

PERSONALITY TRAITS AND ENTREPRENEURIAL PERFORMANCE OF SMALL BUSINESSES

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ABSTRACT

The need for entrepreneurs to achieve desirable results in their entrepreneurial acts cannot be over-emphasized. In achieving this, the personality factors of the entrepreneurs in planning and organising their business processes and activities play a crucial role. To this end, the study examined the role of personality traits in determining the entrepreneurial performance of small businesses in Lagos State. The study used a descriptive research design and a simple random sampling method. The primary data collection source was a questionnaire administered to 379 small business owners in Lagos State. The findings from the multiple regression analysis indicated that extraversion, conscientiousness, and openness to experience are personality traits that significantly affect business model innovation and the value creation of small businesses in Lagos State. It was concluded that personality traits determine small business performance in Lagos State. Based on this, the study recommended that small business owners in Lagos State should continue to exhibit more of their personality traits, especially extraversion and openness to experience the act of developing innovative models for business processes or activities. The study also recommended that small business owners focus on value creation by showing more personality traits, especially conscientiousness and openness to experience, than extraversion.

KEYWORDS: Personality Traits, Extraversion, Conscientiousness, Openness to Experience, Entrepreneurial Performance

JEL CLASSIFICATION: M1, M2, L1

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INTRODUCTION

Man is created to possess different qualities, skills, and characteristics. These features distinguish one individual from another individual and, thus, the bedrock of personality traits. Personality traits are complex, genetically co-determined psycho-physiological characteristics that are consistently exhibited in diverse situations by an individual (Giacomo, 2023). In the view of Akinwale and Oluwafemi (2022) the way an individual thinks and acts in an organisation, is an element of the personality trait. Mhlanga (2019) pointed out that despite the fact everyone cannot be an entrepreneur, yet, personality traits could predict an individual entrepreneurial prowess.

Personality traits aid the creativity, innovativeness, and conceptualisation of ideas for business owners and entrepreneurs to achieve their business goals, to be more creative and innovative, and also to be a creative thinker to know which business will thrive better (Ajulo, 2021). Mhlanga (2019) stated that

certain traits could help in displaying entrepreneurial attitudes, while some traits do not in any way make an individual possess the requirements needed to be entrepreneurial. Ajulo (2021) believed that the differential in the success of a business, especially a small business, is attributed to the traits possessed by the owners, as this has been earlier pointed out by Nwoye, Inegbedion, and Uzoukwu (2018). According to Adelekan, Adedeji, and Ayodele (2019), entrepreneurs who are extroverts will react differently from introverted entrepreneurs in entrepreneurial activities. Extrovert entrepreneurs possess the ability to communicate effectively with customers to achieve business objectives, unlike introverted entrepreneurs (Awwad & Al-Aseer, 2021; Rasak, 2020).

According to Ajulo (2021), personality traits can be easily observed via what an individual or entrepreneur does, which serves as the dimensions, and this includes extraversion, conscientiousness, and openness to experience. Today's entrepreneurs need to exhibit a high level of discipline and persistence, display a high level of emotional stability, and establish an element of networking relationships in order to identify and create values in a unique approach (William, 2019). Akinwale and Oluwafemi (2022) submitted that personality traits could function as a vital factor for entrepreneurial performance, which could be through the creation of values and innovative processes of operational activities. The end result of every entrepreneurial act is the reward generated or attached to the act, which mostly meets the needs and wants of the market, as performance is the yardstick for measuring the success or failure of every entrepreneurial act.

Egor, Chilokwu, and Owan (2020) mentioned that entrepreneurial performance goes a long way in determining the level of business sustainability. Subedi (2021) added in order for small businesses to experience success in their entrepreneurial act, every available opportunity must be explored to grow the business. Entrepreneurial performance is a driver for business success. According to Faloye and Owoye (2021), one of the crucial aspects of entrepreneurial performance is business model innovation as well as value creation. Business model innovation shows how an entrepreneur is able to develop a model in the internal process to achieve overall business goals and objectives in which value creation is embodied. However, events have shown that small businesses in developing economies like Nigeria struggle to create value despite being entrepreneurial in their business activities. Value creation as an aspect of entrepreneurial performance could be achieved via producing a product or offering a service that the market admires which is distinct from competitors (Mahadewi, Surachman, Hadiwidjojo, & Indrawati, 2022; Pineli, Lechner, Kraus & Liguori, 2021).

Entrepreneurship has become an important practice that aids small businesses to compete in the dynamic nature of the business environment. The results of the entrepreneurship is what is referred to as entrepreneurial performance. Over the years, attention has not been given to the results of innovativeness, risk-taking, proactiveness, and other entrepreneurial acts of small business entrepreneurs in developing countries like Nigeria. All these characteristics of an entrepreneur are required to yield the desired result. 21st-century events have shown that individual or small business owners could be entrepreneurial and yet still not get the expected or desired results. Subedi (2021); Egor et al. (2020) expressed that businesses experience poor entrepreneurial performance due to several factors, which include lack of entrepreneurial experience, low-level capacity, inadequate funds, high market competition, and unfavorable policies, and among others.

Poor entrepreneurial performance results in poor overall performance of the business. Faloye and Owoye (2021) opined that most small businesses experience poor entrepreneurial performance due to the adopted business model. The operational model for small businesses does not create value that will attract the market to them, unlike the value created by medium and large businesses, despite entrepreneurial performance being a subset of business performance, as posited by Okunbanjo, Adewale, and Akinsulire (2017). There is little empirical evidence in the literature that sees entrepreneurial performance among small businesses in Nigeria, especially Lagos State, which houses a

high number of small businesses in Nigeria. Most studies reviewed were centered on business performance as it could be affected by personality traits; thus, the motivation for the study. Based on this, the study examined the influence of personality traits on the entrepreneurial performance of small businesses in Lagos State, capturing extraversion, conscientiousness, and openness to experience as dimensions of personality traits on business model innovation and value creation as proxies for entrepreneurial performance and provide answers for the functional relationship between the two concepts.

1 LITERATURE REVIEW

1.1 Conceptual Clarifications

1.1.1 Personality Traits

Personality traits is an individual's specific natural object of consistent behavioural traits. Personality trait makes the differences between or among individuals (Akinwale & Oluwafemi, 2022). Olorunleke, Adesida, and Benjamin (2020) viewed personality traits as an identifiable and persistent form of thinking, feeling as well as acting across different and related situations. Personality traits are the consistent characteristics that a person exhibits in the majority of situations (Yusof, Majid, & Hamid, 2022). A personality trait is described by Awwad and Al-Seer (2021) as the predictor of an individual personality and as a consistency in the individual reaction, which is caused by external factors. According to Olorunleke et al (2020), personality is associated with the leadership approach, managerial success and failure in small businesses. It aids in understanding how an individual who could be an entrepreneur exhibit his entrepreneurial and managerial acts.

Giacomo (2023), Ajulo (2021), Akinwale and Oluwafemi (2022), and Mhlanga (2019), among other studies, have posited extraversion, openness to experience, neuroticism, conscientiousness, and agreeable. However, this current study adopted extraversion, conscientiousness, and openness to experience because they are believed to be the most critical dimensions of personality traits that could be linked with entrepreneurship in the 21st century.

Extraversion: Extraversion is a personality trait of individuals that shows their level of sociability, ambition, energy, interaction, and assertiveness (Awwad & Al-Seer 2021). it represents how an individual relates with others in terms of expression, building relationships, and outgoing nature. Most individuals who possess this personality are extroverts in nature. They are mostly ambitious, quick to make friends and connect with groups of individuals in all situations.

Shaban (2018) stated that extroverts are comfortable with others and inclined to engage in teamwork. Olorunleke et al. (2020) mentioned that empathy, self-confidence, fun-seeking, talkativeness, and skill in social interaction are among the features of extroverts.

Conscientiousness: Conscientiousness is another dimension of personality traits that spells out an individual level of planning, organizing, perseverance, and achievement (Awwad & Al-Seer, 2021). Nguyen, Nguyen, and Nguyen (2023) have seen it as a factor for measuring how reliable an individual could be in a situation. Conscientious individuals are more determined, highly motivated, knowledge-seeking, and success oriented. In the view of Mhlanga (2019), conscientiousness explains the kind of individuals who possess second-thought qualities. This kind of people have impulse control. These people think before acting and adhere to tradition and norms, rules and regulations which direct their goals on tasks before them or goals to be achieved. Akinwale and Oluwaemi (2022) narrated that conscientious people are orderly, experienced, skillful, dedicated, and disciplined.

Openness to Experience: Openness to experience traits covers the intellectual curiosity, imagination, and creativity of individuals. The trait give a description on an individual's captivation with originality and innovativeness. According to Mhlanga (2019), the openness to experience trait talks about the characteristics of an individual who accommodates new things and is open to new experiences and ideas. An individual who is imaginative and reflective. Openness to experience is correlated to being broad-minded, imaginative, sensitive, intelligent, creative, curious, cultured and original (Akinwale & Oluwafemi, 2022). Olorunleke et al. (2020) stated that a person with openness to experience is sensitive to inner thought, independent-minded, eager for knowledge, and possesses the ability to give appropriate analysis of the subject matter.

1.1.2 Entrepreneurial Performance

Entrepreneurial performance is the result of entrepreneurial activities undertaken by entrepreneurs or business owners. Subedi (2021) viewed entrepreneurial performance is the accomplishment of tasks that are related to entrepreneurship acts. It implies entrepreneurial outcomes through the exploitation of business resources and mechanisms. Entrepreneurial performance demonstrates the image of the entrepreneurial process in a business. According to Faloye and Owoeye (2021), entrepreneurial performance has been seen from the angle of business survival, business growth, and business success in the domain of entrepreneurship. However, the current study is seeing entrepreneurial performance in terms of the results of entrepreneurial acts if targets target. Thus, entrepreneurial performance is seen from the angle of value creation and business model innovation.

Value Creation: The process of value creation starts with opportunity recognition and exploitation (Pinelli et al., 2021). According to Shiratina, Kartini, Mulyana, Helmi, and Suryana (2019), value creation is a process of creating new that can increase benefits for consumers. Ogunkoya (2019) viewed value creation as the increase in the income and stakeholders wealth of a business as a result of meeting the needs of the customers. It cuts across relationships with the customers, innovative products, and services. Value creation increases the benefits that customers derive from the use of a product. Shiratina et al.,(2019) stated that value is created only when the benefits is experienced or derived by the customers. The benefits must equate to the expectations of the customers. Thus, customer value is a trade-off between the total benefits received and the total sacrifice (Ogunloya, 2019).

Business Model Innovation (BMI): Business model innovation is referred to as the introduction of a novel business process in terms of structure and content toward achieving operational objectives (Snihur & Zott, 2020). Snihur and Zott (2020), BMI consists of three core elements: content, structure, and governance. According to them, content has to do with the alternative activities that are accomplished within the system. The structure is captured as how activities are connected, and governance refers to issues of control. Laszczuk and Mayer (2020) viewed business model innovation as the process that entails the adoption of new patterns to create and offer products and services that will meet the needs and demands of the markets.

Bhatti, Santoro, Khan, and Rizzato (2020) stressed that business model innovation focuses on redesigning and restructuring the routine operations of the business. It is the continuous changes in the operational process of a business organisation. In the view of Faloye and Owoeye (2021), business model innovation is the conceptualization of a business process idea as well as its implementation. It covers new business model development, acquisition, diversification, and transformation of the business model. It could be whole or partial business process.

1.2 Theoretical Foundation

1.2.1 Trait Activation Theory (TAT)

Trait activation theory came into the limelight through Henry Murray in 1938. The theory stresses on personality-job fit. The theory talks about how individuals display their traits when they are in a situation or circumstance that matches the traits. The theory is saying that there are certain tasks that match the personality traits of an individual. According to Yusof et al. (2022), trait activation theory focuses on situational trait relevance and the value of personality trait expression. The theory explains personality is based on the relevance of the situation and how an individual expresses his traits in line with the situation. This enables individuals to experience pleasure from the environs, which enables them to freely display their personality traits. According to Akinwale and Oluwafemi (2022), there is need for entrepreneurs to create an environment that will aid and match self personality traits.

According to the theory, it is only when individuals can express their traits based on the circumstance that results in the achievement of goals or objectives, thus the occurrence of activation. The theory serves as a platform to build this study. This is because it is when entrepreneurs exhibit their personality traits and brings favourable performance in their entrepreneurial acts, thus, the presence of the theory. Trait activation theory is being criticized on the ground that an individual could be discouraging, less contended, less committed as well as less engaged if the environment does not allow them to express their personality traits.

1.2.2 Five-Factor Personality Model

The five-factor personality model was developed by Fiske, D.W and expanded by Tupes Ernest, Christal Raymond, and Goldberg Lewis. The theory stresses that personality comprises five elements, which are extraversion, emotional stability, conscientiousness, Agreeableness, as well as Neuroticism. These dimensions of personality as stated by Mhilanga (2019) give explanations on the sphere of psychological functioning. The theory explains the influence of different individual behaviors and actions using any of the five factors in any environment. Each factor of the model has a direct and unique effect on what an individual does, feels, and thinks in an environment. According to Merhad (2020), the model explains the change in the feelings, actions, reactions, behavior, and attitudes of people in a certain environment, mostly a social setting. Thus, the factors serve as internal motivators on the basic needs of people. The theory is related to the objective of the study because the factors motivate entrepreneurs to achieve the desired results in their entrepreneurial activities, which will give them an edge over the competitors.

1.3 Empirical Review

Nguyen, Nguyen, and Nguyen (2023) carried out a study on the influence of personality traits on the performance of firms' innovation. The study focused on SMEs using a survey research approach. The structural equation model indicated that personality traits (extraversion, conscientiousness, and openness to experience) positively influence entrepreneurs' innovativeness. This study failed to focus only on small businesses. Delima (2019) reported a positive effect of personality on both task performance and contextual performance. The study did not capture entrepreneurial performance and was conducted in Nigeria. Personality traits components (extraversion, conscientiousness, and openness to experience) have a significant effect on entrepreneurial performance and survival (Yusof et al., 2022; Kritikos, 2022; Tsoai & Chipunza, 2022; Mhlanga, 2019; Vodă, & Florea, 2019). These studies were not done in Nigeria. Personality traits are determinants for the survival of business owners and job behaviour (Ranawaka & Samarakoon, 2020; Nwoye, 2019; Omoteye, Adebajo & Nwoye, 2019; Sev, 2019). These studies did not focus solely on small businesses. Ajulo (2021) used online surveys and multiple regression to demonstrate that SME growth is positively and significantly influenced by the

personality traits of business owners with capturing how entrepreneurial performance could serve as an indicator for the growth.

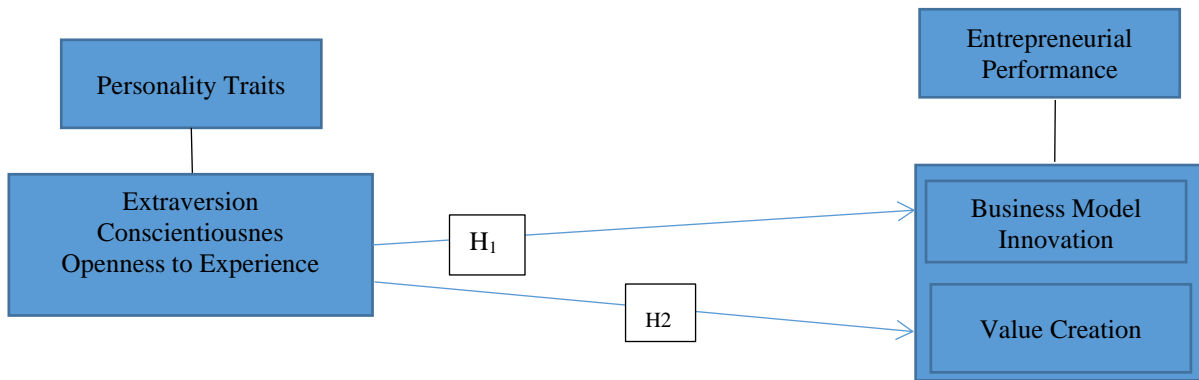
Olorunleke et al. (2020) investigated personality traits and group performance of tertiary institutions and indicated positive and significant effects using cross-sectional research design and multiple regression, which means that small business was not the focus of the study. Similarly, Ayoade, Ogunnaike and Adegbuyi (2018) studied the commitment of entrepreneurs of SMEs and the personality traits. The study found that personality traits result in a high level of commitment. The study did not capture entrepreneurial performance in the objectives. Barza and Galanakis (2022) adopted a qualitative research approach to conclude that personality traits could determine organizational commitment in today's world. There is need for further study to be conducted on personality traits as it can solve the problem of entrepreneurial performance quantitatively.

Relatively, personality traits have been found to have mixed reactions to the performance of entrepreneurs (Akinwale & Oluwfemi, 2022; Gyimah, Owiredu & Antwi, 2020; Han, Seok & Kim, 2017). Martin, Julius, and Grace (2016) employed multiple regression to determine the relationship between personality traits and entrepreneurial performance and reported that agreeableness and extraversion have a positive influence on entrepreneurial performance, whilst neuroticism negatively affected entrepreneurial performance. This study reported mixed results of personality on the performance of entrepreneurial acts. Also, the study of Leutner, Ahmetoglu, Akhtar, and Chamorro-Premuzic (2014) reported mixed findings a positive correlation between extraversion and entrepreneurial performance and a negative relationship between conscientiousness and entrepreneurial performance.

Al-Quraish, Gharbi, and Elnasr (2022.) employed a structural equation model to study personality traits and small business performance and revealed that openness to experience has a significant effect on small business performance, while conscientiousness and extraversion have an insignificant effects. The study was not done in Nigeria and entrepreneurial performance was not the focus. Suci, Yulianthini, and Dewanti (2019) revealed that extroversion has a positive and significant effect on the growth of SMEs, while openness to experience and conscientiousness have a negative and insignificant effect. However, Akinwale and Oluwafemi (2022) on personality traits and organizational development revealed using multiple regression that personality traits (extraversion, openness to experience, agreeableness, conscientiousness as well as neuroticism) have an insignificant effect on the access center quality of telecommunication managers.

This is evidenced by the fact that mixed results have been reported in the past; thus, there is a need for clarification in future studies in Nigeria. Thus, the study hypothesized that personality traits (extraversion, conscientiousness, and openness to experience) do not have a significant effect on the business model innovation of small businesses in Lagos State. Also, personality traits (extraversion, conscientiousness, and openness to experience) do not have a significant effect on the value creation of small businesses in Lagos State.

Figure 1 Researchers' Conceptual Model



(Source: Researchers' Conceptual Model, 2024)

The figure shows the interaction that could exist between the dimensions of personality traits (extraversion, conscientiousness, and openness to experience) and the dimensions of entrepreneurial performance (business model innovation and value creation). The figure demonstrated that extraversion, conscientiousness, and openness to experience as measures for personality traits could jointly influence business model innovation. Also, extraversion, conscientiousness, and openness to experience as measures for personality traits could as well as jointly influence the value creation of small businesses in Lagos State, Nigeria.

2 METHODOLOGY

The study is quantitative research in nature. A descriptive research design was adopted so as to gain a deeper understanding of the problem that the study intended to solve. The population of the study is 37,135 small businesses registered with the Small and Medium Development Agency of Nigeria (SMEDAN) as of 2021. Using the Raosoft table, a 379 sample size was determined. The study utilized simple random sampling so as to give equal opportunity to the respondents who are small business owners in Lagos to participate. Primary data was used through a questionnaire as the research instrument. The items in the questionnaire were adapted from past studies. The components of personality traits were adopted from the studies of Sobaih, Al-Quraish, et al. (2022), Awwad and Al-Aseer (2021), and Mhlanga (2019), while the items for entrepreneurial performance were adapted from the studies of Faloye and Owoeye (2021); Mhlanga (2019) and Chavez (2016). The items were scaled using 6 6-point scale of strongly agree, agree, fairly agree, fairly disagree, disagree, and strongly disagree. Multiple regression was adopted so as to identify the contribution of each adopted component of personality traits to solving the problem of entrepreneurial performance among small businesses in Lagos State. Thus, the model to achieve the objectives of the study was formulated below, which is adapted from the study of Mhlanga (2019) on entrepreneurial performance and five models of personality in South Africa.

$$BMI = \beta_0 + \beta_1EXTRV_1 + \beta_2CONSC_2 + \beta_3 OPEXP_3 + \mu_i \dots\dots\dots 1$$

$$VC = \beta_0 + \beta_1EXTRV_1 + \beta_2CONSC_2 + \beta_3 OPEXP_3 + \mu_i \dots\dots\dots 2$$

Where BMI represents Business Model Innovation, VC represents Value Creation, EXTRV represents extraversion, CONSC represents Conscientiousness, OPEXP represents openness to experience, β_0 represents a constant parameter, β_1 - β_3 represents the parameter of the variables and μ_i = error term.

The figure shows the interaction that could exist between the dimensions of personality traits (extraversion, conscientiousness, and openness to experience) and the dimensions of business performance (business model innovation and value creation). The figure demonstrated that extraversion, conscientiousness, and openness to experience as measures of personality traits could jointly influence business model innovation. Also, extraversion, conscientiousness, and openness to experience as measures for personality traits could as well as jointly influence the value creation of small businesses in Lagos State, Nigeria.

2.1 Reliability and Validity Test for the Study

The study conducted a pilot study on the research instrument, and small businesses in Ogun State were selected for the pilot study. 10 percent of the sample size was selected for the pilot study. Thus, 38 small business owners were selected for the pilot study, and the results are presented in the table below:

Table 1 Pilot Study Result

S/N	Variables	Reliability (Cronbach Alpha)	Validity (KMOs)	No of Items
1	Extraversion	0.748	0.622	6
2	Conscientiousness	0.716	0.730	6
3	Openness to Experience	0.765	0.739	6
4	Business Model Innovation	0.773	0.721	6
5	Value Creation	0.718	0.682	5

(Source: Researcher's Computation, 2024)

Cronbach Alpha was used to compute the reliability test, and Kaiser Meyer Olkin was used to test the validity of the research instrument. The reliability test was conducted based on the hypotheses formulated, which are tested in line with the variables employed in the study. The table shows all the results of the reliability test for the variables employed in the study. It is shown that extraversion, conscientiousness, openness to experience, business model innovation, and value creation have reliability values of 0.748, 0.716, 0.765, 0.773, and 0.718, respectively, with 6 items except for value creation with 5 items while the validity values for the variables were 0.622; 0.730; 0.739; 0.721; and 0.682 respectively. The values of the reliability results are greater than 0.70, which implies that all the items for each variable are reliable to achieve the objectives of the study, and the validity values were above 0.60. As posited by Nunnally (1978), a reliability coefficient greater than 0.70 is acceptable, while Field (2009) asserted that a validity value above 0.60 is good for conducting further analysis.

2.2 Data Analysis And Interpretation

In order not to violate the assumptions, a diagnostic test was conducted. The study conducted a linearity test, normality, and multi-collinearity test. The results of the test are presented below:

2.2.1 Linearity Test

Pearson Correlation test was employed, and the result is shown below.

Table 2 Linearity Test

Dependent Variable: Small Business Performance		Test Results	Remarks
Extraversion,	Pearson Correlation	.524	Existence of Linear Relationship
	Sig. (2-tailed)	.000	
	N	265	
Conscientiousness	Pearson Correlation	.348	Existence of Linear Relationship
	Sig. (2-tailed)	.000	
	N	265	
Openness To Experience	Pearson Correlation	.489	Existence of Linear Relationship
	Sig. (2-tailed)	.000	
	N	265	

(Source: Researcher’s Field Survey, 2024)

Table 2 shows the correlation results between the hypothesis of the study. It is shown extraversion ($r=0.524$, $p<0.05$), conscientiousness ($r=0.348$, $p<0.05$), and openness to experience ($r=0.489$, $p<0.05$) have a positive and significant correlation with the entrepreneurial performance of small businesses in Lagos State. This showed that the assumption of regression analysis that there must be linearity is not violated. Thus, the assumptions of regression analysis is fulfilled and regression analysis.

2.2.2 Normality Test

The study employs skewness and kurtosis to check the normality of the data. The results are presented in the table below.

Table 3 Normality Test for the Study

Variables	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Extraversion	265	-0.160	0.135	-0.748	0.262
Conscientiousness	265	-0.700	0.135	0.479	0.262
Openness to Experience	265	-0.655	0.135	0.561	0.262
Business Model Innovation	265	-0.280	0.135	-0.546	0.262
Value Creation	265	-0.291	0.135	-0.541	0.262

(Source: Researcher’s Field Survey, 2024)

Table 3 shows the results of the normality test using skewness and kurtosis. It is shown that all the variables- extraversion, conscientiousness, openness to experience, business model innovation and value creation. The results showed that the variables have skewness and Kurtosis values that are within -1 to +1, which signifies that the data for the study are normal and do not beat the assumption of regression analysis, which talks of normality of the data .

2.2.3 Multicollinearity

The absence of multicollinearity is one of the assumptions of regression analysis. The study employed variance inflation factor (VIF) for this assumption, and the results are presented in the table below:

Table 4 Multicollinearity Test Results

Variables	Tolerance	VIF	Remark
Extraversion	0.835	1.271	No multicollinearity
Conscientiousness	0.615	1.663	No multicollinearity
Openness to Experience	0.647	1.504	No multicollinearity

(Source: Researcher's Field Survey, 2024)

Table 4 revealed the multicollinearity results of the variables for the study. It is indicated that tolerance and VIF values for extraversion, conscientiousness, and openness to experience are greater than 0.10 and less than 10, respectively. This indicated that there is an absence of multicollinearity. Thus, the independent variables are solely independent of one another. This indicated that the assumption of multi-collinearity is not broken.

2.3 Test of Hypotheses

H₀₁: Personality traits (extraversion, conscientiousness, and openness to experience) do not have a significant effect on the business model innovation of small businesses in Lagos State

Table 5 Personality Traits and Business Model Innovation

Independent Variable	Coefficient	Std. Error	T-statistic	P-value
Constant	1.364	0.121	3.914	0.000
Extraversion	2.286	0.101	8.433	0.000
Conscientiousness	0.154	0.051	3.784	0.012
Openness to Experience	2.640	0.175	8.623	0.000
R-Square	0.487		F-Statistic	32.450
Adjusted R-Squared	0.452		F-Statistic (P-value)	0.002

Dependent Variable: Business Model Innovation

(Source: Researcher's Computation, 2024)

Table 5 shows the regression result between personality traits (extraversion, conscientiousness, and openness to experience) and business model innovation. It is revealed that 45.2% (0.452) of the changes that occur in business model innovation of small businesses are accountable to personality traits (extraversion, conscientiousness, and openness to experience). It is indicated that extraversion has a positive and significant effect on business model innovation ($\beta=2.286$; $p=.000$). Conscientiousness has a positive and significant effect on business model innovation ($\beta=0.154$; $p=.012$) and openness to experience has a positive and significant effect on business model innovation ($\beta=2.640$; $p=.000$). The f-statistic has a value of 32.450 with p -value 0.012 which signified that the model is fit for study. Thus, the null hypothesis that personality traits (extraversion, conscientiousness, and openness to experience) do not have a significant effect on business model innovation is rejected.

H₀₂: Personality traits (extraversion, conscientiousness, and openness to experience) do not have a significant effect on the value creation of small businesses in Lagos State.

Table 6 Personality Traits and Value Creation

Independent Variable	Coefficient	Std. Error	T-statistic	P-value
Constant	1.292	0.132	4.390	0.000
Extraversion	0.589	0.145	3.616	0.001
Conscientiousness	1.667	0.132	0.657	0.000
Openness to Experience	3.794	0.151	8.688	0.000
R-Square	0.597		F-Statistic	51.430
Adjusted R-Squared	0.495		F-Statistic (P-value)	0.000

Dependent Variable: Business Model Innovation

(Source: Researcher's Computation, 2024)

Table 6 shows the regression result between personality traits (extraversion, conscientiousness, and openness to experience) and value creation. It is revealed that 49.5% (0.495) of the changes that occur in the value creation of small businesses are accountable to personality traits (extraversion, conscientiousness, and openness to experience). It is indicated that extraversion has a positive and significant effect on value creation ($\beta=0.589$; $p=.001$). Conscientiousness has a positive and significant effect on value creation ($\beta=1.667$; $p=.000$), and openness to experience has a positive and significant effect on business model innovation ($\beta=3.794$; $p=.000$). The f-statistic has a value of 51.430 with p -value 0.000 which signified that the model is fit for study. Thus, the null hypothesis that personality traits (extraversion, conscientiousness, and openness to experience) do not have a significant effect on value creation is rejected.

3 DISCUSSION OF FINDINGS

Personality traits distinguish an individual from one another. It could be termed as the identification traits of an individual. Today's entrepreneurs possess different traits which are displayed in their business or entrepreneurial activities. The findings of the study showed that personality traits taken into consideration, such as extraversion, conscientiousness, and openness to experience, enhance the entrepreneurial performance of 21st-century businessmen.

The findings demonstrated that extraversion contributed immensely to the business model innovation, which has to do with the operational process of achieving the routine objectives of the businesses. Similarly, it indicated that conscientiousness and openness to experience improve the entrepreneur's innovativeness in developing business processes to achieve the stated business objectives. This implied that the more personality traits are displayed in business activities, the more of more innovative models for the business processes. Thus, it is observed that conscientiousness and openness to experience contributed more to business model innovation than extraversion. The findings of the study go in the same direction as the findings of Nguyen et al. (2023), Ranawaka and Samarakoon (2020), Nwoye (2019), and Omoteye et al. (2019), and Sev (2019), among others. However, the findings of the hypothesis are contrary to the reports of Akinwale and Oluwfemi (2022), Gyimah et al. (2020), and Han et al. (2017). Martin et al. (2016).

In the same vein, the study's findings demonstrated that personality traits contributed significantly to the value being created by the entrepreneurs to the target market and members of the public. This could be one of the reasons small businesses in Lagos State seem to be performing more than other small businesses in other States of the country. It is evidenced that social connectivity, perseverance, curiosity, and creativity have enabled the entrepreneurs to create value in the offerings given to the

market. Thus, the findings of the study affirmed the reports of past studies on personality traits and business performance, and these studies include Delima (2019); Yusof et al. (2022); Kritikos (2022); Tsoai and Chipunza (2022); Mhlanga (2019); Vodă & Florea (2019); Ajulo (2021). Nevertheless, the findings of the hypothesis disagreed with the conclusion of Akinwale and Oluwafemi (2022); Al-Quraish et al. (2022); Suci et al. (2019), Leutner et al. (2014); Ahmetoglu et al. (2014) among others.

CONCLUSIONS

The objective of the study is to investigate how personality traits could influence the entrepreneurial performance of small businesses in Lagos State, and this has been achieved by asserting that extraversion, conscientiousness, and openness to experience as dimensions for personality traits significantly contributed to the business model innovation as well as the creation of value in Lagos State. It is observed that extraversion is the weakest personality trait that influences business model innovation and value creation, unlike the other personality traits, which are conscientiousness and openness to experience, which are captured in this study. It is concluded that personality traits is a determinant element in achieving desirable entrepreneurial performance.

- The study recommended that small business owners in Lagos State should continue to exhibit more of their personality traits, especially extraversion and openness to experience in the act of developing innovative models for the business processes or activities.
- The study also recommended that small business owners need focus on value creation by showing more personality traits, especially conscientiousness, and openness to experience.

RESEARCH ETHICS STATEMENTS

This study did not require research ethics approval. The participants provided informed consent as an answer to the question before accessing the questionnaire.

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