($.001 < 0.05$). *The overwhelming positive result is provided support Ofori & Stacey* social capitals plays an important role in predicting organizational performance. And Bakiev & Kapucu also found social capital is an important factor in improving organizational performance. This finding is also cognizance to Zhang, Zhang & Song (2019) which indicates that there is significant effect of relational social capital on sustainable organizational performance,

Knowledge capital and organizational performance

The various empirical findings from the descriptive statistics on table 3, indicated that the majority of the respondents overwhelmingly responded positively to the various constructs in relationship to Knowledge capital and organizational performance. The beta value on table 4.9 showed the positive effects given the beta value ($\beta=.345, P < 0.01$). The test of hypothesis indicated in table 4.9 reveals that there is a significant influence of Knowledge capital on organizational performance ($.003 < 0.05$). These findings is supported by Kolstad & Wiig (2015) which indicates that educated entrepreneurs get more profits as compared to uneducated people also Calvo & Wellisz (2010) and Praag and Cramer (2011) finds out that education which is encompassed in knowledge capital creates entrepreneurship ability in a person to perform better and also helps in increasing the profits of an entrepreneurial enterprise.

Human capital and organizational performance

The various empirical findings from the descriptive statistics on table 4, indicated that majority of the respondents overwhelming responded positively to the various constructs in relationship to Human capital and organizational performance. The beta value on table 4.9 exhibited a positive effect given the beta value ($\beta=.183, P < 0.01$). The test of hypothesis indication in table 4.9 reveals that there is a significant effect of

Human capital on organizational performance. These findings are in line with Abdulwasea (2022), found the results indicated that all the human capital factors had a varying level of practical effect on the organizational performance and all of these were statistically significant. Overall change in performance was observed if human capital elements were employed effectively. Each element such as knowledge, experience, skills, innovation, and employees' morale had a varying level of positive impact on performance as observed.

Start-up capital and organizational performance

The various empirical findings from the descriptive statistics on table 5, indicated that majority of the respondents overwhelmingly responded positively to the various constructs in relationship to Start-up capital and organizational performance. The beta value on table 4.9 showed the positive effect given the beta value ($\beta=.117, P < 0.01$). The test of hypothesis indicated in table 4.9 reveals that there is a significant effects of Start-up capital on organizational performance ($.001 < 0.05$). These findings are in support with Lumpkin et al. (2009) pointed out, Start-up capital from an intrapreneurship perspective is more of a strategic Start-up capital that occurs when a group not only has control over the means to achieve predetermined goals but can set goals and the means to achieve those goals by operating outside of normal organizational constraints.

V. Summary of Findings

The study examined the effect of entrepreneurship capital on customer retention of SMEs in South-South. The sampling object used for this study comprises of employees of the selected SMEs incorporated in this study; this is done in respect of measures of relationship entrepreneurship capital {Social Capital factors (SOCCAP), Knowledge capital (KNOC), Human capital (HMNCAP) and Start-up capital (STPCAP) on organizational performance (OPER), and responses from the respondents were collected with the aid of five (5) point Likert scale questionnaire. This study adopted cross sectional research design because the researcher collected primary data from respondents using questionnaire at a specified point in time.

The population of this study consists of twenty-four two hundred and fifty-six (24,256) employees across thirty (30) of selected SMEs in South-South, Nigeria. A sample size of four hundred (400) was drawn using the Taro Yamani formular. The study adopted the stratified random sampling which was employed to select the sample unit. This sample technique gave equal chances to all elements

selected for the study. Proportional apportionment approach was also adopted in determining the number of employees representing each SMEs as stated in chapter three.

The questionnaire was coded with the aid of excel spread sheet, the respondents profile was analyzed with manual simple percentage, the research questions was analyzed with the aid of descriptive statistics which comprises of the minimum, maximum, mean and standard deviation and correlation matrix. The hypotheses of the study were tested using the multiple regression statistical tools with the aid of SPSS version 23 as the basis of testing hypotheses. The findings revealed the following:

1. The outcome of the study revealed that Social Capital factors has a positive and significant effects on organizational performance of firms on organizational performance in South-South Nigeria ($\beta = 0.250, P < 0.01$). The finding showed that the role of social capital is seen as essentially equivalent to that of the other types of capital, namely to generate return on productive activity or to increase the returns generated by human and physical capital.
2. knowledge capital has a positive and significant effects on organizational performance of firms in the fast-moving consumer goods sector in South-South Nigeria ($\beta = 0.345, P < 0.01$). This implies that it is incumbent upon employers and managers to make employees skillful and should be given the required working environment which help them to share their inner knowledge for organizational benefits.
3. Human capital has a significant and positive effects on organizational performance of firms in the fast-moving consumer goods sector in South-South Nigeria ($\beta = 0.183, P < 0.01$). The finding indicated that Human capital has received great attention due to its importance in developing organizations and improving their performance. Indeed, human capital is the most vibrant and the significant capital to be managed by the organizations effectively.
4. Finally, the study found that Start-up capital has a positive and significant effect on organizational performance of firms in the fast-moving consumer goods sector in South-South Nigeria ($\beta = 0.117, P < 0.01$). This implies that organizations will

perform when start-up capital is available and accessible by owners/managers of SMEs

VI. Conclusion

The study concludes that entrepreneurship capital has effect on organizational performance:

- i. Social capital exhibits a great level of trust by the customers and gathered a lot of information from their social groups, which form some of the elements of social capital that contributed to enhanced performance. Given the association between social capital and organizational performance, business should tap on social capital through improving network diversity among its customers, coordinating and jointly working with other firms in different lines of business.
- ii. The study concludes that intellectual capital is an essential enabler to knowledge sharing in SMEs. Additionally, the results demonstrated the important effect of knowledge capital on organizational performance. Thereby highlighting the key role of knowledge sharing in both enhancing organizational performance and positively mediating the relationship between intellectual capital and organizational performance.
- iii. It is pertinent that the higher managements of these SMEs must focus on human capital to have significant organizational performance improvement. The management should adopt strategies that would establish necessity of adding value to the elements of human capital and improving human skills.
- iv. The study's findings suggest that start-up capital has a positive and significant impact on organizational performance, so SMEs should instead focus on getting efficient startup capital in order for them to stay afloat and competitive in the business environment

Recommendations

The following recommendations are made:

- i. That management of SMES should continue to leverage on social capital to positively influence the performance of their ventures.

- ii. Government, should continue to provide the right framework to support business and stakeholders to create an environment suitable for the financial and general growth of SMEs in South-South, Nigeria.
- iii. SME manager should continue to encourage competencies to promote knowledge capital towards the improvement the effectiveness of assigning tasks to the right individuals and to ensure that they are motivated by achievement.
- iv. The study revealed that start up capital is very important for the smooth operations of an entrepreneurial venture.

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