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ENTREPRENEURSHIP CHARACTERISTICS AND ECONOMIC GROWTH IN RIVERS STATE

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Abstract

This study investigates the relationship between entrepreneurial characteristics and economic growth in Rivers State, Nigeria. Despite abundant natural resources, Rivers State continues to face high unemployment, pervasive poverty, and a fragile non-oil economy, making entrepreneurship a critical driver of inclusive development. Using a quantitative survey design, data were collected from 400 entrepreneurs across trade, services, agriculture, and manufacturing sectors, with 372 valid responses analysed using descriptive statistics and multiple regression. Findings reveal that entrepreneurial Characteristics such as ,risk-taking, proactiveness, self-efficacy, and Leadership Skills are all significantly and positively related to economic growth indicators such as SME survival, job creation, and contributions to local GDP. Self-efficacy emerged as the strongest predictor of growth, followed by leadership Skills, proactiveness, and risk-taking. The results affirm the relevance of Endogenous Growth Theory and the Theory of Planned Behaviour, highlighting the importance of psychological and behavioural capacities in shaping entrepreneurial outcomes in challenging environments. The study concludes that while infrastructural and institutional constraints hinder Economic growth, strengthening Internal entrepreneurial characteristics is crucial for resilient and sustainable Economic Growth. It recommends targeted capacity-building programmes, improved infrastructure, access to finance, and context-specific policy interventions to enhance entrepreneurial performance thus engendering Economic Growh n Rivers State.

Keywords: Entrepreneurial Characteristics, Risk-Taking, Self-Efficacy, proactiveness, Economic Growth.

Introduction

Entrepreneurship has increasingly become a cornerstone of global economic policy, academic discourse, and practical development strategy. It is widely recognized that entrepreneurship not only generates wealth and jobs but also stimulates technological innovation, fosters social transformation, and enhances competitiveness within economies. In today's volatile, uncertain, complex, and ambiguous (VUCA) world, entrepreneurial activity serves as both a buffer against structural unemployment and a driver of economic resilience. Globally, entrepreneurial activity differs significantly across regions. In the **United States**, entrepreneurial ecosystems are strongly supported by venture capital, intellectual property regimes, and a culture that celebrates risk-taking and innovation. The **European Union** has emphasized entrepreneurship through the Lisbon Strategy, targeting knowledge-based economic growth. **Asia**, particularly countries like China, South Korea, and Singapore, has integrated entrepreneurship into state-led industrialisation and digital transformation, producing global champions in manufacturing and technology (OECD, 2023). Meanwhile, **Sub-Saharan Africa** experiences a paradox: entrepreneurship is widespread, but often necessity-driven rather than opportunity-driven (GEM, 2023). This means that while many Africans engage in business, the majority do so for survival rather than for high-growth innovation.

In **Nigeria**, entrepreneurship is central to economic development debates. With a population exceeding 200 million and a youth bulge (over 60% under 30 years), job creation is an urgent imperative. Formal employment opportunities remain insufficient, as the public sector is overburdened and the private sector underdeveloped. Consequently, entrepreneurship serves both as a livelihood strategy and a policy solution to endemic unemployment. According to the **Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2022)**, SMEs account for over 48% of national GDP and 84% of employment. Yet challenges such as infrastructural decay, corruption, inflation, insecurity, and multiple taxation undermine entrepreneurial performance.

The Nigerian government has historically launched several entrepreneurship-support programmes. These include: The **National Economic Empowerment and Development Strategy (NEEDS)** (2004–2007), The **YouWiN! Programme** (2011), The **National Policy on MSMEs** (2015), The **N-Power initiative** under the Social Investment Programme (2016), and he **Economic Sustainability Plan** (2020). Despite these interventions, outcomes have been mixed. Many entrepreneurs still struggle to scale businesses beyond subsistence level.

Rivers State, one of Nigeria's 36 states, is located in the oil-rich Niger Delta region and is home to Port Harcourt, the state capital. The state is Nigeria's second-largest economy after Lagos, owing to its oil and gas resources. However, the paradox of "resource wealth and economic underdevelopment" defines the state. Oil revenues contribute enormously to Nigeria's GDP, yet unemployment, poverty, and environmental degradation remain pervasive in Rivers State. The capital-intensive nature of oil production provides limited employment opportunities for locals, leaving entrepreneurship and SMEs as the real vehicles of inclusive economic growth (Ibim & Iboroma, 2021).

Entrepreneurship in Rivers State spans retail, transport, agriculture (fishing, poultry, and crop production), fashion, ICT, and small-scale manufacturing. Yet survival rates are poor. Reports indicate that over 60% of startups collapse within three years (SMEDAN, 2020). This raises critical questions: why do so many entrepreneurial ventures fail, despite government interventions? What roles do personal entrepreneurial characteristics—such as risk-taking, self-efficacy, proactiveness, and leadership—play in determining success or failure? Understanding this nexus is vital to both scholars and policymakers seeking to foster sustainable growth in Rivers State.

Entrepreneurship is widely acknowledged as a major driver of economic growth, but the Rivers State context illustrates a persistent paradox. Despite its natural resources and entrepreneurial vibrancy, the state continues to grapple with high unemployment, underdeveloped SMEs, and pervasive poverty. A 2022 report by the **National Bureau of Statistics (NBS)** indicated that unemployment in Rivers State exceeded 32%, well above the national average. SMEDAN (2020) noted that infrastructural deficiencies (notably poor electricity supply), high business costs, insecurity, and regulatory bottlenecks contribute to the high failure rate of businesses in the state. However, these external barriers do not tell the whole story. Internal entrepreneurial characteristics—such as self-efficacy, proactiveness, leadership, and risk-taking—also play a crucial role in determining whether businesses survive and thrive. Existing literature on entrepreneurship in Nigeria is largely national in scope, focusing on SMEs' role in GDP and employment creation (Adeosun & Shittu, 2022; Sanusi, 2023). Very little empirical work has been done to examine how individual entrepreneurial traits interact with Rivers State's institutional environment to shape economic growth. Without such studies, policy design risks being generic rather than context-specific.

This study, therefore, seeks to fill this gap by empirically examining the relationship between entrepreneurial characteristics and economic growth in Rivers State, Nigeria.

The broad aim of this research is to examine the effect of entrepreneurial characteristics on economic growth in Rivers State. The specific objectives are:

To assess the impact of risk-taking propensity on economic growth in Rivers State.

To determine the influence of proactiveness on economic growth in Rivers State.

To investigate the role of self-efficacy in promoting economic growth in Rivers State.

To examine how leadership skills influence economic growth in Rivers State.

Based on research objectives ,some research questions were developed;

How does risk-taking propensity affect economic growth in Rivers State?

What is the influence of proactiveness on economic growth in Rivers State?

How does self-efficacy contribute to economic growth in Rivers State?

To what extent do leadership skills affect economic growth in Rivers State?

H01: There is no significant relationship between risk-taking propensity and economic growth in Rivers State.

H02: There is no significant relationship between proactiveness and economic growth in Rivers State.

H03: There is no significant relationship between self-efficacy and economic growth in Rivers State.

H04: There is no significant relationship between leadership skills and economic growth in Rivers State.

This study is significant to multiple stakeholders:

Policymakers: Provides empirical evidence to design targeted entrepreneurship development programmes tailored to Rivers State.

Entrepreneurs: Helps entrepreneurs understand the importance of cultivating psychological and behavioural traits for business survival.

Financial institutions: Guides banks and microfinance institutions in designing products that account for entrepreneurial characteristics.

Academics: Expands the scholarly understanding of the entrepreneurship–growth nexus at subnational levels in Nigeria.

Development agencies: Offers practical insights for NGOs and international organisations that support SMEs in Rivers State.

The study covers entrepreneurs operating SMEs in Rivers State across four sectors: services, trade, agriculture, and manufacturing. The independent variables include entrepreneurial characteristics (risk-taking, proactiveness, self-efficacy, and leadership Skills), while the dependent variable is economic growth, measured by job creation, SMEs survival, and contribution to local GDP. The study focuses on the period between 2018 and 2024, aligning with recent entrepreneurship policies in Nigeria.

Potential limitations in this study includes;

Reliance on self-reported data, which may be prone to bias.

Restriction to Rivers State, which may limit generalisability to other regions.

Resource constraints limiting the scope of primary data collection.

Nevertheless, these limitations will be mitigated by careful research design, triangulation of sources, and rigorous data analysis.

Literature Review

Entrepreneurship

The concept of entrepreneurship has evolved over centuries and across disciplines. At its core, entrepreneurship involves the identification, evaluation, and exploitation of opportunities under conditions of uncertainty. However, definitions vary depending on disciplinary perspectives. Economists focus on entrepreneurship as risk-bearing and innovation; psychologists emphasise personality traits and behaviours; management scholars highlight opportunity recognition and resource mobilisation. **Schumpeter (1934)** defined entrepreneurship as the process of carrying out new combinations of resources to create innovations in products, processes, markets, or organisations. **Knight (1921)** associated entrepreneurship with uncertainty-bearing, distinguishing it from risk where probabilities are known. **Drucker (1985)** described entrepreneurs as those who search for change, respond to it, and exploit it as an opportunity. **OECD (2023)** defines entrepreneurship as "the capacity and willingness to develop, organise and manage a business venture along with its risks in order to make a profit and contribute to economic and social value."

In Nigeria, entrepreneurship is commonly seen as a vehicle for poverty reduction and self-employment. The National Policy on MSMEs (2015) defines it as the process of starting and managing businesses with the aim of providing employment, income, and contributing to economic development.

Entrepreneurial Characteristics

Entrepreneurial characteristics are psychological, behavioural, and skill-based traits that influence the likelihood of entrepreneurial success. These include:

Risk-taking Propensity – the willingness to engage in ventures with uncertain outcomes. In entrepreneurship, risk is inevitable, as market demand, competition, and resource availability are unpredictable. Entrepreneurs with higher risk-taking propensity are more likely to seize opportunities and commit resources despite uncertainty (Keh et al., 2002).

Proactiveness – a forward-looking orientation that involves anticipating future demands, acting ahead of competitors, and seizing opportunities (Covin & Slevin, 1989). Proactive entrepreneurs introduce new products, pioneer markets, and adapt rapidly to change.

Self-efficacy – the belief in one's ability to execute tasks successfully (Bandura, 1997). Entrepreneurial self-efficacy reflects confidence in skills such as opportunity recognition, networking, and business management. High self-efficacy predicts entrepreneurial persistence, resilience, and success.

Leadership Skills – the ability to inspire, influence, and coordinate people towards achieving goals. In entrepreneurship, leadership involves strategic vision, team building, decision-

making, and motivating employees. Transformational leaders, for instance, create innovative organisational cultures (Northouse, 2016).

Innovativeness – the tendency to support creativity, novelty, and experimentation in business practices (Schumpeter, 1934). Innovativeness is critical in dynamic markets where differentiation drives competitive advantage.

Resilience – the capacity to withstand shocks, adapt, and recover from setbacks. Entrepreneurs in fragile environments like Rivers State need resilience to navigate political instability, infrastructural failures, and financial risks (Obi & Idowu, 2022).

Networking Ability – entrepreneurs with strong social and business networks gain access to resources, information, markets, and legitimacy. In Nigeria, informal networks (family, friends, ethnic associations) play a significant role in entrepreneurial success (Okpara, 2023).

Economic Growth

Economic growth refers to the sustained increase in a nation's productive capacity, typically measured as the rise in real Gross Domestic Product (GDP) over time. Broader definitions include improvements in living standards, employment creation, income distribution, and poverty alleviation.

At the **macro level**, economic growth results from capital accumulation, technological progress, and human capital development (Solow, 1956; Romer, 1986).
At the **micro level**, entrepreneurship drives growth by creating jobs, increasing productivity, fostering innovation, and stimulating competition.

In Rivers State, economic growth is measured not just by GDP but also by **employment elasticity, SME contributions to local revenues, and sustainable livelihoods in non-oil sectors**.

Theories

A wide range of theories explain the relationship between entrepreneurship, firm growth, and economic development.

Schumpeter's Theory of Innovation (1934):

Entrepreneurs are innovators who disrupt equilibrium by introducing new combinations of resources. Innovation leads to "creative destruction" — dismantling old industries and creating new ones. In Rivers State, this implies that SMEs introducing ICT-based services or green energy can displace inefficient traditional systems.

Knight's Risk Theory (1921):

Distinguishes between risk (measurable uncertainty) and true uncertainty (immeasurable).

Entrepreneurs profit from bearing uncertainty. For example, entrepreneurs in Rivers State investing in agribusiness face weather and market uncertainties, but successful ventures yield profit and employment.

Endogenous Growth Theory (Romer, 1986):

Growth is driven by internal factors like human capital, innovation, and knowledge spillovers.

Entrepreneurs enhance productivity through innovation and learning.

This highlights why entrepreneurship training programmes (e.g., in ICT and agritech) are vital for Rivers State.

Theory of Planned Behaviour (Ajzen, 1988):

Entrepreneurial intention is influenced by attitude, subjective norms, and perceived behavioural control.

Self-efficacy aligns with perceived behavioural control — entrepreneurs confident in their skills are more likely to succeed.

Empirical Review

Acs et al. (2020) found that entrepreneurial activity positively influences GDP per capita in 50 countries, especially in knowledge-intensive industries.

Tao et al. (2022): In China, digital entrepreneurship significantly increased city-level growth, mediated by internet penetration and digital literacy.

Munyo & Veiga (2024): In South America, entrepreneurship impacts GDP but is sensitive to macroeconomic shocks like inflation and political crises.

OECD (2023): Reported that countries with supportive entrepreneurial ecosystems have stronger post-COVID recoveries.

African Evidence

Abubakar & Hassan (2022): In Kenya, entrepreneurial traits such as resilience and networking were key to business survival during COVID-19.

Mensah & Ofori (2023): In Ghana, SMEs led by proactive entrepreneurs contributed more to job creation and export growth.

Adebayo & Chukwu (2023): Found that self-efficacy strongly predicted SME resilience in Nigeria and South Africa.

Nigerian Evidence

Adeosun & Shittu (2022): Demonstrated that SMEs significantly contribute to Nigerian economic growth, but failure rates are linked to weak entrepreneurial capacity.

Sanusi (2023): Reported that entrepreneurial innovation explains 35% of variations in Nigeria's non-oil GDP growth.

Okpara (2023): Found that networking ability enhances access to finance and markets for Nigerian SMEs.

Obi & Idowu (2022): Documented that resilience and self-efficacy determined whether Nigerian entrepreneurs could survive COVID-19 lockdowns.

Evidence from Rivers State

Empirical studies focusing on Rivers State are limited. However:

Ibim & Iboroma (2021): Highlighted entrepreneurship as a sustainable alternative to oil dependence.

Eke & Nduka (2022): Found that infrastructural challenges hinder SME performance in Port Harcourt.

Wokocha (2023): Reported that entrepreneurial leadership was positively correlated with business expansion in Rivers State's retail sector.

While global and national evidence strongly supports the entrepreneurship–growth link, **subnational contexts remain underexplored in Nigeria**. Specifically: Few studies have empirically tested how individual entrepreneurial Characteristics affect economic growth in Rivers State. Most Nigerian studies focus on external constraints (infrastructure, finance) rather than internal characteristics (self-efficacy, leadership). Rivers State's unique context—oil wealth, insecurity, environmental degradation, and youth unemployment—requires tailored research.

This study addresses these gaps by examining entrepreneurial characteristics (risk-taking, proactiveness, self-efficacy, leadership) and their direct relationship with economic growth indicators in Rivers State.

Research Methodology

This study adopts a **quantitative survey research design**. A survey design is appropriate because it allows the collection of standardised data from a relatively large number of respondents within a limited time frame, thereby facilitating the measurement of entrepreneurial characteristics and their relationship with economic growth indicators.

A quantitative approach ensures objectivity, replicability, and statistical generalisability. The use of structured questionnaires permits uniform responses that can be coded and analysed statistically. While qualitative methods (such as interviews and focus groups) offer deeper

insights into entrepreneurial experiences, the need for hypothesis testing and generalisation across Rivers State entrepreneurs makes the quantitative survey method most appropriate.

The research design is **cross-sectional**, collecting data at a single point in time. This approach is suitable for capturing the entrepreneurial climate of Rivers State as of 2024. Although longitudinal designs provide richer insights into change over time, resource and time constraints limit the feasibility of such an approach for this study.

The population of this study comprises all registered small and medium-sized enterprises (SMEs) in Rivers State, Nigeria. According to the **Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2022)**, Rivers State hosts approximately **25,000 registered SMEs** operating in diverse sectors including: **Trade and Commerce** (e.g., retail, wholesale, import/export businesses). **Services** (e.g., ICT, transport, hospitality, professional services). **Agriculture and Agribusiness** (e.g., poultry, fisheries, cassava processing). **Manufacturing and Small-scale Industries** (e.g., food processing, furniture, fashion). This diverse population makes Rivers State an ideal context for examining entrepreneurial Characteristics across sectors, as different sectors present different risks, opportunities, and challenges.

To ensure representativeness while maintaining feasibility, the study employed **Yamane's (1967) formula** for determining sample size from a finite population:

n=N1+N(e2) n = \frac{N}{1 + N(e^2)}n=1+N(e2)N

Where:

nnn = sample size

NNN = population size (25,000 SMEs)

eee = margin of error (0.05)

n=25,0001+25,000(0.052)

394n=1+25,000(0.052)

=1+25,000(0.0025)

=1+62.525,000

=63.525,000

≈394

Thus, a sample size of 394 entrepreneurs **is deemed adequate. For practical purposes, the sample is rounded to** 400 respondents**.**

A **stratified random sampling technique** was employed to ensure proportional representation of different SME sectors. The four major strata are trade, services, agriculture, and manufacturing. From each stratum, entrepreneurs were randomly selected using business directories obtained from SMEDAN and the Rivers State Ministry of Commerce. Stratification minimises bias and ensures that all sectors of entrepreneurial activity are represented.

The data Collection method was a structured questionnaire administered to entrepreneurs across Rivers State. The questionnaire was designed in five sections:

Demographic profile (age, gender, education, business sector, years of experience).

Risk-taking propensity (measured using Likert-scale items such as willingness to invest in uncertain projects).

Proactiveness (measured by items on anticipation of opportunities, competitive aggressiveness).

Self-efficacy (assessed by confidence in opportunity recognition, problem-solving, and managing business growth).

Leadership skills (measured by items on teamwork, motivation, communication, and strategic vision).

Secondary data were drawn from:

SMEDAN and NBS reports (2020–2024).

World Bank and OECD entrepreneurship reports (2022–2023).

Academic journal articles (2022–2025) on entrepreneurship and economic growth.

The questionnaire employed a **5-point Likert scale** ranging from 1 = Strongly Disagree to 5 = Strongly Agree. This format enables quantification of entrepreneurial traits, making them amenable to statistical analysis.

Face validity was ensured by presenting the draft questionnaire to entrepreneurship scholars and practitioners in Rivers State for feedback.

Content validity was established by aligning questionnaire items with constructs identified in the literature (e.g., Covin & Slevin, 1989; Bandura, 1997).

Reliability

A **pilot test** was conducted with 30 entrepreneurs outside the final sample. Responses were analysed using **Cronbach's Alpha** to assess internal consistency. The results were:

Risk-taking = 0.79

Proactiveness = 0.82

Self-efficacy = 0.85

Leadership skills = 0.81

Since all values exceed the recommended threshold of 0.70 (Nunnally, 1978), the instrument was considered reliable.

Ethical standards were strictly adhered to in this research:

Informed Consent: Respondents were provided with information about the study's purpose and voluntarily consented before participation.

Confidentiality: Responses were anonymised and used solely for academic purposes.

Voluntariness: Respondents could withdraw from the survey at any point without penalty.

Integrity: Data collection was conducted objectively, without manipulation or coercion.

Research Approval: Ethical clearance was sought from the Departmental Research Committee.

Data Analysis

Data analysis was carried out using Multiple Regression analysis aided with **Statistical Package for the Social Sciences (SPSS) Version 26**. The techniques was employed to test the hypothesis

Descriptive Statistics: Means, standard deviations, and frequency distributions to analyse the demographic characteristics and entrepreneurial Characteristics

Multiple Regression Analysis: To test the hypotheses by determining the strength and significance of the relationship between entrepreneurial Characteristics (independent variables) and economic growth (dependent variable).

The regression model is specified as:

EG=β0+β1RT+β2PR+β3SE+β4LS+ϵEG = \beta_0 + \beta_1 RT + \beta_2 PR + \beta_3 SE + \beta_4 LS + \epsilonEG=β0+β1RT+β2PR+β3SE+β4LS+ϵ

Where:

15

EG = Economic Growth (measured by SME survival, job creation, contribution to local GDP)

RT= Risk-taking propensity

PR = Proactiveness

SE = Self-efficacy

LS = Leadership skills

ϵ\epsilonϵ = error term

Results

The data collected from entrepreneurs in Rivers State were analysef in relation to the study's research objectives and hypotheses. It started with descriptive statistics on respondents' demographic characteristics and entrepreneurial Characteristics followed by inferential statistics testing the hypotheses. Finally, the results are discussed in light of relevant literature and theories.

A total of **400 questionnaires** were distributed, of which **372 were completed and returned**, representing a response rate of **93%**, which is considered highly satisfactory for survey research (Baruch & Holtom, 2008).

4.2 Demographic Characteristics of Respondents

Table 4.1 below summarises the demog**Gender**

Male	208 55.9
Female	164 44.1
Age	
18–30 years	112 30.1
31–40 years	154 41.4
41–50 years	74 19.9
Above 50 years	32 8.6
Education Level	

Secondary	86	23.1
Diploma/NCE	98	26.3
First Degree	132	35.5
Postgraduate	56	15.1
Sector		
Trade and Commerce	122	32.8
Services	98	26.3
Agriculture	84	22.6
Manufacturing	68	18.3
Years in Business		
1–3 years	136	36.6
4–6 years	118	31.7
7–10 years	72	19.4
Above 10 years	46	12.3

Entrepreneurs in Rivers State are relatively young, with **71.5% under 40 years**, reflecting Nigeria's youth-driven entrepreneurship sector.

Education levels are fairly high, with over **50% holding tertiary qualifications**, indicating the role of human capital.

The largest sector is **trade and commerce (32.8%)**, but agriculture and manufacturing together account for **40.9%**, showing diversification beyond oil.

About **36.6% are startups (1–3 years old)**, highlighting vulnerability to business mortality in early years.

4.3 Descriptive Statistics of Entrepreneurial Characteristics

Table 4.2: Mean Scores of Entrepreneurial Characteristics (Likert Scale, 1–5)

Trait	Mean	Std. Dev.	Interpretation
Risk-taking	3.72	0.84	Moderately High
Proactiveness	3.89	0.79	High
Self-efficacy	4.01	0.75	High
Leadership	3.95	0.81	High

Respondents scored **highest on self-efficacy (M = 4.01)**, suggesting that confidence in their own abilities is a key entrepreneurial asset in Rivers State.

Proactiveness and leadership were also rated highly, indicating forward-looking and team-oriented mindsets.

Risk-taking had the lowest mean (3.72), reflecting entrepreneurs' caution in the volatile Rivers State business environment.

4.4. Multiple Regression Analysis

To test the hypotheses, multiple regression analysis was conducted with economic growth as the dependent variable.

Table 4.4: Regression Results

Variable	Beta (β)	t-value	Sig. (p)	Decision
Risk-taking	0.187	3.56	0.000	Significant
Proactiveness	0.231	4.12	0.000	Significant
Self-efficacy	0.285	5.24	0.000	Significant
Leadership	0.249	4.88	0.000	Significant

$R^2 = 0.54$, $F(4, 367) = 58.42$, $p < 0.001$

The model explains **54% of the variance** in economic growth, indicating strong explanatory power.

All four traits significantly predict economic growth, confirming hypotheses H01–H04 are rejected.

Self-efficacy (β = 0.285) is the strongest predictor, followed by leadership (β = 0.249). Risk-taking has the weakest effect (β = 0.187), but still significant.

The findings confirm that entrepreneurial characteristics significantly influence economic growth in Rivers State. Specifically:

Risk-taking: Entrepreneurs willing to take calculated risks are more likely to explore untapped markets and innovative business models. However, the relatively weaker effect of risk-taking reflects the cautious behaviour of entrepreneurs operating in Rivers State's uncertain environment (security challenges, fluctuating oil-driven economy).

Proactiveness: Entrepreneurs with a forward-looking approach contributed significantly to business expansion and competitiveness. This aligns with **Covin & Slevin (1989)**, who linked proactiveness to firm growth.

Self-efficacy: The strongest predictor of growth, supporting **Bandura's (1997)** theory. Entrepreneurs who believe in their ability to overcome obstacles persist despite adversity. In Rivers State, such resilience is critical due to infrastructural and regulatory barriers.

Leadership: Strong leadership enables entrepreneurs to inspire employees, coordinate resources, and drive innovation. This finding aligns with **Wokocha (2023)**, who highlighted the role of entrepreneurial leadership in Port Harcourt's retail sector.

Discussion of Findings

The study examined the relationship between **entrepreneurial characteristics and economic growth in Rivers State**, with emphasis on four key Characteristics like: **risk-taking , proactiveness, self-efficacy, and leadership skills**. The specific objectives were to determine how these Characteristics influence economic growth measured in terms of SME survival, job creation, and contributions to local GDP.

The major findings are summarised as follows:

Demographics of Entrepreneurs

Majority of entrepreneurs were young (71.5% under 40 years), confirming that entrepreneurship in Rivers State is youth-driven.

About 35.5% had a first degree and 15.1% held postgraduate qualifications, suggesting that human capital development plays an important role in entrepreneurship.

The largest sector was trade and commerce (32.8%), followed by services (26.3%) and agriculture (22.6%).

Entrepreneurial Characteristics

Mean scores showed high levels of **self-efficacy (M = 4.01)**, **leadership (M = 3.95)**, and **proactiveness (M = 3.89)**.

Risk-taking was moderate (M = 3.72), indicating cautious entrepreneurship due to Rivers State's volatile environment.

Regression Analysis

Regression results confirmed that **self-efficacy (β = 0.285)** had the strongest influence, followed by leadership (β = 0.249), proactiveness (β = 0.231), and risk-taking (β = 0.187).

The regression model explained **54% of the variance in economic growth** ($R^2 = 0.54$).

Results aligned with **Endogenous Growth Theory** (human capital and innovation drive growth), **Theory of Planned Behaviour** (self-efficacy shapes entrepreneurial intention and success), and **Knight's Risk Theory** (though moderated by environmental conditions).

Overall, the study concludes that entrepreneurial characteristics significantly predict the economic Growth in Rivers State.

Conclusion

Entrepreneurship is not only an economic activity but also a behavioural and psychological process shaped by individual characteristics. In Rivers State, where structural constraints such as poor infrastructure, insecurity, and limited finance hinder business growth, Personal traits of Entrepreneurs become even more critical.

This study concludes that:

Self-efficacy is the cornerstone of entrepreneurial success in Rivers State. Entrepreneurs who believe in their abilities to recognise opportunities, solve problems, and overcome challenges are more likely to survive and expand their businesses.

Leadership skills empower entrepreneurs to inspire employees, manage teams, and create an innovative culture that sustains growth.

Proactiveness drives competitiveness by enabling entrepreneurs to anticipate trends and act ahead of rivals.

Risk-taking, though essential, is less pronounced due to Rivers State's volatile environment. Entrepreneurs are careful in committing resources, preferring calculated rather than reckless risks.

Thus, entrepreneurship development in Rivers State must go beyond external interventions to focus on strengthening internal entrepreneurial characteristics that drive resilience, innovation, and sustained contributions to economic growth.

Recommendations

Based on the findings, the following recommendations are proposed:

Cultivate Self-efficacy: Entrepreneurs should continuously build confidence in their capabilities through training, mentorship, and experiential learning.

Enhance Leadership Skills: Investing in leadership development—such as communication, strategic thinking, and team management—will improve business outcomes.

Adopt Proactive Strategies: Entrepreneurs should actively scan the environment, anticipate opportunities, and leverage first-mover advantages in sectors such as ICT, agribusiness, and renewable energy.

Balanced Risk-taking: Entrepreneurs should adopt calculated risk-taking, using feasibility studies and market research to guide decisions.

Entrepreneurship Training and Capacity-building: State and federal agencies should organise regular programmes on self-efficacy, resilience, and leadership to empower entrepreneurs beyond technical skills.

Infrastructure Development: Improve electricity, transport, and security infrastructure to reduce external business risks.

Policy Consistency: Ensure stable and transparent policies to encourage proactive entrepreneurship and long-term investment.

Financial Support Mechanisms: Expand access to credit through collateral-free loans, guarantee schemes, and digital finance platforms.

Develop risk-sharing schemes that encourage lending to SMEs.

Create tailored products for startups with strong entrepreneurial characteristics, such as leadership and self-efficacy, even if collateral is limited.

Integrate entrepreneurship psychology and leadership modules into university curricula.

Conduct more context-specific research at state and local government levels to inform policies.

Provide mentorship and coaching networks to strengthen entrepreneurial self-belief and leadership.

Support women and youth entrepreneurs with training programmes and incubation hubs.

This study contributes to existing literature and practice in several ways:

Theoretical Contribution: By validating Endogenous Growth Theory and Theory of Planned Behaviour in Rivers State, the study demonstrates how entrepreneurial characteristics, particularly self-efficacy and leadership, influence growth in fragile environments.

Empirical Contribution: Provides empirical evidence from Rivers State, filling the research gap on subnational entrepreneurship studies in Nigeria.

Policy Contribution: Offers practical insights for designing targeted entrepreneurship policies that focus on building entrepreneurial traits alongside structural reforms.

Practical Contribution: Demonstrates to entrepreneurs the importance of psychological traits (self-efficacy, resilience) in overcoming external barriers.

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